

Rec 26/8

Due 23/9

20/012/087

Sue Holliday

From: Barry Garrick <fyi-request-11055-513b04da@requests.fyi.org.nz>
Sent: Monday, 26 August 2019 2:15 PM
To: OIA
Subject: Official Information request - Leadership team

Dear Civil Aviation Authority of New Zealand,

I'd like to request under the OIA any correspondence (including but not limited to texts, messages through messaging apps, letters and emails) between the CAA Board Chair and the Director of Civil Aviation that mentions the Minister of Transport or their office since 1 June 2019 to today (26 August 2019).

Yours faithfully,

Barry Garrick

This is an Official Information request made via the FYI website.

Please use this email address for all replies to this request:
fyi-request-11055-513b04da@requests.fyi.org.nz

Is oia@caa.govt.nz the wrong address for Official Information requests to Civil Aviation Authority of New Zealand? If so, please contact us using this form:
https://fyi.org.nz/change_request/new?body=caa

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If you find this service useful as an Official Information officer, please ask your web manager to link to us from your organisation's OIA or LGOIMA page.

Margaret Ninness

From: Nigel Gould <gould@xtra.co.nz>
Sent: Friday, 19 July 2019 6:21 AM
To: Don Huse; Anna Adams; Harry Duynhoven; Jill Hatchwell
Cc: Graeme Harris
Subject: Letter to Minister..
Attachments: Draft response to 1 July 2019 letter.docx

Good morning all.. something to digest over a morning coffee..

Graeme and I have pondered over the style of response, level of detail, and context etc..

Attached is the current draft for your review. There are several areas requiring better expression, but I am keen to get your views on the general messaging, and to what extent, if any, further comments could be included (or deleted).

We are finalising a draft capture of the Board resolution to circulate asap, and I will be meeting up with Barry Jordan on his return next week for an initial discussion.

I am meeting with Nick Brown at MoT this morning - principally as part of a staff (his) review, but also a general discussion on the "environment"..

Look forward to feedback..

Cheers...Nigel

Nigel J Gould

home/ office 04 499 3768 mobile 021 430 101

fax 04 499 6741
gould@xtra.co.nz

Margaret Ninness

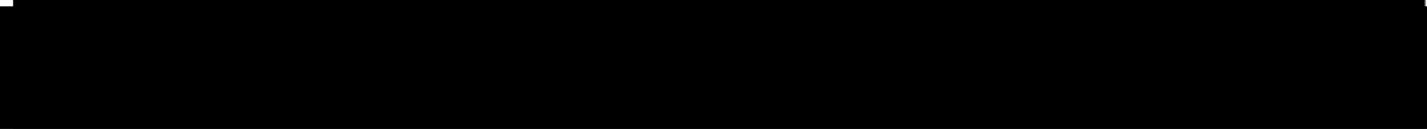
From: Nigel Gould <gould@xtra.co.nz>
Sent: Tuesday, 6 August 2019 4:12 PM
To: Anna Adams; John Kay
Cc: Graeme Harris; Harry Duynhoven; Don Huse; Jill Hatchwell
Subject: Re: DeLoittes and Barry Jordan

Hi Anna.,

i have caught up with John K, and hopefully all is clarified..

Ad earlier indicated, it is the Authority which will engage DeLoittes, but we will add in “ together with such other appropriate expertise as may be determined necessary for a Board perspective to be established “...,

It will be essential that we have a coordinated and integrated work program developed managed through the steering group. Assuming Barry remains available now that his new tertiary role has been announced, it would be good for you and Don to have a direct initial meeting with him provided you and I have clarity on what is proposed..



Tonighg will be interesting, as will tomorrow’s all day session with the Ministry, and then engagement, and dinner, with the Minister..

Life’s never dull.,

Cheers..

Nigel

Margaret Ninness

From: Nigel Gould <gould@xtra.co.nz>
Sent: Monday, 5 August 2019 5:07 AM
To: Mike Richards; Janine Hearn; John Kay
Cc: Graeme Harris; Blake Crayton-Brown
Subject: Re: Sexual harassment at Civil Aviation Authority 'swept under the carpet' - staff | Newshub

Thanks Mike..

I suspect that tonight they could similarly use my comments to make it appear I'm responding to the first instalment.

I'm in the air tonight so will miss it- Keen to see your similar capture later in the evening.. in Auckland for a TEC conference I open tomorrow.

Will look forward to being at the dinner tomorrow night and gauging fallout..

Cheers.. Nigel

On 04 August 2019 at 20:05 Mike Richards <Mike.Richards@caa.govt.nz> wrote:

The link below to the TV3 piece tonight - not very convincing 'from an evidence' perspective.

Quite surprised that Nigel's comments were not used...

I expect we will get some pick up questions from other media tomorrow.

<https://www.newshub.co.nz/home/new-zealand/2019/08/sexual-harassment-at-civil-aviation-authority-swept-under-the-carpet-staff.html>

Cheers,
Mike
Mike Richards
Manager – Communications and Safety Promotion
CAA and Avsec
DDI +64 (04) 560 9577 Mobile +64 (0) 272 220 290
'Safe and Secure Skies to help New Zealand Fly'
www.caa.govt.nz www.avsec.govt.nz

Margaret Ninness

From: Nigel Gould <gould@xtra.co.nz>
Sent: Friday, 2 August 2019 6:34 PM
To: Mike Richards; Janine Hearn; John Kay; Graeme Harris; Blake Crayton-Brown
Subject: Re: Michael Morrah interview

Hi Mike.. thanks..

first response- clearly many (too many) comments made by [REDACTED] which are blatantly incorrect and at odds with what was covered this morning..

I am pleased we have a transcript.

[REDACTED]

We don't know what will appear on Sunday but can assume much of the allegations within this tape will feature.

[REDACTED]

[REDACTED]

thanks for all yours and Blake's input

cheers.. Nigel

On 02 August 2019 at 16:27 Mike Richards <Mike.Richards@caa.govt.nz> wrote:

Hi all,

Here is the audio file of the Minister's interview with TV3 in Auckland at 3:30 pm.

Cheers,

Mike
Mike Richards
Manager – Communications and Safety Promotion
CAA and Avsec
DDI +64 (04) 560 9577 Mobile [REDACTED]
'Safe and Secure Skies to help New Zealand Fly'
www.caa.govt.nz www.avsec.govt.nz

From: [REDACTED]

Sent: Friday, August 2, 2019 4:24 PM

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Margaret Ninness

From: Nigel Gould <gould@xtra.co.nz>
Sent: Friday, 2 August 2019 1:15 PM
To: Mike Richards; Graeme Harris; Janine Hearn
Cc: John Kay
Subject: Re: Believe it or not

Thanks Mike..

I had a call from the Minister at midday - said he was going to Auckland for interview and wanted to know how things were - apparently he was not aware we were "in session" this morning. I said I was comfortable but aware that the beauty would be in the cutting, and outlined the issues. Advised he would get a transcript.

[REDACTED]

How did you go Janine? Anything new emerge?

I enjoyed the chat - hopefully [REDACTED] did too....

Cheers...N

PS If anyone is aware when it is apparently scheduled to air please advise

On 02 August 2019 at 13:00 Mike Richards <Mike.Richards@caa.govt.nz> wrote:


I have been trying to reach our Minister's Press Secretary, [REDACTED] who is enroute to AKL, only to find she is on-board her flight and sitting next to [REDACTED]

Mike Richards | Manager Communications and Safety Promotion


Civil Aviation Authority of New Zealand  Aviation Security Service

Te Mana Rererangi Tūmatanui o Aotearoa | Kaiwhakamaru Rererangi

Communications and Safety Promotion | mike.richards@caa.govt.nz

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Margaret Ninness

From: Nigel Gould <gould@xtra.co.nz>
Sent: Monday, 22 July 2019 3:51 PM
To: Graeme Harris
Subject: RE: RE: Minister letter.. [MC-DMS.FID703124]

Thanks for that .. all go then..

I could call in at 445 if you wanted it autographed..

Cheers.. N

On 22 July 2019 at 15:39 Graeme Harris <Graeme.Harris@caa.govt.nz> wrote:

Hi Nigel

Hopefully finally. I have accepted all the changes from you. I have also adopted Anna's changes on page 5 (highlighted). I have had to reword the proposed changes on page 7 (highlighted) because it was not strictly accurate the way it was. It is now accurate.

Let me know if ok and I will get rid of it to Margaret.

Graeme

From: Nigel Gould <gould@xtra.co.nz>
Sent: Monday, 22 July 2019 2:25 PM
To: Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: Fwd: RE: Minister letter.. [MC-DMS.FID703124]

Hi Graeme..

I am comfortable with the deletion of the first 5 words highlighted.

But my recollection is that our incidence trends reviewed late May clearly disclosed improvement in all areas except helicopters - correct?.

I have no issue with Anna's changes in the final section, but would change "reversing" to "improving"..

Cheers..N



Margaret Ninness

From: Nigel Gould <gould@xtra.co.nz>
Sent: Monday, 22 July 2019 11:00 AM
To: Graeme Harris
Subject: RE: Minister letter..

Most definitely..

I have spoken with [REDACTED] this morning, and confirmed John and I will meet him - probably Wed or Thurs (assuming John is available - he and I should first meet prior)

And also that Anna may have a contribution to make - will discuss further with you when we get a chance.

Thanks for handling the letter - getting comfort around the table has been interesting - look forward to your response.

The resolution is important in getting the correct landing with any potential engagement.

Cheers...N

On 22 July 2019 at 10:25 Graeme Harris <Graeme.Harris@caa.govt.nz> wrote:

Thanks Nigel

I have a couple of comments on the letter I'll get to you soon. Only one significant issue.

I'll get the resolution to you soon – just checking with Margaret's minutes.

Please ensure JK is involved in any meeting with [REDACTED] - he will need to lead the work here so should be in on the engagement from the beginning.

Regards

Graeme

From: Nigel Gould <gould@xtra.co.nz>
Sent: Monday, 22 July 2019 10:13 AM
To: Graeme Harris <Graeme.Harris@caa.govt.nz>
Cc: Don Huse <don.huse@me.com>; Anna Adams <anna.adams@mc.co.nz>; Harry Duynhoven <harry.duynhoven@npdc.govt.nz>; Jill Hatchwell <jill@jillhatchwell.co.nz>
Subject: Minister letter..

Hi Graeme..

after an extended conversation with Don, I attach the amended draft letter to be forwarded to the Minister.

I am comfortable that it captures Board content, but need to ensure that there are no conflicts from your perspective. If you have no further issue would you please arrange the final form of it, and obtain the 2 annexed attachments. I could drop in latter today to sign it off.

Any final draft of the resolution yet available? I am in contact with [REDACTED] today and will liase with John Kay.

Cheers... N

Nigel J Gould

home/ office 04 499 3768 mobile 021 430 101

fax 04 499 6741
gould@xtra.co.nz

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Margaret Ninness

From: Nigel Gould <gould@xtra.co.nz>
Sent: Wednesday, 17 July 2019 10:19 AM
To: Graeme Harris
Subject: RE: Catch up..

Done - see you at 3:00.. N

On 17 July 2019 at 08:39 Graeme Harris <Graeme.Harris@caa.govt.nz> wrote:

Hi Nigel

I've got a gap this afternoon from 3pm to 4 which is probably my preferred option if you can make it. If not, I'm free before 9am tomorrow and flexible Friday morning. Re the draft resolution, that is 2nd on my list after the letter to the Minister which is about half done. The resolution is 2nd priority since the related terms of reference for the use of Barry Jordon can slip slightly since he is currently overseas.

Regards

Graeme

From: Nigel Gould <gould@xtra.co.nz>
Sent: Wednesday, 17 July 2019 5:34 AM
To: Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: Catch up..

Hi Graeme..

thanks for the detailed summary of the result of the restructure review and consultation.

How are you placed either later this afternoon (I fly in circa 2;30), Friday which is fairly flexible, or briefly first thing tomorrow?

Keen to discuss this and the regulatory issues arising out of the meeting, including the draft resolution, and the actions I see we have both taken.

Also how things are processing with the response to Minister..

Cheers.. Nigel

Nigel J Gould

home/ office 04 499 3768 mobile 021 430 101

fax 04 499 6741
gould@xtra.co.nz

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Margaret Ninness

From: Graeme Harris
Sent: Thursday, 20 June 2019 1:46 PM
To: Anna Adams; Don Huse; Jim Boulton; Nigel Gould
Subject: CAA Update

Good afternoon all

Just a heads up on a couple of issues. Firstly, along with a cast of thousands I accompanied the Minister to the Transport Sector Estimates Committee meeting this morning. [REDACTED]

[REDACTED] CAA was not mentioned once and the hearing focussed almost entirely on road and rail issues – with a passing criticism of NZTA on a couple of matters.

Secondly, and more importantly, the Helilogging case is getting murkier by the day. We have been advised just yesterday that the plaintiff has added to their statement of claim – now alleging malice and fraud by a contracted test pilot that the CAA engaged to advise on the Wessex helicopter and a CAA staff member that advised the Director of the time. [REDACTED]

[REDACTED] We are urgently seeking independent advice on this specific issue which I hope to have within the next day or two.

Once I have the independent advice I will send that to you along with correspondence from the insurer's QC. When I do so, I'll identify what I think the critical issues are, provide my perspective and seek your advice on how to proceed.

Regards
Graeme

Margaret Ninness

From: Graeme Harris
Sent: Friday, 21 June 2019 8:23 PM
To: Anna Adams; Don Huse; Jim Boulton; Nigel Gould
Subject: Heads up re adverse media coverage

Good evening all

We learned late yesterday that TV3 was planning some adverse media coverage of the CAA in the near future. A promo was run last night promoting a three-part story which claims it will expose "the cracks and cover-ups in the Civil Aviation Authority".

As the day has gone on it has become clear that the reporter involved - [REDACTED] has been speaking to someone with insider knowledge of our people and processes, who TV3 have dubbed their "secret informant". [REDACTED] tells me that this "informant" is a current staff member.

Both the Minister and I have done interviews with [REDACTED] this afternoon. [REDACTED] the Minister on a couple of occasions as the day progressed. [REDACTED]

It is clear from the questions that both the Minister and I faced that the reporter will put a focus not only on our effectiveness as a regulator, but also on some isolated examples of bullying and harassment within the Authority – probably largely historical. With respect to this last matter the Minister did undertake to have a senior MoT official meet with the informant in confidence (if they were willing to do so) to gain information about allegations of bullying and harassment. As you're aware we have put a great deal of effort in dealing with bullying and inappropriate behaviour in the organisation through our Diversity and Inclusion initiative so I'd be surprised if that went anywhere. I was also questioned on a 2010 case in which it was alleged a Wanaka flight instructor sexually molested a female student but after investigating and consulting with the Crown Solicitor the CAA did not prosecute or take administrative action against the instructor.

Regards
Graeme

Margaret Ninness

From: Graeme Harris
Sent: Tuesday, 25 June 2019 8:25 AM
To: Anna Adams; Don Huse; Jim Boulton; Nigel Gould
Subject: RE: Board agenda item for 10 July 2019 independent evaluation of regulatory performance [MC DMS.FID703124]

Good morning all

The topic is probably best addressed at a meeting rather than by email but I do have some essential context that I'll provide as soon as I have a moment. I'm not at all opposed to Anna's proposal – it is more about timing, messaging and what else is going on.

Regards

Graeme

From: Graeme Harris [<mailto:Graeme.Harris@caa.govt.nz>]
Sent: Wednesday, 22 May 2019 4:53 p.m.
To: Anna Adams; Don Huse; Grant Lilly; Jim Boulton; Nigel Gould
Subject: RE: CAA statements for Chancellor Shelf crash media conference

No problem.

You can find the two briefings to the Minister that I refer to below and my submission to TAIC together in the Diligent Resource Centre. Look in the 'Other correspondence with the Minister and Ministry (incl ad hoc briefings to the Minister)' folder. It is the 16th from the top in my unfiltered list of folders. Once you are in that folder, "Fox Glacier Accident (November 2015)" is three from the top of my list. The three documents are in there. My understanding is that when Margaret loads the documents she advises the Board that she has done so and their location.

As for the draft TAIC report, there is little point in seeking TAIC response to share it with you now. Two reasons for that; the draft is littered with errors and more importantly, the final report will be available on the TAIC website tomorrow or the next day. While I haven't read the final report yet I'm informed that it still contains some errors but nothing for us to die-in-a-ditch about. Agreed re providing the PWC report to the Board – in fact I have committed to making it public in some form. We are still working through how we do that – likely in summary form with the operator details redacted. You'll see that there is a summary of sorts in the May briefing to the Minister.

Regards
Graeme

Margaret Ninness

From: Graeme Harris
Sent: Tuesday, 2 July 2019 5:04 PM
To: NIGEL J GOULD
Subject: RE: Letter from Hon Phil Twyford, Minister of Transport

Keen to catch up at the first opportunity! Tues morning will work for me. Would also prefer a one-on-one with you at some stage.

You won't be looking forward to being back as much as I am to having you back.

Graeme

From: NIGEL J GOULD <xtr193933@xtra.co.nz>
Sent: Tuesday, 2 July 2019 4:37 PM
To: Don Huse <don.huse@me.com>; Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: Fwd: Letter from Hon Phil Twyford, Minister of Transport

Thanks Don ...

While I agree that this is a very important issue, I remain equally focused on keeping it in perspective of where the real concerns lie; from whom (and why) they are being raised; and how aligned are they with Board and management actions already in play.

Agree with interim acknowledgement. I get back next weekend, but are committed in Hamilton from Sunday through Monday with TEC Board. How are you both placed for a session on Tuesday- preferably in the morning , to consider Graeme's draft response and advice to Board?

I have views on issues related to MoT, and also on how our response to the Minister will be actioned,

I am also mindful of sector contribution to the issues, and where and why apparent concern rests. I some time ago offered to [REDACTED] to be available to contribute to their forthcoming annual conference- partially recognising that Graeme was unable to attend- but have received no response.

I am keen to see a proactive, reality based, and positive coordinated sector engagement strategy developed, and delivered. I am also mindful of the depth in some areas of strong support for the CAA.

Harry and Jill will be excited to be joining us at this time, Keen to get your views on the Ministry induction- our board meeting next week will provide good timing to flesh out the reality....

Very much looking forward to being back..

Cheers- and again a big thanks for filling in the void..

Nigel



Margaret Ninness

From: Graeme Harris
Sent: Tuesday, 2 July 2019 5:06 PM
To: NIGEL J GOULD; Don Huse
Subject: RE: Letter from Hon Phil Twyford, Minister of Transport

Good afternoon both. I can make any time Tues morning work.
Graeme

From: NIGEL J GOULD <xtr193933@xtra.co.nz>
Sent: Tuesday, 2 July 2019 4:37 PM
To: Don Huse <don.huse@me.com>; Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: Fwd: Letter from Hon Phil Twyford, Minister of Transport

Thanks Don ...

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Very much looking forward to being back..

Cheers- and again a big thanks for filling in the void..

Nigel

----- Original Message -----

From: Donald Huse <don.huse@me.com>
To: Nigel Gould <gould@xtra.co.nz>, Adams Anna <anna.adams@mc.co.nz>, harry.duynhoven@npdc.govt.nz, jill@jillhatchwell.co.nz

Margaret Ninness

From: Graeme Harris
Sent: Monday, 19 August 2019 2:19 PM
To: Nigel Gould (gould@xtra.co.nz)
Subject: FW: Aviation Security Services Issue - in-confidence

Hi Nigel

Heads up to the Minister's office re Avsec matters that I forget to copy you on last night when I sent it. [REDACTED]

[REDACTED] The primary responsibilities here are ours and the MoT cannot meet them on our behalf.

Regards
Graeme

From: Graeme Harris
Sent: Sunday, 18 August 2019 5:11 PM
To: [REDACTED]
Cc: Janine Hearn <Janine.Hearn@caa.govt.nz>; Mark Hughes <Mark.Hughes@caa.govt.nz>
Subject: Aviation Security Services Issue - in-confidence

Hi [REDACTED]

The following is for the information of the Minister and provides a heads up on an issue I am currently managing. The Minister will be provided with a more formal briefing in due course – once I have something more substantive to report.

Background / Summary of Issues

- Earlier this week, at their request, [REDACTED] They raised with me a range of both specific and generic allegations about the management and leadership of parts of the Aviation Security Service (Avsec) and asked that I investigate those allegations.
- The majority of the specific allegations are focused on the [REDACTED] and can be classified as:
 - Inappropriate behaviour and bullying by a range of people, predominantly in leadership roles in both the [REDACTED] base.
 - Ineffective leadership and management, manifesting in lack of action when concerns regarding inappropriate behaviour/bullying are raised, poor/inappropriate decision-making, bias in appointment processes, questionable procurement practices, and inequitable treatment of staff.
 - [REDACTED]

• [REDACTED]

- [REDACTED]
- There are a number of Avsec managers named in the specific allegations.

Context

[REDACTED]

Further note that while the provisions of the Civil Aviation Act require the day-to-day operations of the Aviation Security Service to be conducted separately from those of the rest of the Authority I, and the Board, are satisfied that it is properly within my purview as the Authority’s chief executive (as opposed to exercising regulatory powers as the Director of Civil Aviation) to deal with the complaints/allegations made.

Response Action underway

The specific allegations can be clustered into three categories, which require different responses, in part because of the nature of the issues but also in part because of the urgency with which some of the allegations must be dealt with, and the level of specificity in the allegations. Decisive and comprehensive investigation of the issues will help create a level of trust among staff that the allegations are being taken seriously. By doing this we intend to reinforce an environment where staff are willing to come forward with issues [REDACTED]

Allegations	Action taken / underway
[REDACTED]	[REDACTED]
Specific allegations of bullying and inappropriate behaviour against named individuals.	Investigation by independent external investigator, David Laurenson QC, with outcomes to feed into a broader review of leadership and management of the [REDACTED] and, where appropriate, disciplinary processes which should be handled outside of direct Avsec line management. Initial discussions with David Laurenson QC have been held to determine his availability to undertake both this work and the work referred to below, potentially supplemented by additional external expertise to ensure timely investigation of all of the specific allegations. It is expected that appointments for both the independent investigations and the external review detailed below will be made next week.
Allegations of inappropriate/ineffective/poor management and leadership behaviour and decision-making at both [REDACTED]	Independent external review of management and leadership of the [REDACTED] A broad, wide-ranging review that involves interviews with staff, team leaders and managers and considers all aspects of management decision-making and staff treatment, including the specific allegations made in relation to appointment processes, procurement practices, sourcing of dogs, and inconsistent treatment of staff.

As indicated above, this work will either be undertaken in parallel with the narrower investigation of specific allegations regarding bullying and inappropriate behaviour in order to let that work proceed at a faster pace, or grouped into one comprehensive investigation. Immediate action is being taken to ensure staff safety in the event that the allegations are proven.

Other actions:

- The Board has been fully briefed on the allegations and supports the action underway in response.
- Further implementation of the current [REDACTED] has been suspended until the investigations that have been initiated are completed.
- The two staff that raised their concerns have been advised that the above action is underway.

Difference(s) compared to recent media coverage of the CAA.

[REDACTED]

The allegations made by the [REDACTED] largely deal with issues that the Authority has not previously been advised of. Now that it is aware, it is thoroughly investigating the concerns utilising a respected independent party. It will also provide support and protection to the staff members raising their concerns.

[REDACTED]

Contact during the next week.

Unfortunately, I am currently overseas on business and will not be in the office until Monday 26 August. I have directed Janine Hearn (CAA GM Organisational Development) to manage this issue in my absence. I have copied her on this email in case you wish to discuss the issue with her or obtain additional information.

Regards
Graeme

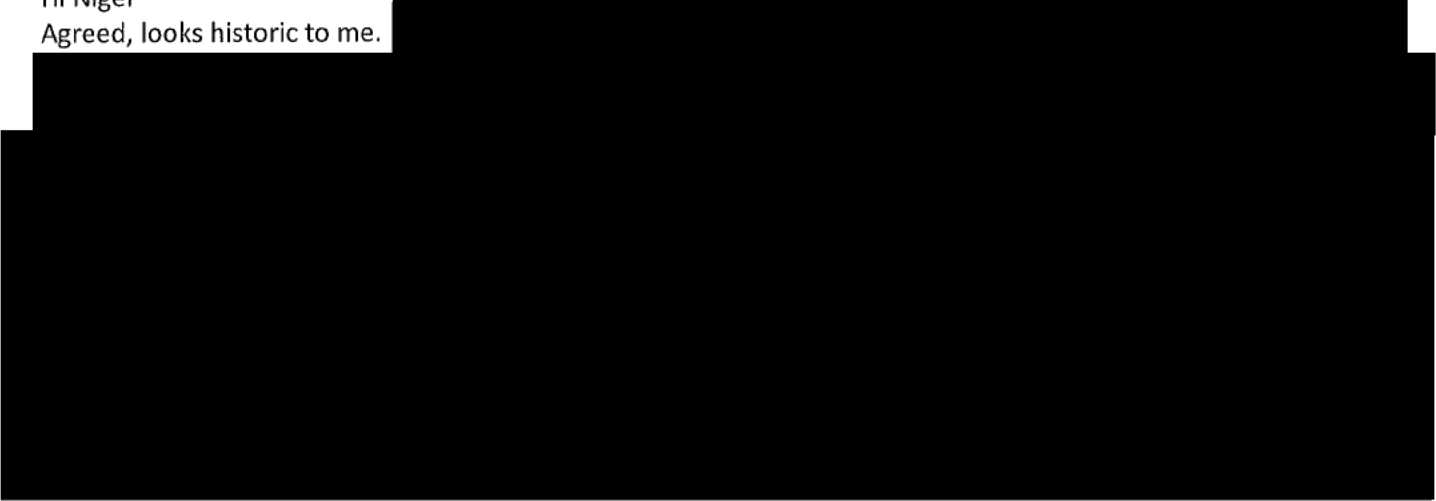
Graeme Harris
Chief Executive / Director of Civil Aviation
Civil Aviation Authority of New Zealand
Level 15 Asteron Centre | 55 Featherston Street | PO Box 3555 | Wellington | 6011 | New Zealand
(DDI) +64 (4) 560 9404 | (EA) +64 (4) 560-9405

Margaret Ninness

From: Graeme Harris
Sent: Wednesday, 31 July 2019 6:28 PM
To: NIGEL J GOULD; Nigel Gould (gould@xtra.co.nz)
Subject: RE: Re: TV3 - CAA

Hi Nigel

Agreed, looks historic to me.



Unfortunately, I am not available for an interview tomorrow but I'll see what I can do to organise someone from the senior management team to talk with you.

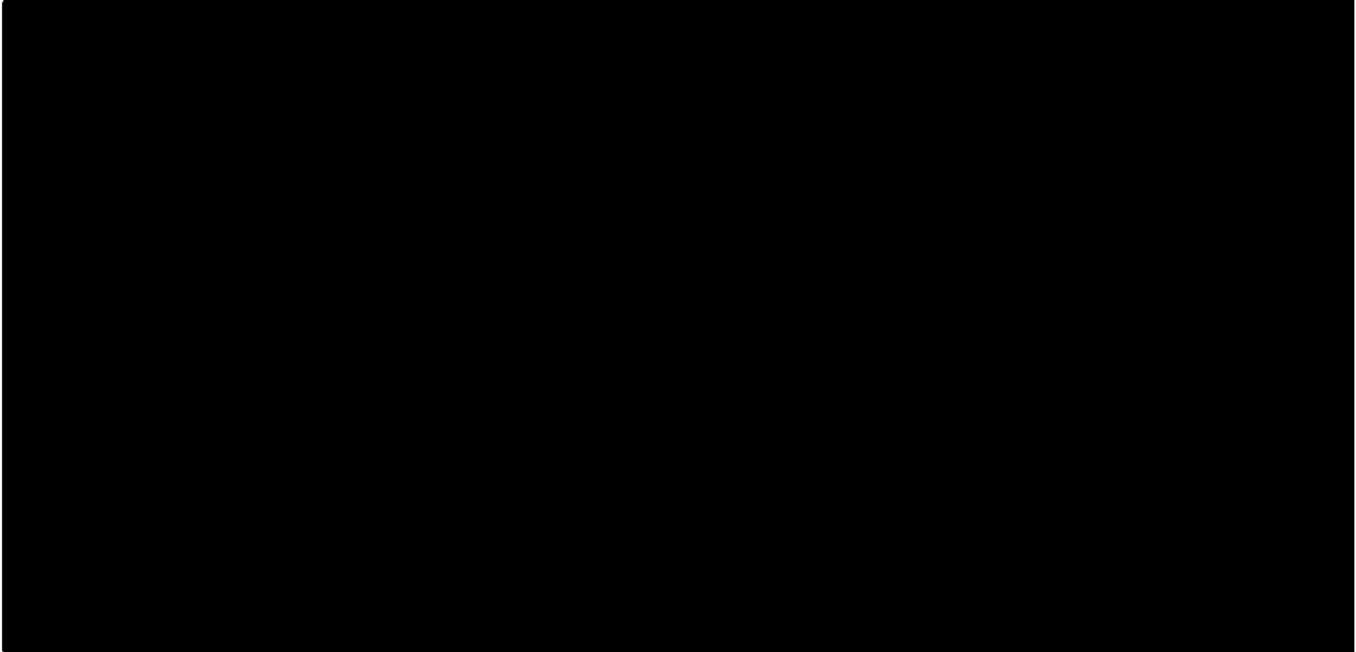
Regards

...

From: NIGEL J GOULD <xtr193933@xtra.co.nz>
Sent: Wednesday, 31 July 2019 5:10 PM
To: Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: Fwd: Re: TV3 - CAA

- and the response...

It appears to be quite historic- any thoughts? N



Margaret Ninness

From: Graeme Harris
Sent: Tuesday, 2 July 2019 8:17 PM
To: NIGEL J GOULD
Subject: Catch up next week

Hi Nigel

8:30 next Tues is fine by me. I note that Don has responded saying he will move his flight forward to arrive in WN about 0905 – thus available for a meeting around 0945-1000.

I have a meeting with the Minister at 2:30pm Monday but that is with ALPA present so no good for us to speak with him. Apart from that, the next scheduled meeting isn't until 10 September. We can try to organise something once you're back. I'd suggest we co-ordinate with the response to his letter – try to get in front of him a couple of days after he gets our response and has had a chance to read it.

[REDACTED]
[REDACTED] if
you haven't seen the correspondence, let me know and I'll cut out the relevant bits and send it through to you. No comment on MoT and Nick except to say that Peter Mersi and Kirstie have been helpful.

Best regards
Graeme

From: NIGEL J GOULD <xtr193933@xtra.co.nz>
Sent: Tuesday, 2 July 2019 5:39 PM
To: Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: RE: Letter from Hon Phil Twyford, Minister of Transport

Hi Graeme..

appreciate the sentiment..

Strangely- looking forward to getting back into top gear..

How about an early coffee Tuesday- off-site?

Mindfull of the full agenda in Hamilton, say 8:30, or any time after...?

[REDACTED]
I am keen for us both to meet the Minister [REDACTED] When is the next mtg scheduled? And where is Nick in all this?

Enjoy the rest of the week...

Cheers.. Nigel

On 02 July 2019 at 17:04 Graeme Harris <Graeme.Harris@caa.govt.nz> wrote:

Margaret Ninness

From: Graeme Harris
Sent: Wednesday, 3 July 2019 9:04 AM
To: NIGEL J GOULD
Subject: Read this one first

Hi Nigel

Start at the bottom and work your way up. | [REDACTED]

Regards
Graeme

From: Anna Adams <Anna.Adams@mc.co.nz>
Sent: Tuesday, 25 June 2019 2:07 PM
To: Don Huse <don.huse@me.com>; Jim Boulton <jim@boulton.co.nz>; Nigel Gould <ngould@xtra.co.nz>
Cc: Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: RE: Board agenda item for 10 July 2019 - independent evaluation of regulatory performance [MC-DMS.FID703124]

Kind regards,

Anna

Anna Adams
Partner
DDI: +64 9 336 7508
www.mc.co.nz

**MEREDITH
CONNELL**

—
THE LAW FIRM.

EXPERT KNOWLEDGE APPLIED.

From: Donald Huse [<mailto:don.huse@me.com>]
Sent: Tuesday, 25 June 2019 9:17 a.m.
To: Jim Boulton
Cc: Nigel Gould; Anna Adams; Graeme Harris

Subject: Re: Board agenda item for 10 July 2019 - independent evaluation of regulatory performance [MC-DMS.FID703124]

Confidential

[REDACTED]

[REDACTED]

Graeme, happy to discuss further, perhaps most usefully after you hear from [REDACTED]

Best,

Don

Sent from my iPhone

On 25/06/2019, at 8:18 AM, Jim Boulton <jim@boulton.co.nz> wrote:

Thanks

My input on this is largely irrelevant, given I'm off the team effective Sunday.

[REDACTED]

Kind regards

Jim Boulton ONZM
Level 2 Shotover Chambers
7 Shotover Street Queenstown
E: jim@boulton.co.nz
P: +64 3 441 2100
M: +64 274 801 201

From: Donald Huse <don.huse@me.com>
Sent: Tuesday, 25 June 2019 1:25 AM
To: Nigel Gould <gould@xtra.co.nz>; Adams Anna <Anna.Adams@mc.co.nz>; Jim Boulton <jim@boulton.co.nz>; Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: Re: Board agenda item for 10 July 2019 - independent evaluation of regulatory performance [MC-DMS.FID703124]



Confidential
=====

Greetings Colleagues

1. Anna, thanks for your email today/yesterday.

3. I offer the following comments:

(a.) At the board meeting on 29 May, the board considered a report from Graeme and Janine, entitled "Independent review of surveillance activity". Subject to checking the as yet unconfirmed minutes, the board noted the PwC report (dated 8 May 2019); the work plan underway since 2017 to drive a step change in regulatory practice and performance; and, that a comprehensive update on this regulatory programme would be provided to the board at its July 2019 meeting.



4. All of the above said, it is readily acknowledged that management has made a great commitment to this project...and that the profound changes involved, bring with them, real challenges, especially where people and organisational impacts are concerned. These sort of projects are not for the faint hearted !! In this regard I attach a quote I was given back in the late 1980's when, as a newly minted CEO, I was undertaking my first heavy duty organisational change programme. Its the truth...

Let's discuss in the next day or so. And...I imagine this is something our Minister is currently giving a lot of thought to.

Best,

Don

On 24/06/2019, at 7:28 PM, Anna Adams <Anna.Adams@mc.co.nz> wrote:

Confidential

Dear Board members,

I appreciate that both our chair Nigel Gould and our very new appointee Harry Duynhoven are away overseas on leave, and we have Jill Hatchwell scheduled to join the board next month.

However in light of the TV3 reporting last night – with more to come – and the *Herald* article also yesterday (https://www.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=12242810), I have reflected on matters. The *Herald* article included the following quote of the Minister:

Transport Minister Phil Twyford told the Herald the CAA had made "significant" improvements in regulatory surveillance since the Fox accident but he expected improvements.

"Safety is our Government's top transport priority and I expect CAA to continue to lift its performance. I have asked the board to focus on regulatory performance over the coming year."

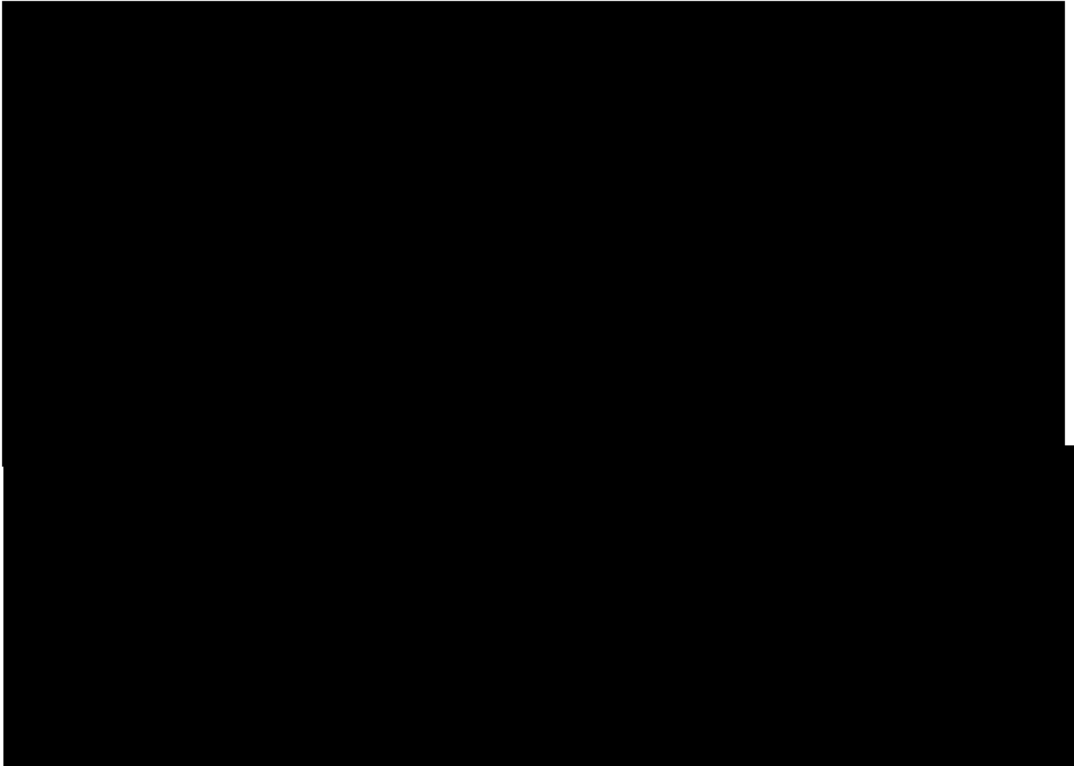
Two board members, Jim Boulton and Grant Lilly, have finished their terms and have been replaced by Jill Hatchwell, who has a strong aviation background and has served on the board of Vincent Aviation, and former Labour MP and Transport Safety Minister Harry Duynhoven.

"When considering who I appoint to boards I consider a wide range of factors, including the skills and experience that current members hold and who would best complement these skills. I am confident the members I have recently appointed to the CAA board will bring skills that will complement and strengthen the existing membership," Twyford said.

[...]

The authority has been subject to auditor general inquiries previously which have made a long list of recommendations, and Twyford said he saw no need for a fresh inquiry.

"There is no reason to believe an inquiry is warranted. The CAA brought in PwC to undertake an independent review to establish whether these improvements have been effective, and I am reassured that PwC has found this to be the case."





Kind regards,

Anna Adams
Partner
DDI: +64 9 336 7508
www.mc.co.nz

<image001.png>

<image002.png>

From: Anna Adams
Sent: Monday, 27 May 2019 11:29 p.m.
To: 'Graeme Harris'; Nigel Gould
Cc: Don Huse; Grant Lilly; Jim Boulton
Subject: RE: CAA statements for Chancellor Shelf crash media conference [MC-DMS.FID703124]

Dear Nigel and Graeme,

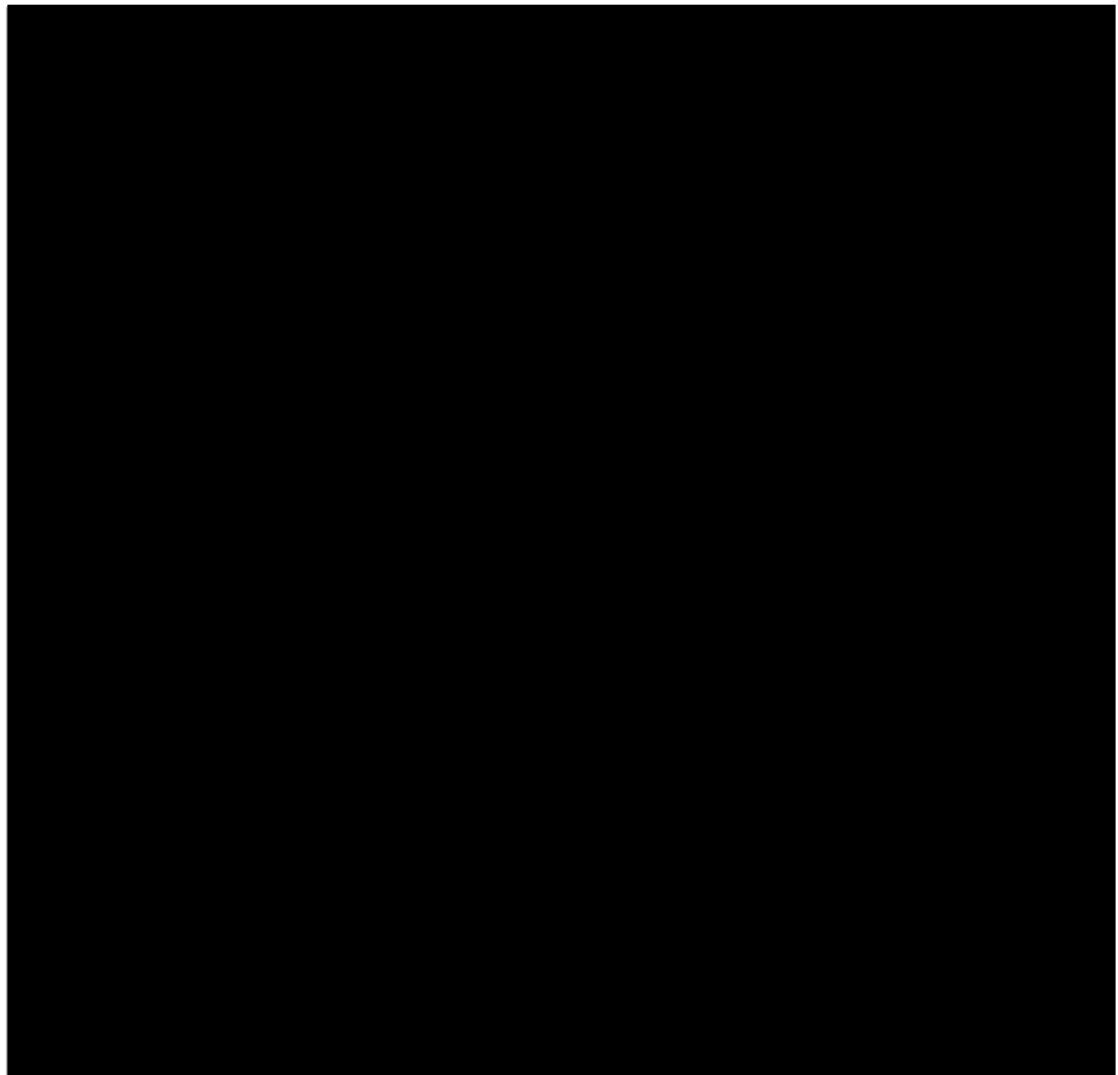
Thank you both for your emails.

I have now had an opportunity to read the TAIC report on the 2015 Fox Glacier crash (as publicly released last week) and more carefully the briefings from the CAA to the Minister in February and May this year, plus PWC's review of CAA management of aviation-related concerns (which the Board Risk and Assurance committee saw in February this year) and PWC's report on 2014-2018 surveillance findings stimulated by the TAIC Fox Glacier crash (which we have received last

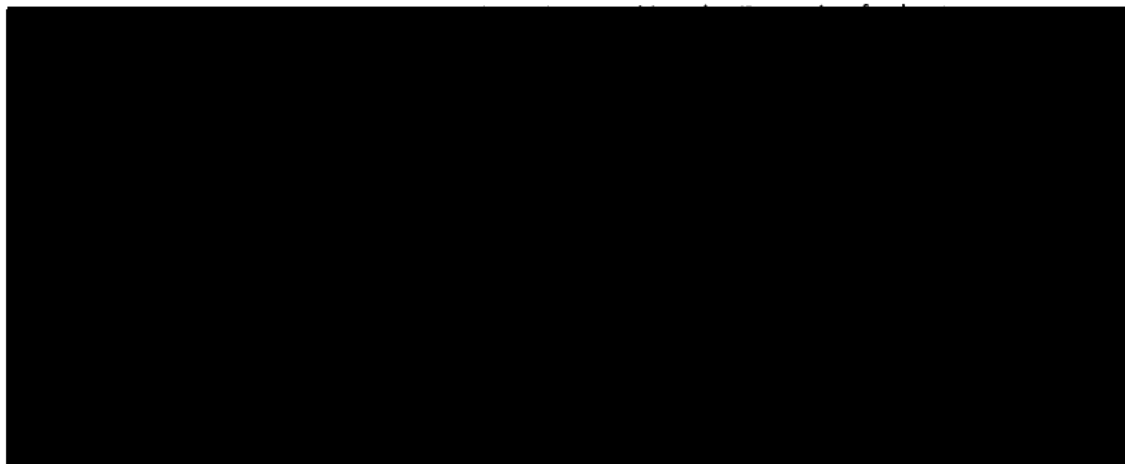
week). I have also gone back and looked at our 2017-2018 Annual Report Output Class reporting and our latest Statement of Performance Expectations for 2018-2019.



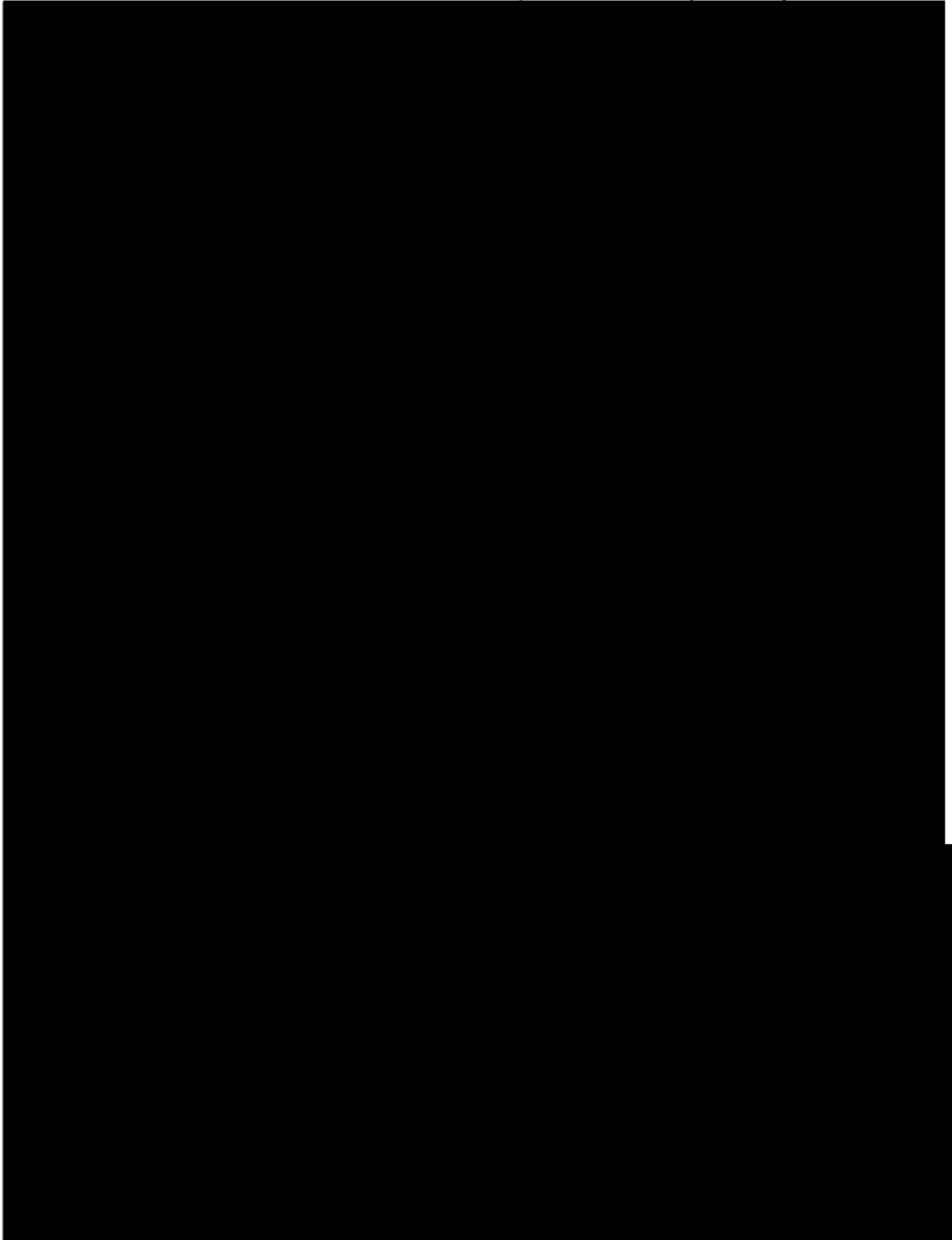
A. The Board's role in oversight and governance of the CAA's regulatory performance



B. The CAA's evaluation and measurement of its regulatory performance



3- Qualitative assessments of regulatory effectiveness (follow ups of audit



Kind regards,

Anna

Anna Adams

Partner

DDI: +64 9 336 7508

www.mc.co.nz

Margaret Ninness

From: Graeme Harris
Sent: Wednesday, 3 July 2019 9:28 AM
To: NIGEL J GOULD
Subject: Read 2nd - my response/comments

Hi Nigel
This pretty much stands as my current view although I'll do some more thinking prior to our meeting. It is also worth noting that the Minister did not go so far as to explicitly ask for us to provide assurance around our regulatory functions – rather he just asked for an explanation of some of the findings of the PwC work – which we can provide. It may be that improved reporting on the effectiveness of the RCP is at the heart of this issue. I have currently got people thinking of better measures in that regard.
Graeme

From: Graeme Harris
Sent: Tuesday, 25 June 2019 9:23 PM
To: Anna Adams <anna.adams@mc.co.nz>; Don Huse <don.huse@me.com>; Jim Boulton <jim@boulton.co.nz>; Nigel Gould <gould@xtra.co.nz>

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

[Redacted]

- [Redacted]

- [Redacted]
 - [Redacted]
 - [Redacted]

[Redacted]

Margaret Ninness

From: Graeme Harris
Sent: Wednesday, 31 July 2019 4:58 PM
To: NIGEL J GOULD
Subject: RE: Re: TV3 - CAA

Thanks. [REDACTED]
Graeme

From: NIGEL J GOULD <xtr193933@xtra.co.nz>
Sent: Wednesday, 31 July 2019 4:51 PM
To: Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: Fwd: Re: TV3 - CAA

As discussed..

[REDACTED]

Look forward to further background..

Cheers.. N

----- Original Message -----

From: Nigel Gould <gould@xtra.co.nz>
To: [REDACTED]
Date: 31 July 2019 at 16:46
Subject: Re: TV3 - CAA

Hi [REDACTED]

appreciate your ongoing interest in the CAA, but as discussed I have little awareness of the background regarding the 4 specific interviews you have undertaken- nor I gather have they been raised within the Authority.

Is there anything you can share to enable me to better understand what is being said?

As discussed with you, the Authority has, particularly over the past 2 years, significantly expanded the support capability able to be accessed by staff, and upgraded staff training in all areas of relevant staff culture. Information we as a board have had, and feedback that I have received, gives me considerable comfort that these programs have been well received and have contributed to a material improvement in the staff environment.

I remain concerned that some individuals feel unable to participate in our formal confidential programs of staff support that are available, and will follow up on this.

At this point I am unavailable for interview.

Nigel

[REDACTED]

Hi Nigel,

[REDACTED] here from TV3's Newshub.

I was hoping we might be able to arrange an brief interview with you to address some concerns about CAA culture and leadership.

I have interviewed four people - all are either current or recently departed staff at the CAA. These people have concerns about complaints of bullying and sexual harassment being covered up, and not addressed by the CAA's senior leadership team.

I have also obtained under the Official Information Act a letter you wrote to Minister Twyford in 2018. This letter was a response to a complaint you, Graeme Harris, and the Minister had been sent, which again claimed sexual harassment and bullying was "openly tolerated". This letter also contained evidence to support the claims.

The letter's author (who I assume is now former CAA) believed an independent investigation into the CAA was needed to address the issues. However, you told the Minister that wasn't needed because of the work that was already underway into diversity.

So we'd be keen to get your insights into what, if anything, is being done to address such issues, to understand what the diversity strategy aims to achieve. And I would also like to know whether the CAA's Board as full confidence in Greame Harris and the leadership team. As you'll appreciate, we have now had multiple current CAA employees who have told me serious issues still exist.

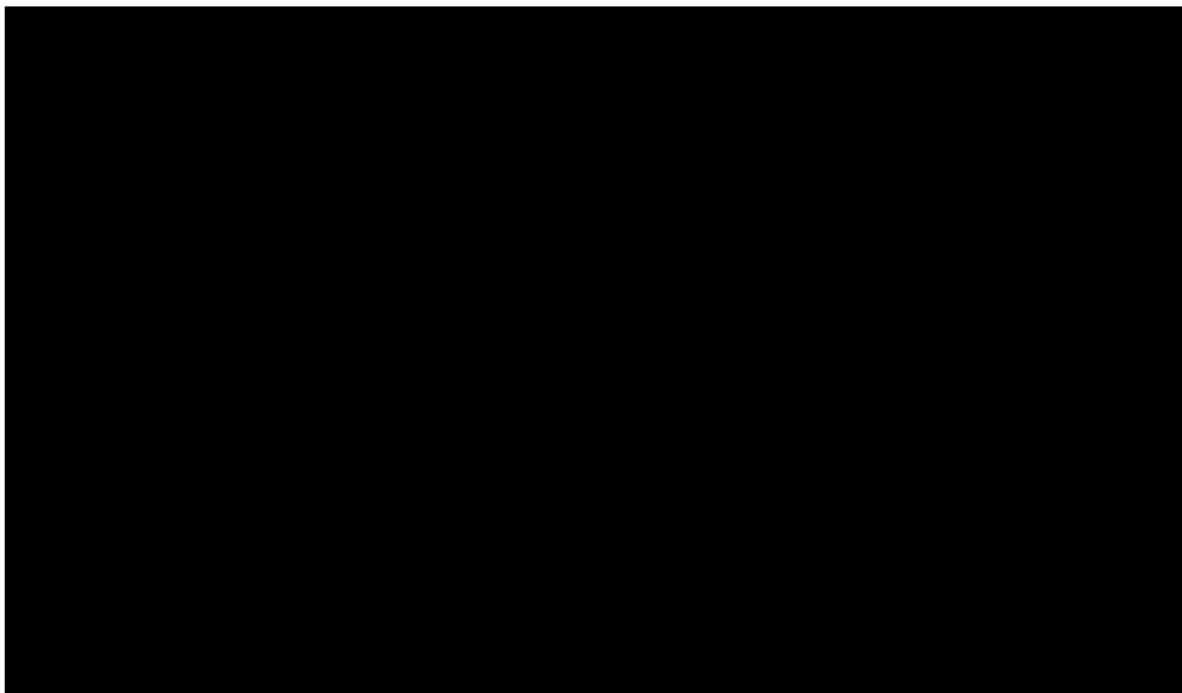
I believe this is important given the safety role the CAA plays, and we'd like to speak with you if possible to understand whether you or the Board have any concerns. Please feel free to give me a call on my mobile [REDACTED] you'd like to have a background, off the record chat.

Many thanks,

[REDACTED]

--

[REDACTED]



Margaret Ninness

From: Graeme Harris
Sent: Wednesday, 31 July 2019 9:22 PM
To: NIGEL J GOULD
Subject: RE: Re: TV3 - CAA

Thanks Nigel. Appreciated. Let me know if you get a response to your queries. Sorry to hear about the car problems.
Graeme

From: NIGEL J GOULD <xtr193933@xtra.co.nz>
Sent: Wednesday, 31 July 2019 8:39 PM
To: Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: Fwd: Re: TV3 - CAA

.. and again.. enjoying a night in Taihape courtesy of a car breakdown.. not many BMW dealers here.. not sure of plans for tomorrow!

Hopefully Janine gets an opportunity in front of the camera.. keep me posted..

Cheers., N

----- Original Message -----

From: Nigel Gould <ngould@xtra.co.nz>

[REDACTED]
Date: 31 July 2019 at 20:34
Subject: Re: TV3 - CAA

Hi [REDACTED]

enjoying a night in Taihape- a first!

Forgot the questions..

Re the first complaint.. obviously this was unfortunate and should not happen. It would be useful to understand the facts. What year did this occur? How was the manager "protected"? Staff who make a complaint are always advised the outcome of the investigation (often external) - whether the complaint was upheld or not.. do you know the outcome?

Re the second.. again, when did this occur? Can you confirm that an investigation was underway when the manager resigned?

Regarding the counselling suggestion, I understand that this is standard practice for supporting a person in a bullying or harassment incident.

Hopefully more extensive background will be covered tomorrow.

Cheers (again) .. Nigel

On 31 July 2019 at 17:03 [REDACTED]

Hi Nigel,

Here's some further information that might help.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

You are obviously privy to feedback that I have not seen. Like I mentioned, recent staff feedback to the executive team that I have seen state that at least some staff "don't trust the process" to approach their managers to complain as they don't believe action will be taken. It also shows bullying remains an issue.

We would certainly appreciate your input on this matter and I'm available to head down your way tomorrow. We would like the opportunity to reflect your points about the good work done on diversity and inclusion, and to understand what concerns, if any, you have.

Let me know if you reconsider the offer to meet up for a chat.

Regards,

[REDACTED]

On Wed, 31 Jul 2019 at 16:46, Nigel Gould <gould@xtra.co.nz> wrote:

Hi [REDACTED]

appreciate your ongoing interest in the CAA, but as discussed I have little awareness of the background regarding the 4

specific interviews you have undertaken- nor I gather have they been raised within the Authority.

Is there anything you can share to enable me to better understand what is being said?

As discussed with you, the Authority has, particularly over the past 2 years, significantly expanded the support capability able to be accessed by staff, and upgraded staff training in all areas of relevant staff culture. Information we as a board have had, and feedback that I have received, gives me considerable comfort that these programs have been well received and have contributed to a material improvement in the staff environment.

I remain concerned that some individuals feel unable to participate in our formal confidential programs of staff support that are available, and will follow up on this.

At this point I am unavailable for interview.

Nigel

On 31 July 2019 at 10:42 [REDACTED]

[REDACTED] wrote:

Hi Nigel,

[REDACTED] here from TV3's Newshub.

I was hoping we might be able to arrange an brief interview with you to address some concerns about CAA culture and leadership.

I have interviewed four people - all are either current or recently departed staff at the CAA. These people have concerns about complaints of bullying and sexual harassment being covered up, and not addressed by the CAA's senior leadership team.

I have also obtained under the Official Information Act a letter you wrote to Minister Twyford in 2018. This letter was a response to a complaint you, Graeme Harris, and the Minister had been sent, which again claimed sexual harassment and bullying was "openly tolerated". This letter also contained evidence to support the claims.

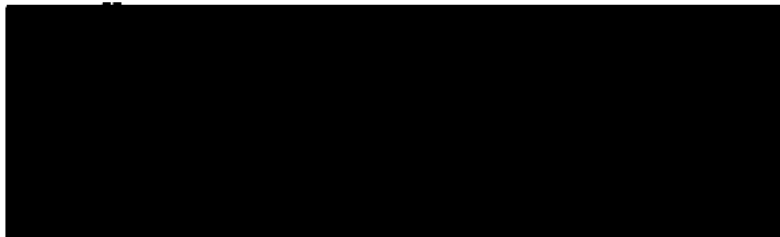
The letter's author (who I assume is now former CAA) believed an independent investigation into the CAA was needed to address the issues.

However, you told the Minister that wasn't needed because of the work that was already underway into diversity.

So we'd be keen to get your insights into what, if anything, is being done to address such issues, to understand what the diversity strategy aims to achieve. And I would also like to know whether the CAA's Board has full confidence in Greame Harris and the leadership team. As you'll appreciate, we have now had multiple current CAA employees who have told me serious issues still exist.

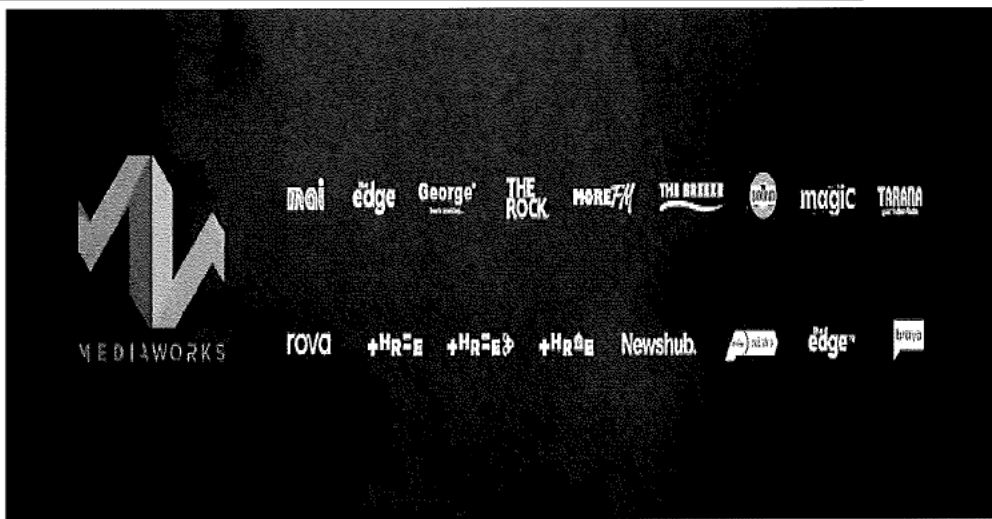
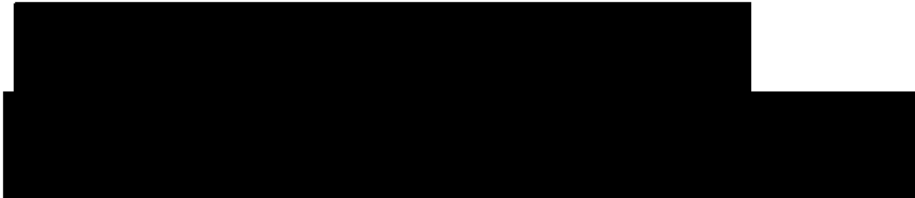
I believe this is important given the safety role the CAA plays, and we'd like to speak with you if possible to understand whether you or the Board have any concerns. Please feel free to give me a call on my mobile [REDACTED] if you'd like to have a background, off the record chat.

Many thanks,
[REDACTED]



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Thank you.

Margaret Ninness

From: Graeme Harris
Sent: Tuesday, 18 June 2019 3:28 PM
To: Nigel Gould (gould@xtra.co.nz)
Subject: H&S Committee Chair July

Hi Nigel

I hope the trip is going well. All is quiet here. I'll be accompanying the Minister to the Transport Sector Estimates Committee hearing on Thursday [REDACTED]

It just occurred to me that with Jim's departure, we won't have a chair for the H&S Committee meeting on 10 July. Any thoughts on how you want to play that? - do it yourself, or get Anna to fill in as an interim measure? We'd generally prefer to know in advance so we can ensure they are happy with the proposed agenda. Obviously happy to assist by facilitating whatever you want to do.

No rush but let me know what you think.

Regards
Graeme

Margaret Ninness

From: Graeme Harris
Sent: Thursday, 18 July 2019 3:03 PM
To: Nigel Gould (gould@xtra.co.nz)
Subject: Draft Response to the Minister - in-confidence
Attachments: Draft response to 1 July 2019 letter.docx

Importance: High

Hi Nigel

Apologies for the delay in getting this to you. I acknowledge that the draft is long but in my view there is not too much we could cut out. For the purposes of the letter, I think I have accurately captured the resolution of the Board at its last meeting regarding the work to improve reporting – see the last paragraph before the ‘Summary’ heading on page 6. While I suspect that some Board members will want to change this considerably, I think it is appropriately pitched for the Minister and would not want to see too much change to it. Your call obviously in that regard.

As discussed yesterday I’ll leave you to circulate to the Board members as you consider necessary seeking their acceptance of the content. If you want to make any changes before circulating, I’m happy to assist in that regard. As discussed, my preference was to get it across the road late tomorrow but your call.

Once you have a final copy that you’re happy with – or have comments for change you want me to make – let me know and we will add the Annex and your signature and dispatch.

Regards
Graeme

Margaret Ninness

From: Nigel Gould <gould@xtra.co.nz>
Sent: Tuesday, 30 July 2019 9:33 AM
To: Graeme Harris
Subject: Re: Minister's response to CAA survey

Encouraging..

couldn't see the first page, and not fully decipher the writing, but got the message.

Now await the response to our letter..

Just noted our meeting at 11:00.. no agenda, just a scene setter. Will see what plays out..

Cheers.. N

On 30 July 2019 at 08:20 Graeme Harris <Graeme.Harris@caa.govt.nz> wrote:

Hi Nigel. See attached just for info. The Minister seems satisfied with the standard of servicing he gets from us. [REDACTED]

Graeme

From: [REDACTED]
Sent: Monday, 29 July 2019 3:00 PM
To: Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: Reply to your recent letter

Dear Graeme

Pease find attached a reply to your questionnaire from Hon Phil Twyford.

Kind regards

Nicola Whale

Private Secretary Support (Transport)

Office of Hon Phil Twyford | Minister of Transport

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Quality of Ministerial Servicing Provided by the CAA for 2018/19

OUTPUT 1.2 Ministerial Servicing

This output class relates to the delivery of Ministerial services, such as Parliamentary Questions, briefings and responses to agency Ministerials.

Target: Reports, correspondence and Parliamentary Questions acceptable to the Minister (assessed by bi-annual survey) based on a scale of 'exceeded expectations', 'met expectations' or 'requires improvement'

Overall, how would you rate the CAA's performance in relation to *Output 1.2 Ministerial Servicing*?

1. Exceeded expectations
2. Met expectations
3. Requires improvement

Comments: (please provide any feedback that supports your assessment)

In general I find CAA's servicing very good & timely, comprehensive & affirmative.

Ministerial correspondence (draft responses provided)

Please provide any general comments about Ministerials prepared by the CAA.

M190145: ADS-B for drones: [REDACTED]

M190149: Concerns on helicopters and airplanes flying near her house: [REDACTED]

M180081: Further advice on confiscated ski boot warmer batteries: [REDACTED]

M190244: Duty of care: [REDACTED]

M190519: Helicopter pilot medical issues: [REDACTED]

M190675: Safety of Boeing 737 Max: [REDACTED]

M190730: Security screening at regional airports: [REDACTED]

M190844: Aircraft Security on Regional flights: [REDACTED]

M190845: Air NZ flight delay due to firearm: [REDACTED]

M190857: Concerns on CAA approach on serious incident: [REDACTED]

M190931: Controlling flights over national parks: [REDACTED]

M191052: Interpretation of Light Sport Aircraft rules/allowing CPL flight test/providing fair examiners: [REDACTED]

M191188: Aircraft crash in Motueka: [REDACTED]

M191427: CAA safety in NZ: [REDACTED]

M191460: Helicopters over Auckland: [REDACTED]

M191781: Hokianga airspace and drones: [REDACTED]

Comments:

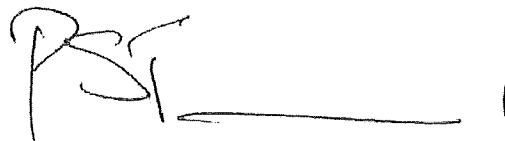
File.

Ministerial Briefings
Please provide any general comments about briefings provided by the CAA.
Weekly Agency Reports
13 February 2019: Ministerial Briefing – CAA regulatory performance related to Fox Glacier crash
21 February 2019: Ministerial Briefing – Fatigue Risk Management Project
21 February 2019: Ministerial Briefing – General Direction on Colour Vision Deficiency
28 March 2019: Briefing for your meeting with CAA officials – 7 March 2019
24 April 2019: Ministerial Aide-Memoire – RESTRICTED – Increased visibility of Aviation Security Service staff at the five security designated airports
10 May 2019: Ministerial Briefing – CAA Regulatory performance related to the 21 November 2015 Fox Glacier Helicopter crash
23 May 2019: Briefing for your meeting with CAA officials – 29 May 2019
Comments: <p style="text-align: center;">Fine</p>

Parliamentary Questions (draft responses provided)
WPQ6984 (2019): What reports, briefings, memos or aides memoire did the Minister receive between 11 February 2019 and 17 February 2019 (both dates inclusive) by title and date?: Hon Paul Goldsmith
WPQ9027 (2019): As of 27 February 2019, what has been the total cost of any surveys of external stakeholders or customers carried out by the Minister's ministry(s), agencies or departments since 1 November 2017?: Hon Amy Adams
WPQ9031 (2019): As of 27 February 2019, how many times has the Minister's ministry(s), agencies or departments carried out surveys of external stakeholders or customers since 1 November 2017?: Hon Amy Adams
WPQ8637 (2019): What reports, briefings, memos or aides-mémoire did the Minister receive between 18 February 2019 and 24 February 2019 (both dates inclusive) by title and date?: Hon Paul Goldsmith
WPQ9429 (2019): What reports, briefings, memos or aides-mémoire did the Minister received between 25 Feb and 3 Mar 2019 (both dates inclusive)?: Hon Paul Goldsmith
WPQ20578 (2019): Did the Minister, or anyone from the Minister's Office, have any correspondence or communication with the Ministry, Department, or Agency they are responsible for, regarding what the Treasury has described as unauthorised access to Budget information, and if so, when, and by which method of communication?: Hon Amy Adams
Comments: OK

MINISTER'S SIGNATURE:

DATE: 29.7.19



Margaret Ninness

From: Graeme Harris
Sent: Tuesday, 6 August 2019 2:22 PM
To: Nigel Gould (gould@xtra.co.nz)
Subject: Hang in there

Hi Nigel

[REDACTED] I think you have been doing an excellent job in representing the interests of the Authority. Don't take any criticism to heart and hang in there. The period through to the end of your term in the middle of next year is a crucial one for us and we need to hold fast to our course if we are to achieve what we have set out to do. Any deviation now would be disastrous. Thanks for your support in recent times and keep up the good work.

Regards
Graeme

Margaret Ninness

From: Graeme Harris
Sent: Tuesday, 13 August 2019 9:00 AM
To: Nigel Gould (gould@xtra.co.nz)
Subject: FW: 2019_20 Civil Aviation Pricing Review _Briefing.pdf
Attachments: 2019_20 Civil Aviation Pricing Review _Briefing.pdf

See attached. [REDACTED] At this stage we are trying to find out the real reason why they are against a loan. For discussion tomorrow but at this stage I'd still be proposing to put up a paper to the Minister in the near future seeking approval of a loan – the case in terms of reducing the impost on the sector is fairly compelling.
Graeme

From: Grace Xu <G.Xu@transport.govt.nz>
Sent: Monday, 12 August 2019 5:22 PM
To: Lisa Rickard-Simms <Lisa.Rickard-Simms@caa.govt.nz>; John Kay <John.Kay@caa.govt.nz>
Cc: Ngaire Best <N.Best@transport.govt.nz>
Subject: 2019_20 Civil Aviation Pricing Review _Briefing.pdf

Good afternoon Lisa and John,

The attached paper has gone to the Minister's office. Please refer to it for your information.

Ngā mihi
Grace Xu
Senior Adviser
Governance and Commercial
Ministry of Transport – Te Manatū Waka

[REDACTED] E: g.xu@transport.govt.nz | www.transport.govt.nz Sent via [SEEMail]

Enabling New Zealanders to flourish

MINISTRY OF TRANSPORT

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Civil Aviation Authority Pricing Review 2019/20

Reason for this briefing	To provide you with information regarding the upcoming Civil Aviation Authority Pricing Review.
Action required	Agree that Cabinet approval be sought prior to releasing the public consultation document on the Pricing Review. Agree to send a letter to the Civil Aviation Authority Board informing them of your decision.
Deadline	12 August 2019.
Reason for deadline	The Civil Aviation Authority Board is meeting on 14 August 2019.

Contact for telephone discussion (if required)

Name	Position	Telephone	First contact
Nick Brown	Deputy Chief Executive, Governance and Engagement	[REDACTED]	
Ngaire Best	Manager, Governance & Commercial		✓
Tom Forster	Manager, International Connections		

MINISTER'S COMMENTS:

Date:	9 August 2019	Briefing number:	OC190765
Attention:	Hon Phil Twyford, Minister of Transport	Security level:	In confidence
CC to:	Hon Julie Anne Genter, Associate Minister of Transport		

Minister of Transport's office actions

- | | | |
|--|--|---|
| <input type="checkbox"/> <i>Noted</i> | <input type="checkbox"/> <i>Seen</i> | <input type="checkbox"/> <i>Approved</i> |
| <input type="checkbox"/> <i>Needs change</i> | <input type="checkbox"/> <i>Referred to</i> | |
| <input type="checkbox"/> <i>Withdrawn</i> | <input type="checkbox"/> <i>Not seen by Minister</i> | <input type="checkbox"/> <i>Overtaken by events</i> |

Purpose of briefing

1. You have received a briefing from the Chief Executive of the Civil Aviation Authority (the CAA) updating you on the status of the CAA's Pricing Review 2019/20 (the Review). In response, this briefing provides the Ministry of Transport's (the Ministry's) advice regarding the review and recommends that you send a letter to the Chair of the CAA outlining your views on the Review.

Pricing Review

2. Regulatory Crown Entities are encouraged to review their funding on a triennial basis. A full review occurs every six years with an intermediate pricing review every three years.
3. The CAA undertook a full funding review in 2016 and this was effective from 1 July 2017. They have now started a pricing review of their fees and levies to ensure that they are set at appropriate levels to allow the CAA to carry out the full scope of its work over the next triennium (2020 to 2023).
4. The Ministry of Transport (the Ministry) agrees that the Review is warranted.

Review Scope

5. The scope of the Review includes:
 - a. review of current 'pricing levels' of CAA fees, charges and levies;
 - b. consideration of two specific policy issues relating to unmanned aircraft operations and the Agricultural Operations Safety Levy respectively;
 - c. consideration of how the Authority might recover the ongoing costs of its functions under the Hazardous Substances and New Organisms Act 1996;¹
 - d. a review of Airport Identity Card charges and associated possible changes in costs of operation;
 - e. the establishment of a funding stream to support the replacement of the CAA's obsolete regulatory technology platform;
 - f. an assessment of projected Avsec revenue from the passenger security levies given reducing passenger volumes (and any other factors that may impact on Avsec's current operations);
 - g. a cost comparison exercise to report on economy and efficiency.
6. The Ministry supports the scope of the Review. However, there are certain aspects that pose significant risks which we want to bring to your attention.

Unmanned aircraft operators

7. In its briefing to you, the CAA stated that its "review will examine whether there is a sound basis to recover the costs of oversight of unmanned aircraft operations and, if so, what the rate of cost recovery should be". This is a broader scope than the CAA had been discussing with the

¹ An amendment to the Hazardous Substances and New Organisms Act 1996 resulted in the Authority being assigned duties under that Act with effect from 1 December 2017. These related to matters such as 'spray drift' from agricultural aircraft. The Crown agreed to fund the performance of those duties until 30 June 2020.

Ministry. The work that the CAA and Ministry are doing on how best to integrate drones into the aviation system includes considering whether it is justified to impose a levy on drone operators to recover the cost of the CAA's oversight. It is not currently feasible to levy drone operators, and it would be premature to consult on a rate of cost recovery.

8. The CAA has since confirmed to the Ministry that its review is intended only to signal to stakeholders that imposing a levy on drone operators is one of the options being considered in the current work.

Agricultural Operations Safety Levy (AOSL)

9. The AOSL was established in the last funding review and became effective from 1 July 2017.
10. The AOSL is calculated on the total weight of product an operator applies annually. Many in the agricultural sector, however, believe the AOSL should instead be based on flight time. This issue has caused a lot of noise in the sector and was the reason certain participants in that sector lodged a complaint to Parliament's Regulation Review Committee in 2018. The complaint was not upheld.
11. The CAA committed to review the current 'weight dispensed' basis for the AOSL, and as part of this Review it will evaluate potential alternative approaches. The Review will consider what behaviours any change might drive, the distribution of the AOSL across the sector, the impact on the agricultural industry as well as practical considerations around efficiency, stability and simplicity.
12. Analysis undertaken so far indicates that using weight to calculate the AOSL remains the best option. If this is confirmed, some sector participants will be disappointed and can be expected to complain.

Hazardous substances and new organisms (HSNO)

13. A 2017 amendment to the Hazardous Substances and New Organisms Act 1996 gave the CAA responsibility for enforcing the Act with respect to substances dispensed from aircraft.
14. The CAA received Crown funding for a fixed period (two financial years until 30 June 2020) to establish capability to discharge this additional function, with the understanding that it be funded from the sector from that point forward.
15. The implications of the Act for aviation mostly concern the agricultural sector, and if no Crown Funding is forthcoming, the cost of enforcing it will be included in the AOSL. This will likely lead to more noise coming from that sector.
16. The Ministry is of the view that, in parallel with consulting on including HSNO in the AOSL as part of the Review, the CAA should put in a budget bid for Budget '20 to acquire Crown funding for this function.

Regulatory technology platform replacement

17. The CAA is planning to replace its current obsolete and unsupported IT platform which supports its regulatory functions.
18. The CAA proposes to obtain funding for the replacement platform through an out of budget-cycle request, approved jointly by the Minister of Finance and Minister of Transport. This is to allow it to enter into a contract by 31 December 2019.

19. The Treasury's advice to the Ministry is that all funding requests should go through the Budget process, as Cabinet needs to consider the impact on fiscal resources. The Treasury further clarified that an out of budget-cycle funding request would need to be justified in any paper to Cabinet. In the Ministry's view, this justification would need to demonstrate a high chance of system failure or a real safety risk with delaying.
20. Based on information provided, the Ministry has not been able to identify any justification for out of cycle funding based on urgency. Unless urgency can be ascertained, the Ministry's expectation is that funding should be sought through the Budget '20 process.
21. The Ministry has undertaken an initial assessment of the business case and proposes to work with the CAA to develop a proposal for consideration as part of Budget '20.

Review process and timing

22. The CAA would like outcomes of the Review to be effective from 1 July 2020. We support this and believe it is achievable.
23. However, the CAA is working to an internal timeline of having all the process steps completed by 31 December 2019. This is unrealistic and we do not support such a timeline as it puts unnecessary strain on Ministry resources and compromises our ability to deliver on your other priorities.
24. In particular, the CAA has indicated that it will seek your approval to undertake consultation without going through Cabinet. We do not support this and it is contrary to the Cabinet process set out in the Cabinet manual.
25. The Cabinet manual notes that Ministers should keep their colleagues informed about matters of public interest, importance, or controversy. This includes discussion and public consultation documents before they are released. The Review consultation document clearly fits within this category.
26. Furthermore, the Review will be of great interest to the agricultural sector, which may face increased costs. The recent adverse media coverage of the CAA's regulatory performance, as well as allegations of a bullying culture, only emphasises the importance of following due process.
27. The Ministry therefore recommends that you write to the Chair of the CAA board informing them that you will not be approving their request to undertake public consultation on the Review and that they should instead seek Cabinet's approval. The letter should also outline that they should work with the Ministry to develop a timeline which will ensure that the Review is completed and implemented by 1 July 2020.

Recommendations

28. The Ministry recommends that you:

- (a) **note** that the CAA is undertaking a Pricing Review, which it intends to be effective from 1 July 2020
- (b) **agree** that the CAA complete a budget bid proposal to be considered as part of Budget '20 to fund continued enforcement of requirements concerning hazardous substances dispensed from aircraft Yes/No
- (c) **agree** that Cabinet approval be sought prior to releasing the public consultation document on the CAA's Pricing Review Yes/No
- (d) **agree** that unless urgency can be ascertained, the Ministry's expectation is that funding should be sought through the Budget '20 process for replacement of the regulatory technology platform Yes/No
- (e) **agree** to send a letter to the Chair of the CAA informing that Cabinet's approval would be required prior to consulting on the Review and that an appropriate timeline for the Review should be developed in consultation with the Ministry of Transport Yes/No

Ngaire Best
Manager, Governance and Commercial

MINISTER'S SIGNATURE:

DATE:

Margaret Ninness

From: Graeme Harris
Sent: Tuesday, 13 August 2019 1:00 PM
To: Nigel Gould (gould@xtra.co.nz)
Subject: FW: Briefing for Minister - Replacement of the CAA's Digital Regulatory Technology Platform
Attachments: 2019 08 09 - Ministerial Briefing - Digital Regulatory Technology Platform Replacement Project.pdf; 2019 08 09 - Ministerial Briefing (Annex A) - Digital Regulatory Technology Platform Replacement Project.pdf

Hi Nigel.

I'm not sure whether Margaret has uploaded the attached to Diligent yet but just on the off chance she hasn't, please see the briefing by way of background to a discussion tomorrow. For info, the Ministry are taking the view that the Minister must take the pricing review consultation document to Cabinet and that we must make a budget bid for the funding to replace ASMS. I'll send you their briefing as soon as I can work out why SEEMAIL (our IT security system) is blocking its transmission to you. Worst case I'll give you a hard copy tomorrow.

Regards
Graeme

From: Margaret Ninness <Margaret.Ninness@caa.govt.nz>
Sent: Friday, 9 August 2019 4:52 PM
To: Jemima de Lacey <Jemima.deLacey@parliament.govt.nz>
Cc: Nick Brown <n.brown@transport.govt.nz>; Graeme Harris <Graeme.Harris@caa.govt.nz>; Janine Hearn <Janine.Hearn@caa.govt.nz>
Subject: Briefing for Minister - Replacement of the CAA's Digital Regulatory Technology Platform

Hi Jemima,

Attached is a briefing for Minister Twyford on the replacement of the CAA's Digital Regulatory Technology Platform.

Regards,

Margaret Ninness

Executive Assistant to Graeme Harris

Chief Executive/Director of Civil Aviation

Civil Aviation Authority | P O Box 3555 | Wellington 6140

Ph (DDI) 0-4-560 9405 | Mob 027 275 2376 | Fax 0-4-569 2024

email margaret.ninness@caa.govt.nz

Ministerial Briefing COMMERCIAL-IN-CONFIDENCE

To: Hon. Phil Twyford, Minister of Transport

Subject: Digital Regulatory Technology Platform Replacement Project

Contact:	Name	Position	Telephone
	Janine Hearn	General Manager, Organisational Development	Mobile: 021 475 474 Direct Line 560 9533

Date: 9 August 2019

Purpose

1. The purpose of this paper is to brief you on the replacement of the Civil Aviation Authority's core digital regulatory technology platform, the Aviation Safety Management System (ASMS).

Background

2. The Authority has a large multi-faceted programme of change underway to drive significant improvements in its regulatory performance and practice, the Regulatory Craft Programme. This programme is focused on re-engineering our regulatory approach, policies, procedures and business practices, the business tools that support our regulatory activity and the capability-building programmes for our regulatory staff and managers.
3. One key component of this programme is the replacement of the current digital regulatory technology platform, ASMS. Our technology platform is a critical enabler to effective regulatory performance. Our ability to source, analyse and utilise comprehensive data on safety risks at a participant, sector and system level are critical to our regulatory oversight function and necessary to drive the improvements in regulatory performance and practice being sought through the Regulatory Craft Programme.

Current Digital Regulatory Technology Platform Risks

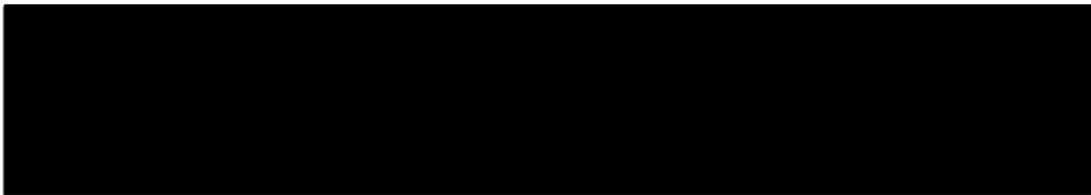
4. ASMS is now over thirty years old, originally developed in 1986. The solution design was last updated in 2007. ASMS as a solution no longer meets the CAA's needs, constraining its ability to be dynamic and responsive to the changing aviation safety risk landscape and the increasingly complex aviation system.
5. The technology upon which ASMS is based has been withdrawn from the market and is unsupported by any external vendor. As a result, the Authority carries a risk of system failure, which increases over time as the underlying platforms (servers and desktops) continue to evolve through significant new functional releases or security and vulnerability patches. In addition, the fact that ASMS requires 'administrator' privileges to run on the portable devices used by staff working in the field creates a considerable IT security risk.
6. The usability of the current system is compromised and limits our ability to source and find accurate, intelligent data and information to inform risk assessment, classify threats and define and apply appropriate mitigation or intervention options. Simply put, it impedes our regulatory effectiveness.

7. There are no digital interfaces with aviation system participants, aside from medical application fee payments, meaning that participants carry a significant administrative burden in transacting with the CAA.
8. The risks associated with the current platform mean that there is no option other than replacement to ensure that the Authority is able to continue to deliver its regulatory functions into the future, support improved regulatory practice and performance, enhance interactions with and reduce the compliance burden for participants and drive greater efficiency in business processes.

Proposed Replacement Platform

9. A significant project has been undertaken to identify a replacement solution, which has now been completed. The replacement solution is a comprehensive, modular and fully integrated aviation-specific regulatory system that addresses every aspect of effective aviation safety oversight.

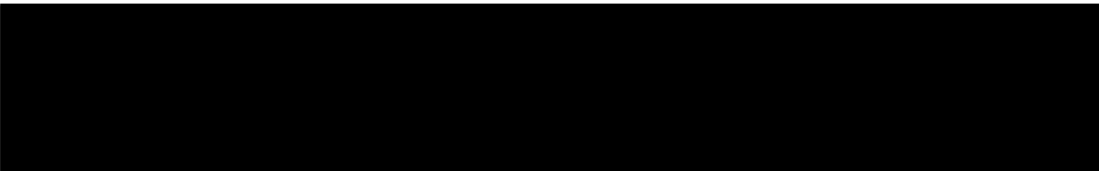
10.



11. The vendor invests heavily in the ongoing development of the software and the development pathway for the system is driven by an active user group of aviation regulators, meaning the system development benefits from advances in international aviation regulatory practice.
12. Because of the high risk associated with the current technology platform and the opportunities provided by the proposed new solution in driving improvements in regulatory oversight, the Board wishes to proceed with the implementation project as soon as possible.

Project Costs and Funding

13.



14. The CAA has assessed the available options to fund the [redacted] (subject to Board confirmation) required for purchase and implementation of the solution. In theory, there are four primary options:
 - a. commercial third party loan;
 - b. Crown loan;
 - c. Crown capital appropriation; or
 - d. repayable Crown equity injection.
15. The Authority intends seeking approval for a Crown loan. A Crown loan was recently approved for the Aviation Security Service for its significant technology enhancement projects and it is our view that this is also the most appropriate funding stream for this project. This funding option received the support of the Ministry of Transport and

Treasury and it is on this basis, alongside analysis of the alternative options, that we have identified a Crown loan as the most appropriate funding mechanism. Discussions with the Ministry of Transport have commenced with the intention of jointly progressing this with Treasury as soon as possible.

16. Approval for the CAA to borrow would require joint Ministerial approval from yourself and the Minister of Finance in accordance with the Crown Entities Act.
17. In the course of discussions to date with Ministry of Transport officials, they have suggested a bid for a repayable Crown equity injection as a possible alternative to a Crown loan. We have analysed this option and it appears to be almost identical to a Crown loan, since such instruments are treated as debt under accounting standards. This assumes that an equivalent borrowing rate of circa 4% would apply to such an instrument in the current market; however, the one other repayable Crown equity injection that is currently being provided (to Fire and Emergency New Zealand) has been provided on an 'interest free' basis. Therefore, the basis on which such borrowing rates are calculated has not yet been made clear by Treasury.
18. The option of a Crown equity injection, which we understand would be processed through the Budget process would, in common with the Crown capital appropriation option, significantly slow down the programme as the outcome of any Budget bid would likely not be known until approximately May 2020. Given the significant risks with the current technology platform there is a need to progress the replacement project more quickly and with greater certainty than a potential Budget bid would provide.
19. Progressing a bid for a Crown equity injection or a capital appropriation through the Budget process would also not provide certainty of funding as it would need to compete against all other Budget bids for priority. The Crown Entities Act enables borrowing by Crown entities through means to be approved jointly by the responsible Minister and the Minister of Finance. As indicated, the preferred option for significant capital investment in the Aviation Security Service of both the Ministry of Transport and Treasury was a Crown loan and it is our view that either a Crown loan, or a third-party loan, are the only options that would enable this project to proceed with certainty and within an appropriate timeframe, given the risks associated with the current digital regulatory technology platform. In addition, it is noteworthy that these options would result in the least cost being imposed on the aviation sector.
20. Additionally, the CAA does not believe that the funding for this replacement project requires a permanent increase to the CAA's capital (which a traditional capital appropriation would result in). Instead, this project is better characterised as a one-off investment peak that the CAA needs to overcome, for which temporary 'debt funding' is more appropriate than permanent 'equity funding' by the Crown. This is because the solution being implemented is a cloud hosted 'Software as a Service solution' and therefore future upgrades are expected to be funded by way of operating costs (recovered through the CAA's levies, fees and charges) rather than further capital funding requirements.
21. The cost of a Crown capital appropriation compared to the preferred Crown loan option is an additional 1.3% of fees, levies and charges. This estimate has been calculated taking into account the consequent triggering of the capital charge, by exceeding \$15 million net Crown assets that generates an additional \$7.7 million of funding costs over the 10-year financing period; and based on the assumption that the capital charge remains at 6% and the Crown loan interest rate remains at 4%.

22. The Ministry of Transport has indicated that it believes a case could be made in relation to the current level of Crown investment in the CAA (reflecting historical funding shortfalls of Crown outputs that the CAA delivers) that could mean the 6% capital charge might not be triggered; however this is untested at this stage and is in no way certain.

Additional Benefits to Accrue from this Replacement Project

23. The risks associated with the current technology platform, ASMS, are compelling and alone are sufficient justification for the investment required. Coupled with the current system's inability to deliver the necessary functionality to support effective regulatory oversight there is no question that this investment is necessary.

24. In addition to the compelling drivers to improve our regulatory performance and the mitigation of the critical risks associated with the current, unsupported platform, the new digital regulatory technology platform will deliver business benefits through:

- a. productivity improvements through increased automation and streamlining of business processes through technology enablement;
- b. participant benefits such as increased ability to transact online, reduced cost due to reduced administrative effort and reduced regulatory burden and improved 'customer' satisfaction; and
- c. employee engagement benefits through the provision of technology that enables them to do their job more effectively and provides enhanced information on which to base their regulatory decisions.

25. The project aligns with wider government strategies by:

- a. reducing the compliance burden for participants;
- b. incorporating characteristics of the government's ICT Strategy and Action Plan including the focus areas "Services are digital by default" and "Information is managed as an asset"; and
- c. enabling the CAA to meet the government's expectations for good regulatory practice.

26. The summary investment case, which outlines in more detail the significant benefits to be accrued from this project, is attached as Annex A.

Next Steps and Timing

27. We will continue to engage with the Ministry of Transport and Treasury regarding the preferred funding model, noting the criticality of this project given the risks with the current technology platform, with the intention of seeking joint Ministerial approval for a capital loan, preferably from the Crown but potentially from a third-party, to fund this investment as soon as possible.

28. At the same time, the ongoing licensing and maintenance costs are being built into the analysis for the pricing review currently underway.

Recommendation

It is recommended that you:

- | | |
|---|---------------|
| a) note the contents of this briefing; | Yes/No |
| b) note that at its meeting on 14 August 2019, the Board will make final decisions on the quantum of funding it will seek for the replacement of the CAA's digital regulatory technology platform; | Yes/No |
| c) note that we intend to seek approval for borrowing to fund this investment as soon as possible; and | Yes/No |
| d) note that the topic will be included in your next meeting with the Board Chairman and Chief Executive. | Yes/No |



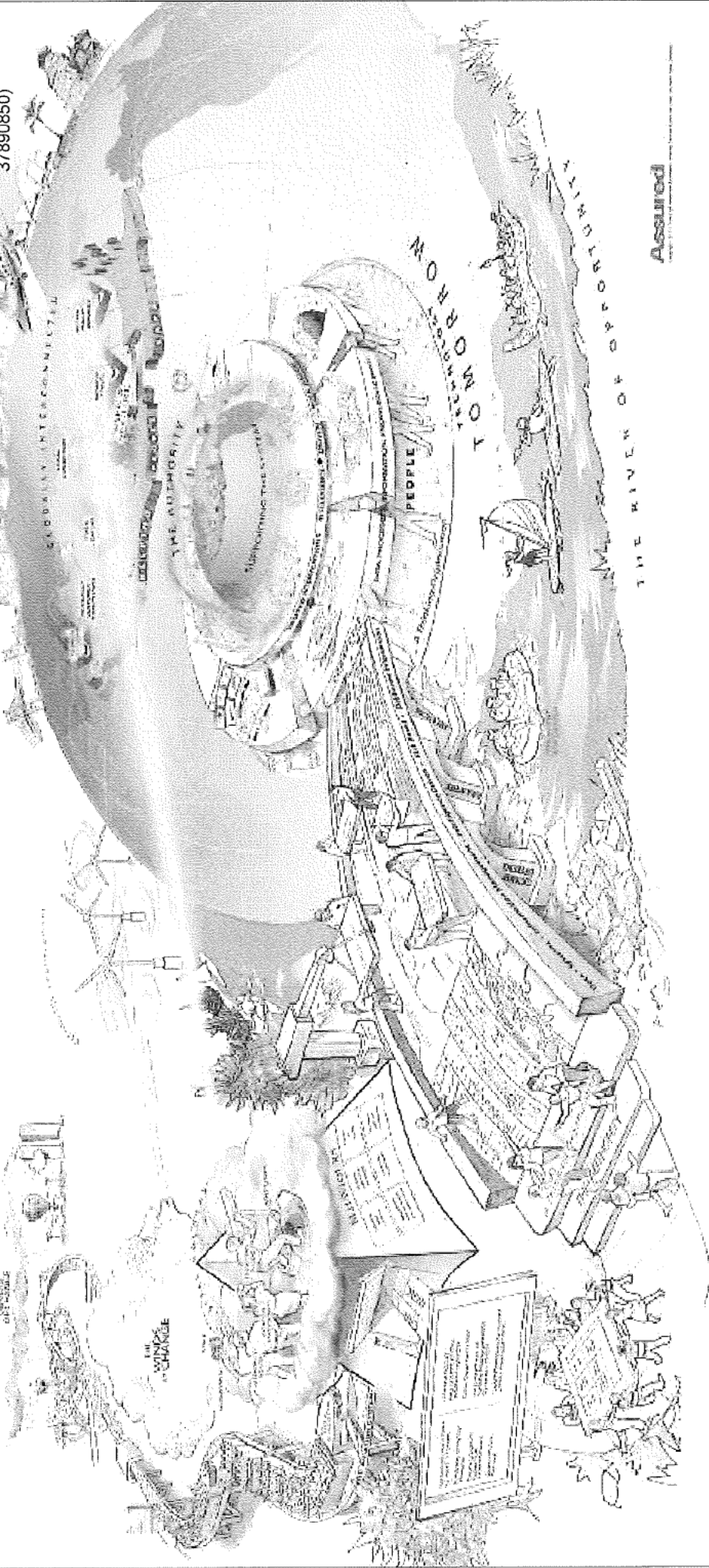
Graeme Harris
Director of Civil Aviation

Minister's signature
/ / 2019

Annex A: Investment Case: Digital Regulatory Technology Platform EMPIC-EAP

Safe and Secure Skies
—To help New Zealand fly

ANNEX A
(to CAA document
37890850)



Investment Case Digital Regulatory Technology Platform

CAA

CIVIL AVIATION AUTHORITY
OF NEW ZEALAND

Summary



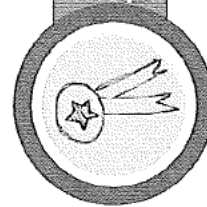
What are we asking for?

Investment to replace our core regulatory technology platform - a fully depreciated legacy system which is no longer supported



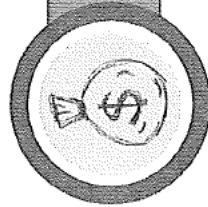
Why do we need it?

To reduce risk, drive greater efficiency and effectiveness, enhance our ability to effectively identify and manage safety risks, and enhance the participant experience



What are the tangible benefits?

Productivity improvements equating to 4.1 FTE, process improvements that will reduce compliance burden and cost of compliance for participant, and significant risk reduction



How much will it cost?

[Redacted]



What are the risks?

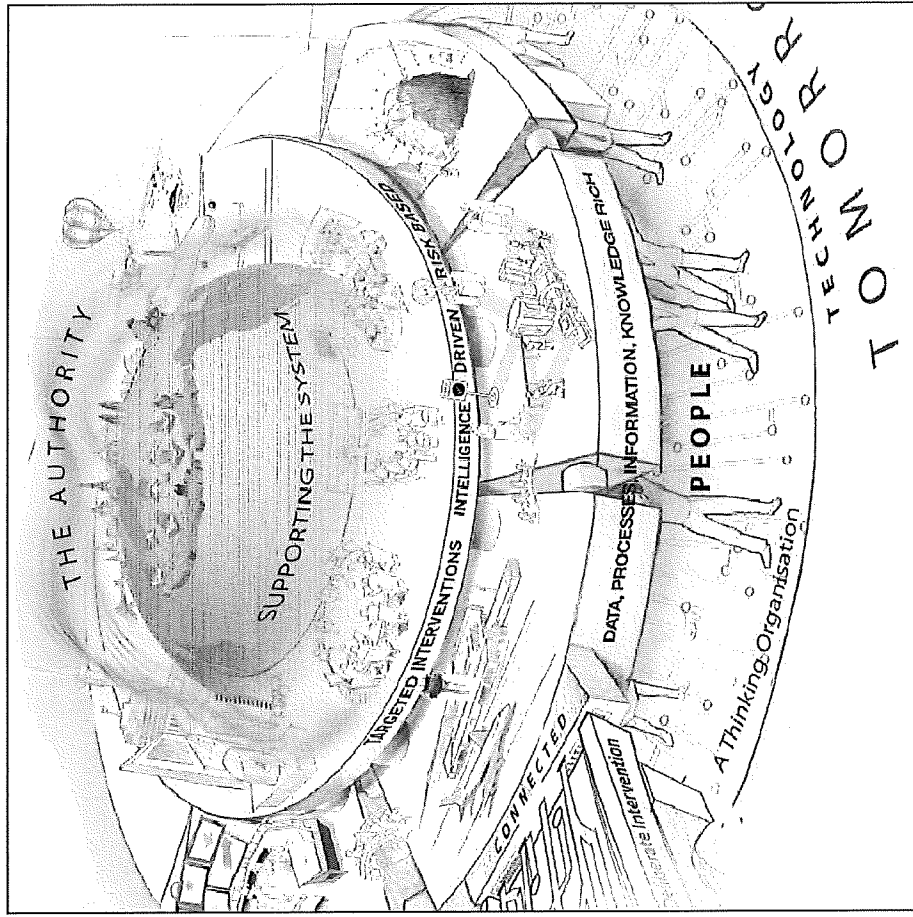
Our internal capability to manage a technology project of this magnitude, our capacity to devote the necessary SME expertise to the project, our capacity to absorb the level of change generated

Intent

Supports our core regulatory
model to effective regulatory
requirement for modern,
robust tools and technology to
in our Statement of Intent.

and, unsupported, inflexible, and
only does it pose a significant
administrative business
the level of insight, analysis and
an intelligence-driven, risk-
able us to provide the range of
and efficiencies that are the
agencies, and more broadly across
an unnecessary impost on
out-dated, inefficient and
questions of competence and

of fundamental change – both
aligned with regulating, and with our
significant step-change in our
necessary to drive better safety
and effectively to a rapidly
our business tools, of which our
reform is fundamental, are



What will this initiative enable us to do?

We will transition:

from...

to...

Out-dated, inflexible, unsupported technology at risk of failure

A modern, purpose-built, integrated technology suite built specifically for aviation regulation and continually enhanced by ongoing development and evolving international regulatory practice

Manual forms and processes that require a significant time investment for participants interacting with us

Online interfaces and transactions, connected data sets, and participant-centric information suite

Complex, time-consuming, and highly technical processes for the extraction and analysis of intelligence to inform regulatory decisions

Comprehensive, readily configurable, and insightful dashboard reporting to provide insights to inform decision-making and support a risk-based, intelligence-driven approach to our regulatory oversight

Administratively burdensome business processes, reducing time spent on regulatory oversight

Simplified business processes that incorporate automated workflows, online transaction capability, and reduced administrative burden for both CAA and participants

Duplication of effort due to unconnected nature of various system components


Technology suite driven by core central modules that capture all common data and information utilised across multiple business processes

Inconsistency in decision-making and disjointed participant interactions due to lack of visibility of full suite of participant interactions

One source of truth, participant-centric capturing of all interactions, information and regulatory processes associated with participant, readily accessible across all regulatory business units

Inability to effectively allocate resources due to incomplete picture of workload and resourcing requirements

Suite of real-time dashboards and reports available for managers that readily identify current and anticipated workload, enabling effective resource allocation



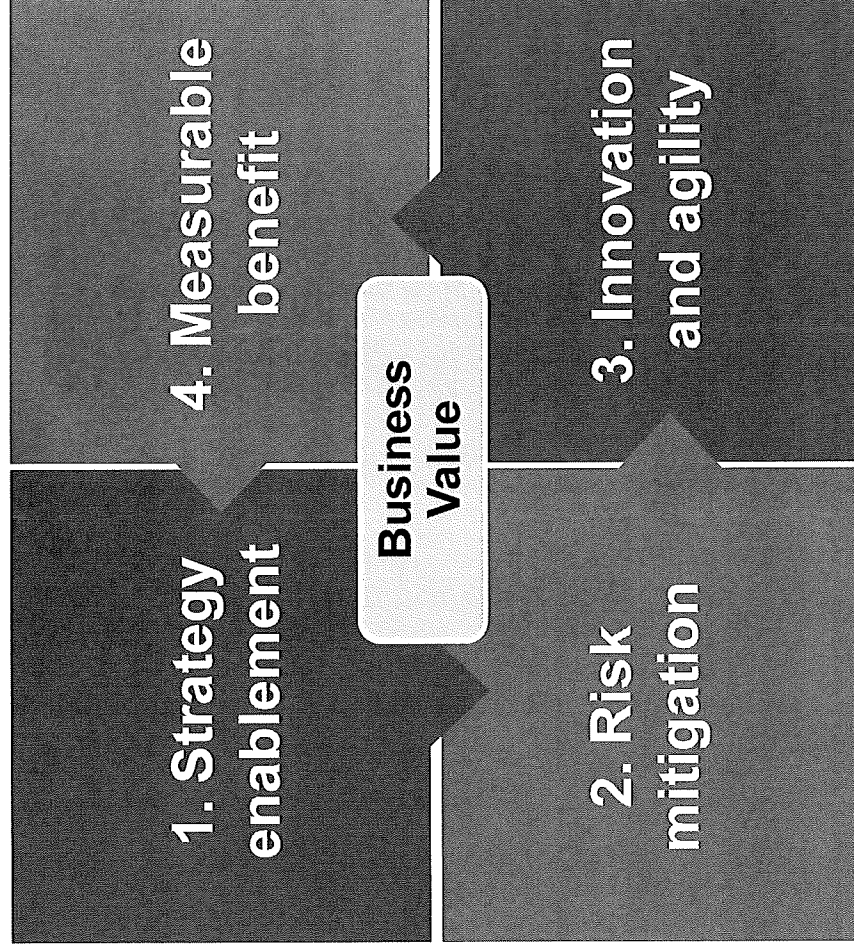
Why This Solution?

- Developed by aviation regulators, for aviation regulators
- Ongoing programme of development driven by international aviation regulatory best practice and over 25 national aviation authorities
- Comprehensive off-the-shelf integrated solution that delivers all core functionality
- Integrates prescriptive and performance-based oversight
- Vendor has led or partnered in multiple successful implementations across a range of regulatory and technology environments
- Ability to benefit from the experiences of other aviation regulatory agencies, including CASA
- Fixed-price implementation costs for vendor resources and support

Our digital regulatory platform will provide a foundation for our roadmap in four key ways

Enable and support our over-arching strategy and objectives

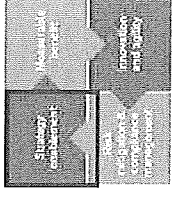
Minimise exposure to risk and ensure system stability, and reliable and secure processes and data



*Provide **tangible efficiency and effectiveness benefits** that will enhance productivity and reduce the administrative burden for participants*

*Drive improvements in our performance through **innovation** driven by evolving international regulatory practice, **and agility** to respond to a rapidly changing aviation system*

I. Enabling our strategy



Our Outcome is "Safe and secure skies to help New Zealand fly"

The way we work

Building effectiveness and resilience by design

Utilising new processes/ systems/ technologies to enable efficient and effective performance of functions

Prioritising aviation system risk by being intelligence driven and risk-based

Business efficiency by design

Customer/ participant centric engagement, interaction and service delivery

Targeted engagement to influence the environment in which we operate

Strategic objectives

Effective and efficient security services

A vibrant aviation system

Improved sector safety performance

How will this technology contribute to CAA's Strategic Objectives

Effective and efficient security services

A vibrant aviation system

Improved sector safety performance

1. Enhanced participant experience in their interactions with the CAA through increased mobility and accessibility of information and systems, including self-service options.
2. Increased efficiency by optimising and simplifying business processes, introducing automation to reduce administrative burden, and providing a fully integrated suite of core data and information about our interactions and regulatory activities.
3. Making it easier for participants to do business with us through the provision of an online portal, online forms, and enhanced visibility of our activity with them.
4. Increased efficiency by reducing duplication of effort, better sharing of information and reduced CAA resources for printing, physical archiving and queries and enquiries from participants.
5. Reduced aviation system risk through enhanced access to and use of data and intelligence, enabling better targeting of efforts and increased levels of resourcing directed to value-add activity.
6. Improved business continuity by a significant reduction in reliance on and use of paper files and manual storage and retrieval systems

How will this technology contribute to CAA's Strategic Objectives

Effective and efficient security services

A vibrant aviation system

Improved sector safety performance

1. Better understanding of aviation system risk to drive strategic business decisions on focus areas and resource allocation.
2. Improved access to and use of intelligence to inform regulatory decision making
3. More integrated approach to our engagement with participants through greater visibility of their touch points with us, and the various activity being undertaken across multiple business units.
4. Reduced risk and ability to ensure legislative compliance through controls and governance.
5. Improved management oversight of quality and quantity of work being undertaken, enabling better management and resource allocation decisions, and supporting improved regulatory capability
6. Enhanced consistency of practice through greater visibility of work across multiple staff/teams, enhanced opportunities for management oversight, and standardised processes and templates that are fit for purpose.

How will this technology contribute to CAA's Strategic Objectives

Effective and efficient security services

A vibrant aviation system

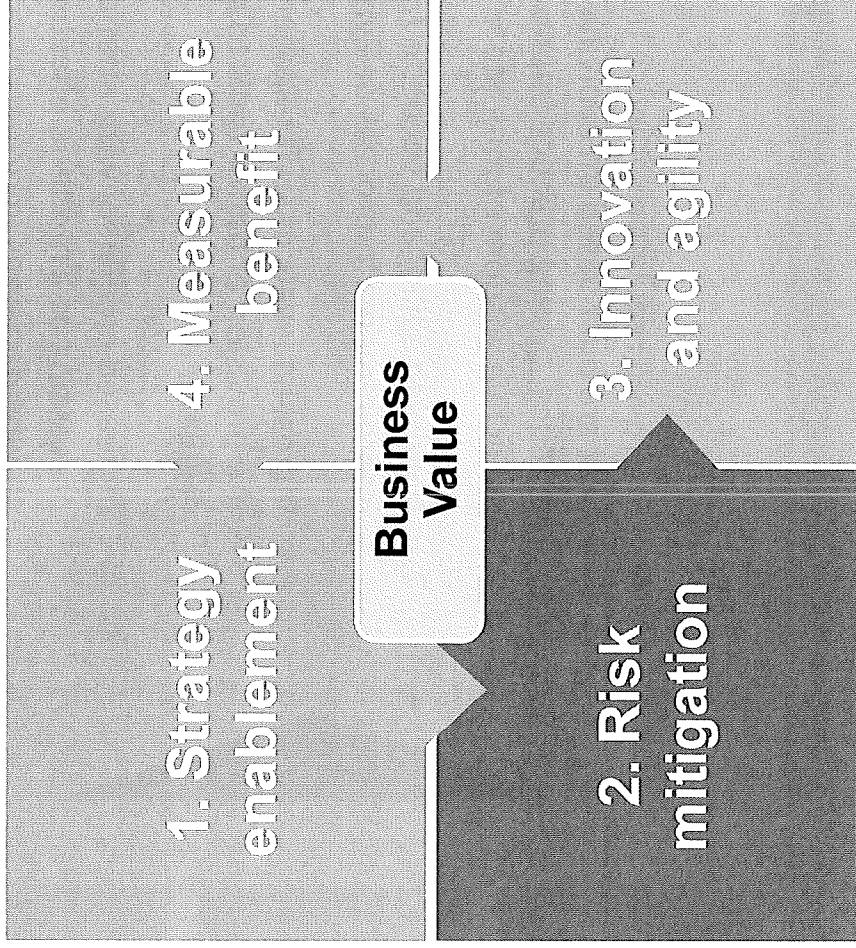
Improved sector safety performance

1. Improved regulatory practice through technology and tools that are built based on evolving international regulatory best practice, driving practice improvements that benefit from the collective wisdom of multiple international aviation regulators.
2. Improved agility and speed to respond to changes through improvements in process design, and technical capability.
3. Increased levels of staff engagement and retention – through the provision of better tools to support them in their core regulatory activity.
4. Increased credibility with aviation system participants by presenting as a modern, effective and efficient regulator making decisions informed by a holistic and comprehensive view of the system and participant

Our regulatory technology platform will provide a foundation for our roadmap in four key ways

Enable and support our over-arching strategy and objectives

Minimise exposure to risk and ensure system stability, and reliable and secure processes and data

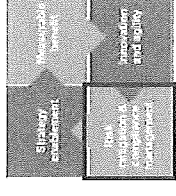


Provide tangible efficiency and effectiveness benefits that will enhance productivity and reduce the administrative burden for participants

Drive improvements in our performance through innovation driven by evolving international regulatory practice, and agility to respond to a rapidly changing aviation system

2. Risk Mitigation

Reduce risk exposure and increase compliance and auditability



We will transition:
from...

to...

Risk of technology failure as a result of outdated, unsupported technology

Modern technology platform utilised by an international community of aviation regulators and supported and continually enhanced to meet changing user needs

Inability to adjust business systems to support changes in regulatory regime

Modern, easily configurable technology suite that is able to be readily configured to meet any changes in our regulatory regime and regulatory practice.

Reputational risk resulting from inconsistent data sources, lack of modern business systems, and inconsistent practice

One source of truth for all regulatory activity, interactions, decisions and actions.

Lack of timely response to emerging safety and security risks through incomplete and inaccessible data and intelligence

Configurable, insightful suite of analytics, reports and dashboards that provide real-time insights to inform regulatory decision-making.

Ineffective regulatory decision-making resulting from incomplete and disconnected information and intelligence

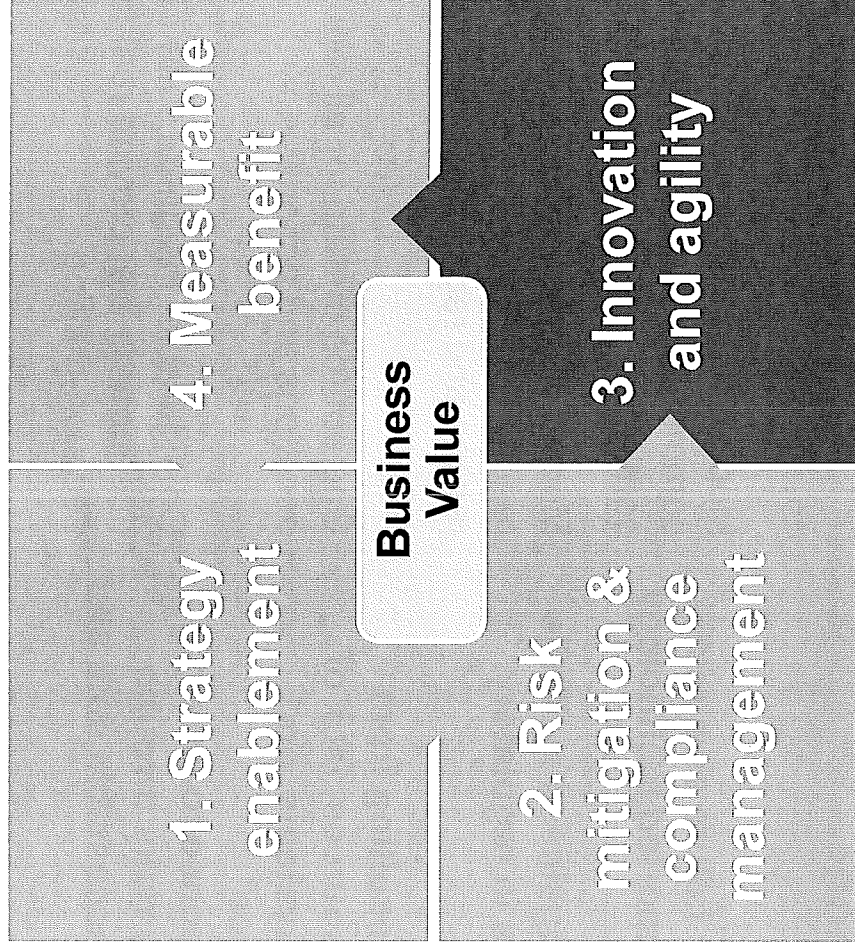
Decision-making informed by immediately accessible, comprehensive suite of information and intelligence, easily extracted and utilised to inform decision-making by regulatory staff and managers

Reduced ability to maintain management oversight of regulatory activity and decision-making

Complete picture of all regulatory activity, actions and decision-making, automated workflows to ensure appropriate oversight and approvals, and insightful analytics that support increased management oversight.

Our regulatory technology platform will provide a foundation for our roadmap in four key ways

Enable and support
our over-arching
strategy and
objectives



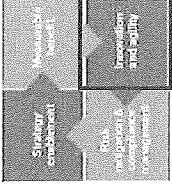
Provide tangible efficiency and effectiveness benefits that will enhance productivity and reduce the administrative burden for participants

Drive improvements in our performance through innovation driven by evolving international regulatory practice, **and agility** to respond to a rapidly changing aviation system

Minimise exposure to risk and ensure system stability, and reliable and secure processes and data

3. Innovation and Agility

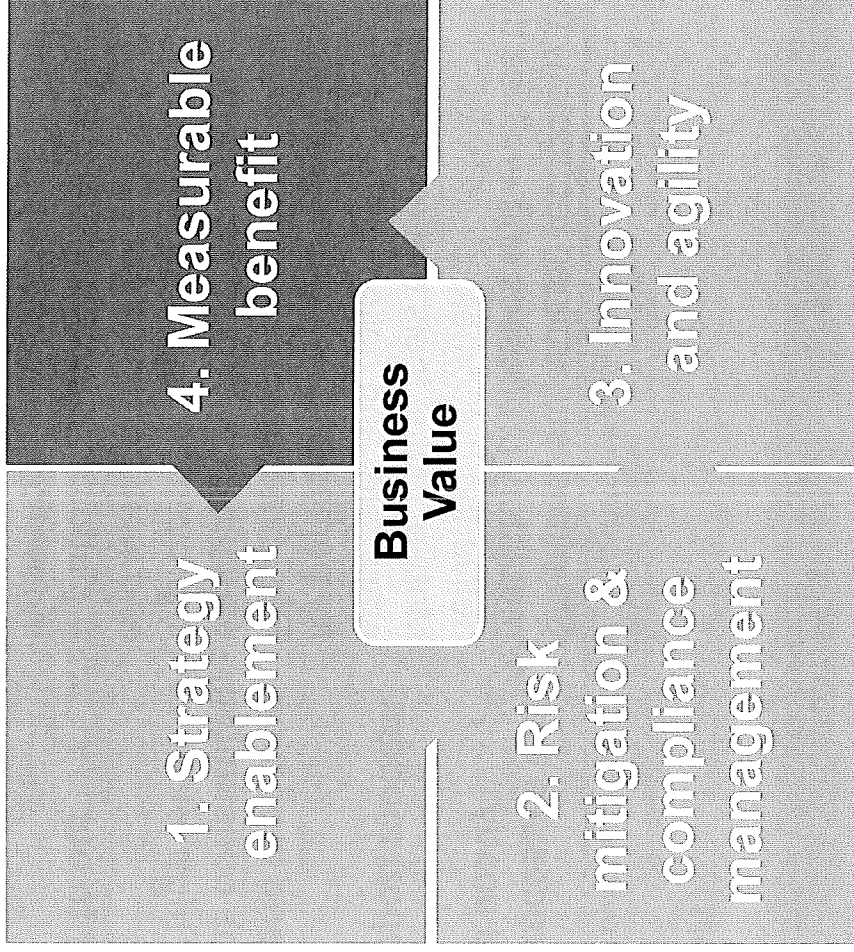
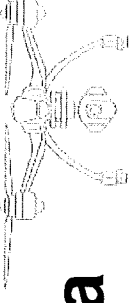
Enhance innovation and organisational agility with flexible digital tools, online interfaces and mobile access



We will transition:

from...	to...
Inefficient, manual processes that are slow, difficult and costly	Simplified, streamlined technology that drives best practice regulatory processes and enables the workforce to focus on delivering outcomes
Tools that do not support modern practices	Mobile, digital tools that employees can use any time, anywhere, and online interfaces that make it easier and quicker for participants to transact with us
Extraction, analysis and reporting functions that are time consuming, complex and require high levels of capability to deliver	Real-time, graphical insights for staff, managers and executives to inform decision-making, identify opportunities for improvement, and maintain management oversight of workload and work performance
Tools that don't cater to our evolving needs	A platform for innovation and extensibility with updates and innovations automatically delivered twice a year
Poor employee experience	Intuitive, user-friendly tools that employees want to use
Inability to make any tangible improvements to business processes through inflexible and unstable technology	Ability to benefit from the insights, practices and regulatory approaches of an international community of aviation regulators who collectively drive future system enhancements

Our regulatory technology platform will provide a foundation for our roadmap in four key ways



Enable and support our over-arching strategy and objectives

Minimise exposure to risk and ensure system stability, and reliable and secure processes and data

*Provide **tangible efficiency and effectiveness benefits** that will enhance productivity and reduce the administrative burden for participants*

*Drive **improvements in our performance through innovation** driven by evolving international regulatory practice, **and agility** to respond to a rapidly changing aviation system*

Anticipated benefits summary

Anticipated Benefits Once Fully Embedded

A. Productivity Improvement

Value driver	\$	Hrs	Related KPI	KPI improvement
Reduction in administrative effort	\$115,065	2,688	Admin FTE Reallocation	15 → 13.5
Reduction in inspector effort	\$324,103	4,032	Inspector FTE Reallocation	22.5 → 20.25
Reduction in regulatory effort	20,845	319	Regulatory FTE Reallocation	1.78 → 1.69
Reduction in manager effort	17,413	170	Manager FTE Reallocation	0.95 → 0.86

A total of **7,209 hours** of effort able to be reallocated to value add regulatory and management activity, the equivalent of **4.03 FTE**

More efficient organisation spending more time on value-add regulatory activity

B. Process Improvement

Value driver	Related KPI	KPI improvement
Reduction in Complexity	Number of process steps	10% reduction in the number of process steps achieved in 80% of existing business processes
Automation and Digitisation	Number of automated steps	20% increase in the number of automated steps in 75% of existing business processes
Improved Business Continuity	Paperless Processes	5% of our business processes are paperless and 20% of remaining business processes reduce volume of paper retention by 20%

Simplified, efficient business processes that enhance business continuity through digitisation and automation

Reduced cost of compliance, technology enabled business processes increasing customer and staff satisfaction, and overall perceptions of CAA

C. Participant Benefits

Value driver	Related KPI	KPI improvement
Ability to transact online	Number of online transactions	15% of existing transactions are able to be completed online
Online forms	Increased number of online forms, pre-populated with existing data	50% of CAA forms are able to be completed online by participants, and 10% of fields in online forms are pre-populated with data already held by CAA
Reduced cost	Reduction in average cost of chargeable activity	5% reduction in the average cost of certification by type where that activity is charged on an hourly basis
Reduced cost	Reduction in participant time to complete application process	802 hours per annum of participant time savings per annum based on 2018 application volumes, or \$25,420 based on average wage
Reduced regulatory burden	Reduction in perceived regulatory burden	5% improvement in survey results in the areas of perception of regulatory burden, and ease of compliance with regulations
Improved "customer" satisfaction	Increased satisfaction scores in key participant surveys	5% improvement in survey results for all questions measuring participant satisfaction with CAA

Improved perceptions of CAA as a modern, effective organisation focused on value-add

Enhanced reputation, reduction in regulatory burden, improved participant relationships

Efficiency and Effectiveness Benefits: A. Productivity Improvements

Value Driver	Benefit Description	Baseline Calculations		Conservative		Possible	
				\$	Hours	\$	Hours
A1. Reduction in administrative effort required to support regulatory activity	Reduce the administrative time required to support the CAA's core regulatory functions of certification and licensing through automation, process improvement and integration	Average fully loaded Administration Officer cost	\$76,710				
		x Administration FTEs required to support regulatory functions	15 FTE			\$287,663	6,720 hours
		Current estimate	\$1,150,650				
			26,880 hours				
A2. Reduction in inspector effort required to complete regulatory activity	Reduce the effort required by inspectors to complete the core regulatory functions of certification and licensing through automation, process improvement, and enhanced information sources	Average fully loaded Inspector cost	\$144,046				
		x Inspector FTEs (assumes 50% of Inspector effort is certification and licensing activity)	22.5 FTE			\$648,206	8,064 hours
		Current estimate	\$3,241,035				
			40,320 hours				
A3. Reduction in effort required to respond to queries about progress from participants due to increased online visibility	Reduce the number of queries and amount of time responding to those queries from participants on progress of applications resulting from increased online visibility	Average fully loaded staff cost	\$117,112				
		x FTEs required to respond to queries (assumes 2% of effort is query response)	1.78 FTE			\$52,113	798 hours
		Current estimate	\$208,459				
			3,190 hours				
A4. Reduction in manager effort spent sourcing and analysing information to support workload management and resource allocation decisions	Reduce the amount of time spent by managers sourcing, reviewing and analysing information on current and projected workload to enable them to make decisions on workload management and resource allocation	Average fully loaded manager cost	\$181,387				
		x FTEs required to source and analyse information (assumes 5% of manager effort currently)	0.95 FTE			\$43,532	425 hours
		Current estimate	\$174,132				
			1,702 hours				

Efficiency and Effectiveness Benefits: B. Process Improvements

Value Driver	Benefit Description	Targeted Improvement (Conservative)	Targeted Improvement (Possible)
B1. Reduction in Complexity of Business Processes	Reduce the number of process steps in all core regulatory processes	10% reduction in the number of process steps achieved in 80% of existing business processes	20% reduction in the number of process steps achieved in 80% of existing business processes
B2. Automation/ Digitalisation of Business Processes	Increase the number of automated or digitised steps in all core regulatory processes	20% increase in the number of automated steps in 75% of existing business processes	50% increase in the number of automated steps in 80% of existing business processes
B3. Paperless Business Processes	Improve business continuity through developing paperless business processes	5% of our business processes are paperless and 20% of remaining business processes reduce volume of paper retention by 20%	10% of our business processes are paperless and 50% of remaining business processes reduce volume of paper retention by 20%

Efficiency and Effectiveness Benefits: C. Participants

Value Driver	Benefit Description	Targeted Improvement (Conservative)	Targeted Improvement (Possible)
C1. Increased ability to transact online	Increase the number of transactions participants can complete online	15% of existing transactions are able to be completed online	25% of existing transactions are able to be completed online
C2. Online Forms	Increase the number of online forms to reduce time and effort required by participant for completion	50% of CAA forms are able to be completed online by participants	75% of CAA forms are able to be completed online by participants
C3. Online Forms	Pre-populate fields in online forms with data already held by CAA to reduce the time and effort required by participants to complete.	10% of fields in online forms are pre-populated with data already held by CAA	25% of fields in online forms are pre-populated with data already held by CAA
C4. Reduced Cost	Process and productivity improvements result in a decrease in the average cost of chargeable activity associated with licensing and certification activity.	5% reduction in the average cost of certification by type where that activity is charged on an hourly basis	10% reduction in the average cost of certification and licensing by type where that activity is charged on an hourly basis
C4. Reduced Cost	Ability to transact online reduce the time required of participants to complete application process for certification/licensing	Time savings of 10 minutes for simple applications, 20 minutes for moderate applications and 45 minutes for complex applications. Generates 802 hours of participant time savings per annum based on 2018 application volumes, or \$25,420 based on average wage	Time savings of 15 minutes for simple applications, 30 minutes for moderate applications and 60 minutes for complex applications. Generates 1168 hours of participant time savings per annum based on 2018 application volumes, or \$37,026 based on average wage
C5. Reduced Regulatory Burden	Reduction in the perceived burden of regulatory compliance by participants, resulting in increased overall satisfaction with CAA as measured through the Cost of Compliance survey	5% improvement in survey results in the areas of perception of regulatory burden, and ease of compliance with regulations	10% improvement in survey results in the areas of perception of regulatory burden, and ease of compliance with regulations
C6. Improved "Customer" Satisfaction	Increased satisfaction with CAA as a result of ability to easily track, monitor, and remain updated on progress with applications and licensing	5% improvement in survey results for all questions measuring participant satisfaction with CAA	15% improvement in survey results for all questions measuring participant satisfaction with CAA

Efficiency and Effectiveness Benefits: D. Staff Engagement

How this initiative will help improve staff engagement

Theme	Engagement survey question	2017 Score	How this initiative will help
My Job	I have the tools and resources I need to do my job effectively	62.7	Provide staff with better technology that makes it easier to do their job, and that reduces the volume of non-value-add activity, making them feel more effective and more motivated to achieve
	This organisation's systems and processes allow me to do my job effectively	53.7	
Organisational direction and performance	I have confidence in the senior leadership of the organisation	65.3	Demonstrate leadership's ability to address a significant pain point for the organisation, and a clear and tangible demonstration of delivery of tools necessary to improve our practice and performance, a stated organisational priority
	This organisation has a clear vision of where its going and how its going to get there	68.3	
Quality and performance focus	This organisation delivers on the promises it makes to its customers	61.9	Demonstrates that the organisation has recognised it needs to invest to be successful and is able to deliver on that. Creates opportunities for much improved customer interactions, thereby improving relationships with participants
	This organisation is making the changes it needs to be successful in the future	64.8	

Potential benefit area: Employee engagement

Employee data	
Total number of regulatory employees	118 (A)
Average Annual Salary	\$ 89,887
Overheads Loading	\$ 18,876
	2.1% loading applied
Total Cost	\$ 108,763 (B)

Engagement Level	(C) Percentage of Employees	(D) Percentage of Performance Delivered	(E) Performance Impact C X D = E	(F) Performance Increase or Decrease	(G) Bottom line impact of engagement B x F = G		Financial Impact (A x C x G)
					Employee delivers an organization "value" equal to the costs (Salary + Benefits)	Organization LOSES	
Level 3: Engaged	27.7%	100%	28%	0%	Organization LOSES \$ (27,191)	\$ (1,896,233)	
Level 2: Ambivalent	59.1%	75%	44%	-25%	Organization LOSES \$ (48,943)	\$ (762,344)	
Level 1: Disengaged	13.2%	55%	7%	-45%			
79% Current Organization Performance Potential						\$ (2,658,577)	

A 2% increase in engagement levels across all regulatory staff (2% of Ambivalent employees move to Engaged and 2% of Disengaged employees move to Ambivalent) would result in an estimated \$66K* performance benefit.

Engagement Level	(C) Percentage of Employees	(D) Percentage of Performance Delivered	(E) Performance Impact C X D = E	(F) Performance Increase or Decrease	(G) Bottom line impact of engagement B x F = G		Financial Impact (A x C x G)
					Employee delivers an organization "value" equal to the costs (Salary + Benefits)	Organization LOSES	
Level 3: Engaged	28.3%	100%	28%	0%	Organization LOSES \$ (27,191)	\$ (1,934,158)	
Level 2: Ambivalent	60.3%	75%	45%	-25%	Organization LOSES \$ (48,943)	\$ (658,388)	
Level 1: Disengaged	11.4%	55%	6%	-45%			
80% Current Organization Performance Potential						\$ (2,592,545)	

2% increase in engagement levels results in lost performance potential decrease from \$2.66M to \$2.59M*

*These will be significantly greater if impact on engagement extends beyond regulatory staff, which it is likely to do

Addressing the lessons of the past

- Fully pre-built, off-the-shelf product – none of the complexity and risk associated with design and build, or customisation
- Utilising the lessons and experiences of agencies just like the CAA – other aviation regulatory agencies who predominantly perform the same functions, in similar ways
- Vendor has led or partnered in multiple successful implementations – well developed implementation model, clear understanding of resourcing needs
- Strengthened CAA capability through the use of contracted and external resources rather than reliance on internal capability
- Hybrid project management model, providing the benefits of both waterfall and agile methodology
- Very engaged vendor, keen to work as a strategic partner and achieve success

Margaret Ninness

From: Graeme Harris
Sent: Wednesday, 17 July 2019 8:39 AM
To: Nigel Gould
Subject: RE: Catch up..

Hi Nigel

I've got a gap this afternoon from 3pm to 4 which is probably my preferred option if you can make it. If not, I'm free before 9am tomorrow and flexible Friday morning. Re the draft resolution, that is 2nd on my list after the letter to the Minister which is about half done. The resolution is 2nd priority since the related terms of reference for the use of Barry Jordon can slip slightly since he is currently overseas.

Regards
Graeme

From: Nigel Gould <gould@xtra.co.nz>
Sent: Wednesday, 17 July 2019 5:34 AM
To: Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: Catch up..

Hi Graeme..

thanks for the detailed summary of the result of the restructure review and consultation.

How are you placed either later this afternoon (I fly in circa 2;30), Friday which is fairly flexible, or briefly first thing tomorrow?

Keen to discuss this and the regulatory issues arising out of the meeting, including the draft resolution, and the actions I see we have both taken.

Also how things are processing with the response to Minister..

Cheers.. Nigel

Nigel J Gould

home/ office 04 499 3768 mobile 021 430 101

fax 04 499 6741
gould@xtra.co.nz

Margaret Ninness

From: Graeme Harris
Sent: Monday, 22 July 2019 10:25 AM
To: Nigel Gould
Subject: RE: Minister letter..

Thanks Nigel

I have a couple of comments on the letter I'll get to you soon. Only one significant issue.

I'll get the resolution to you soon – just checking with Margaret's minutes.

Please ensure JK is involved in any meeting with Barry Jordan – he will need to lead the work here so should be in on the engagement from the beginning.

Regards

Graeme

From: Nigel Gould <gould@xtra.co.nz>
Sent: Monday, 22 July 2019 10:13 AM
To: Graeme Harris <Graeme.Harris@caa.govt.nz>
Cc: Don Huse <don.huse@me.com>; Anna Adams <anna.adams@mc.co.nz>; Harry Duynhoven <harry.duynhoven@npdc.govt.nz>; Jill Hatchwell <jill@jillhatchwell.co.nz>
Subject: Minister letter..

Hi Graeme..

after an extended conversation with Don, I attach the amended draft letter to be forwarded to the Minister.

I am comfortable that it captures Board content, but need to ensure that there are no conflicts from your perspective. If you have no further issue would you please arrange the final form of it, and obtain the 2 annexed attachments. I could drop in latter today to sign it off.

Any final draft of the resolution yet available? I am in contact with Barry Jordan today and will liase with John Kay.

Cheers... N

Nigel J Gould

home/ office 04 499 3768 mobile 021 430 101

fax 04 499 6741
gould@xtra.co.nz

Margaret Ninness

From: Graeme Harris
Sent: Monday, 22 July 2019 11:59 AM
To: Nigel Gould
Subject: RE: Minister letter..
Attachments: Draft response to 1 July 2019 letter Board Comments.docx

Hi Nigel

See attached comments and track changes. Nothing particularly significant except for advice to remove the commitment with respect to the content of the Annual Report. Also one question re the 2016 turnover rate – can't find the figures that support your change. Let me know once we have a final version and I will pass to Margaret for her to format etc., attach the annexes and your signature and dispatch. Call to discuss if you consider necessary.
Graeme

From: Nigel Gould <gould@xtra.co.nz>
Sent: Monday, 22 July 2019 10:13 AM
To: Graeme Harris <Graeme.Harris@caa.govt.nz>
Cc: Don Huse <don.huse@me.com>; Anna Adams <anna.adams@mc.co.nz>; Harry Duynhoven <harry.duynhoven@npdc.govt.nz>; Jill Hatchwell <jill@jillhatchwell.co.nz>
Subject: Minister letter..

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Any final draft of the resolution yet available? I am in contact with Barry Jordan today and will liase with John Kay.

Cheers... N

Nigel J Gould

home/ office 04 499 3768 mobile 021 430 101

fax 04 499 6741
gould@xtra.co.nz

Margaret Ninness

From: Graeme Harris
Sent: Saturday, 3 August 2019 9:05 AM
To: Nigel Gould
Subject: Re: Fwd: APANPIRG/29 and RASG-APAC Midyear Review and 6th PIRG & RASG coordination Meetings - Security Advisory

On to it. I'll get you a draft ASAP.

G

Sent from my iPhone

From: Nigel Gould <gould@xtra.co.nz>
Sent: Saturday, August 3, 2019 9:01:58 AM
To: Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: Re: Fwd: APANPIRG/29 and RASG-APAC Midyear Review and 6th PIRG & RASG coordination Meetings - Security Advisory

We are obviously on the same wavelength..

Don't want an overkill, but clearly I want to be very clear that the Board has full confidence in the team and the processes in play and being developed. Also to reaffirm the Diversity and Inclusion program and the full confidentiality maintained within it.

N

On 03 August 2019 at 08:39 Graeme Harris <Graeme.Harris@caa.govt.nz> wrote:


I'm just about to write something myself which I'll either send before flying out or on arrival in BKK if I don't get it finished before leaving. Perhaps I draft something from both of us and run it past you before sending?

Graeme

Sent from my iPhone

From: Nigel Gould <gould@xtra.co.nz>
Sent: Saturday, August 3, 2019 8:33:07 AM
To: Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: Re: Fwd: APANPIRG/29 and RASG-APAC Midyear Review and 6th PIRG & RASG coordination Meetings - Security Advisory

Thanks.. certainly support your suggestion, and, maybe, it might be quieter over there than here....



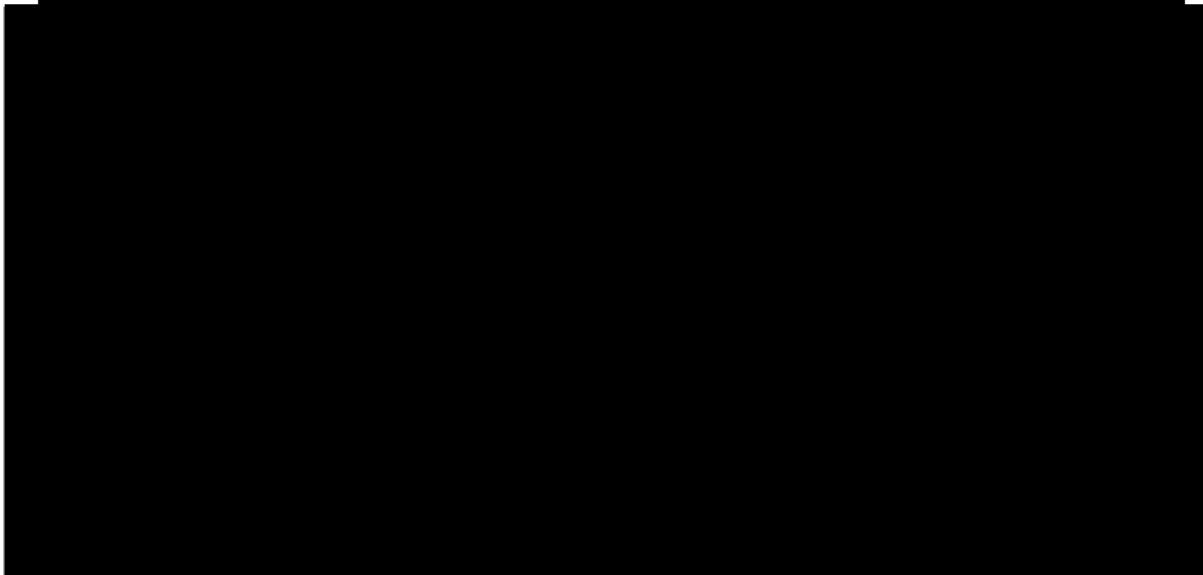
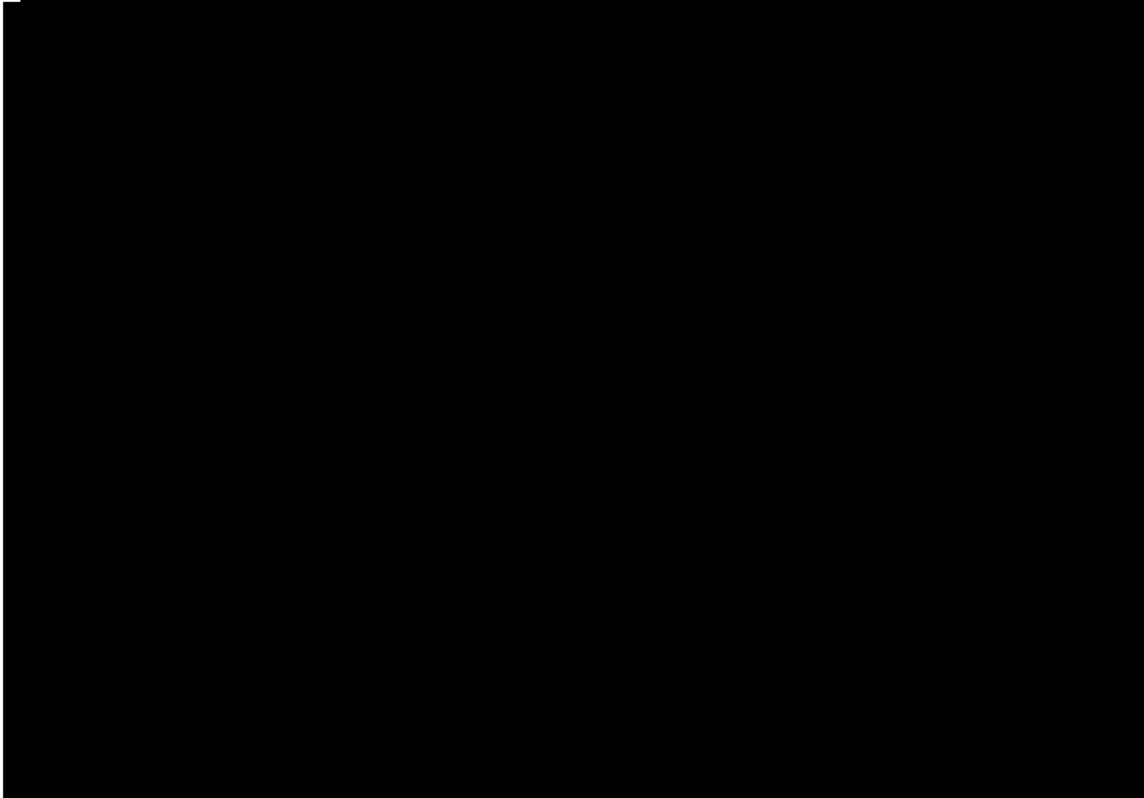
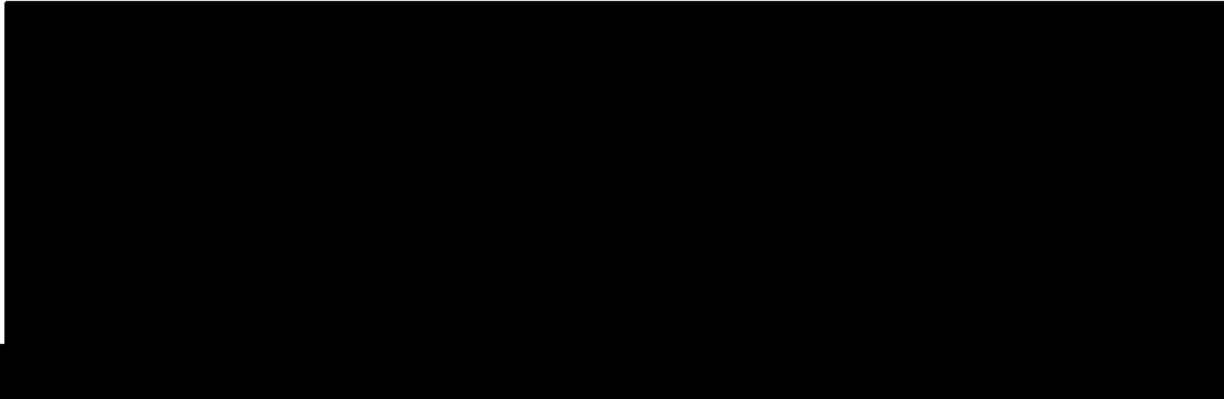
Enjoy the travel; hopefully the meeting; and yes, keep your head down..

Cheers.. N

PS I am thinking whether I should do a memo to staff. I am very conscious of the impact this is having, and for some it coincides with the uncertainties for them within the reorganisation.



Any thoughts?



Margaret Ninness

From: Graeme Harris
Sent: Monday, 22 July 2019 2:35 PM
To: Nigel Gould
Subject: RE: RE: Minister letter.. [MC-DMS.FID703124]

I'll come up with some words and get you to ok them in a few minutes. Unfortunately we can't use –

Fatalities within Civil Aviation have a major social impact and are felt very strongly by our staff who are required to attend. Any accident has deep impact. We can take some comfort in the ongoing favourable trend in passenger aviation, in both incidents, and fatalities. Over the past three years over 21 million passengers have each year flown with no fatalities. However an average 4 deaths per year have occurred within other commercial operations. A further average 7 fatalities per year have resulted from recreational activities. Our focus remains on reversing these commercial and recreational trends, and seeing the favourable passenger aviation trends continue in the right direction.

- as, in accordance with our regulatory operating model and related safety focus areas the recreational sector is not a particular priority for us. That's not say we are doing nothing, it's just the words Anna has used are not correct.

Graeme

From: Nigel Gould <gould@xtra.co.nz>
Sent: Monday, 22 July 2019 2:25 PM
To: Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: Fwd: RE: Minister letter.. [MC-DMS.FID703124]

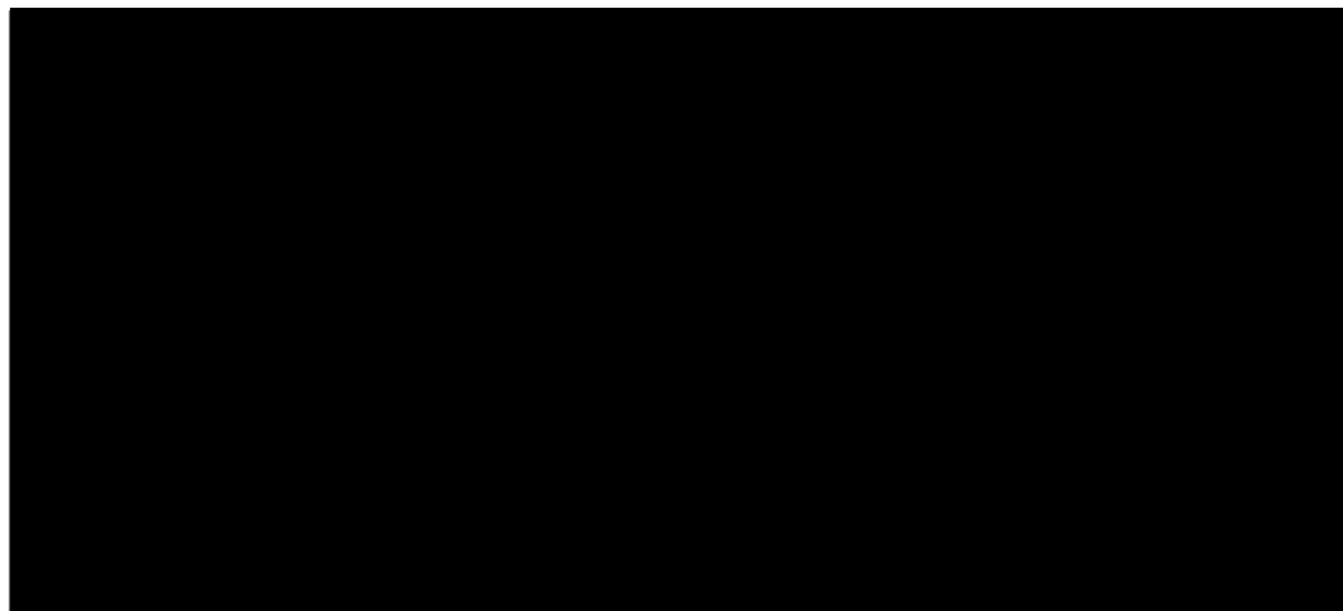
Hi Graeme..

I am comfortable with the deletion of the first 5 words highlighted.

But my recollection is that our incidence trends reviewed late May clearly disclosed improvement in all areas except helicopters - correct?.

I have no issue with Anna's changes in the final section, but would change "reversing" to "improving"..

Cheers..N



Margaret Ninness

From: Graeme Harris
Sent: Monday, 22 July 2019 4:02 PM
To: Nigel Gould
Subject: RE: RE: Minister letter.. [MC-DMS.FID703124]

Thanks for the offer but suggest it won't be ready then – Margaret will need to format etc. It will take until tomorrow for her to do so. We'll just use your 'e signature'.
Graeme

From: Nigel Gould <gould@xtra.co.nz>
Sent: Monday, 22 July 2019 3:51 PM
To: Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: RE: RE: Minister letter.. [MC-DMS.FID703124]

Thanks for that .. all go then..

I could call in at 445 if you wanted it autographed..

Cheers.. N

On 22 July 2019 at 15:39 Graeme Harris <Graeme.Harris@caa.govt.nz> wrote:

Hi Nigel

Hopefully finally. I have accepted all the changes from you. I have also adopted Anna's changes on page 5 (highlighted). I have had to reword the proposed changes on page 7 (highlighted) because it was not strictly accurate the way it was. It is now accurate.

Let me know if ok and I will get rid of it to Margaret.

Graeme

From: Nigel Gould <gould@xtra.co.nz>
Sent: Monday, 22 July 2019 2:25 PM
To: Graeme Harris <Graeme.Harris@caa.govt.nz>
Subject: Fwd: RE: Minister letter.. [MC-DMS.FID703124]

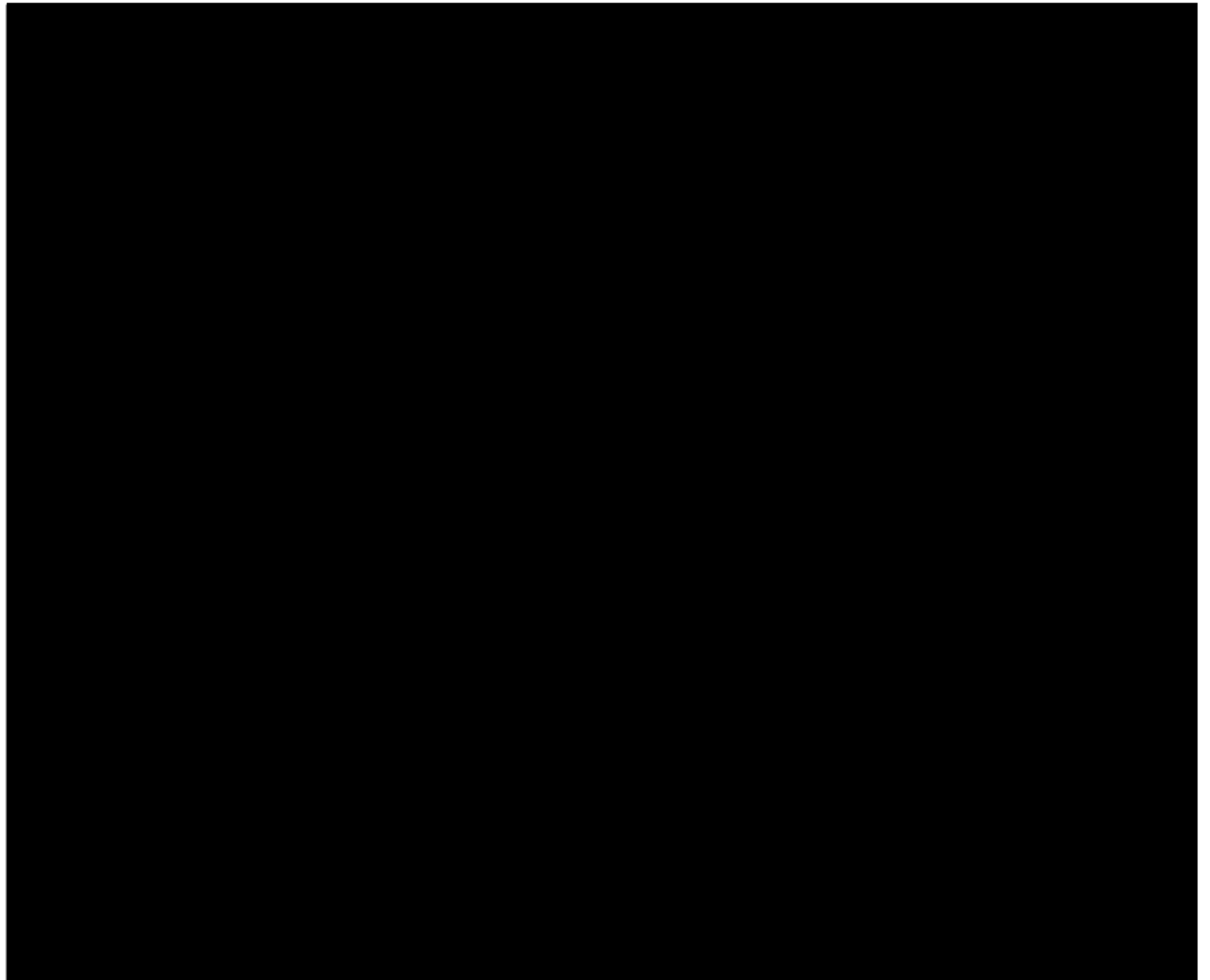
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Cheers..N



Margaret Ninness

From: Nigel Gould <gould@xtra.co.nz>
Sent: Friday, 19 July 2019 6:21 AM
To: Don Huse; Anna Adams; Harry Duynhoven; Jill Hatchwell
Cc: Graeme Harris
Subject: Letter to Minister..
Attachments: Draft response to 1 July 2019 letter.docx

Good morning all.. something to digest over a morning coffee..

Graeme and I have pondered over the style of response, level of detail, and context etc..

Attached is the current draft for your review. There are several areas requiring better expression, but I am keen to get your views on the general messaging, and to what extent, if any, further comments could be included (or deleted).

We are finalising a draft capture of the Board resolution to circulate asap, and I will be meeting up with [REDACTED] on his return next week for an initial discussion.

I am meeting with Nick Brown at MoT this morning - principally as part of a staff (his) review, but also a general discussion on the "environment"..

Look forward to feedback..

Cheers...Nigel

Nigel J Gould

home/ office 04 499 3768 mobile 021 430 101

fax 04 499 6741
gould@xtra.co.nz

Margaret Ninness

From: Nigel Gould <gould@xtra.co.nz>
Sent: Tuesday, 6 August 2019 4:12 PM
To: Anna Adams; John Kay
Cc: Graeme Harris; Harry Duynhoven; Don Huse; Jill Hatchwell
Subject: Re: DeLoittes and Barry Jordan

Hi Anna.,

i have caught up with John K, and hopefully all is clarified..

Ad earlier indicated, it is the Authority which will engage DeLoittes, but we will add in “ together with such other appropriate expertise as may be determined necessary for a Board perspective to be established “...,

It will be essential that we have a coordinated and integrated work program developed managed through the steering group. Assuming [REDACTED] remains available now that his new tertiary role has been announced, it would be good for you and Don to have a direct initial meeting with him provided you and I have clarity on what is proposed..

Called in at the Aviation Conference this pm after Minister had been there- [REDACTED] was interviewing all and sundry, as well as the Minister again. Appears that some rotary individuals may have taken the opportunity to vent some frustrations..

Tonighg will be interesting, as will tomorrow’s all day session with the Ministry, and then engagement, and dinner, with the Minister..

Life’s never dull.,

Cheers..

Nigel

