

From: [Anita Shannon](#)
To: [Huia Forbes](#); [Sven Grabow](#); sam.green@parliament.govt.nz; neil.deans@parliament.govt.nz
Cc: [Government Services](#); [Claire Spencer](#); [Stacey Wrenn](#); [Tim Bamford](#); [Bruce Parkes](#); [Rachael McMillan](#); [Cliff Laird](#); [Lizzy Sutcliffe](#); [Liz Gauvalofa](#); [Angela Winter](#)
Subject: 22-M-0070 - Talking Points - Interview with Tess McClure from The Guardian on the Milford Opportunities Project
Date: Wednesday, 27 April 2022 9:46:00 am
Attachments: [image002.jpg](#)

Kia ora Neil

Please find below the talking points as per your email request.

Ngā mihi

Anita Shannon

Project Coordinator | Regional Visitor Planning Team

Department of Conservation | *Te Papa Atawhai*

s9(2)(a)

www.doc.govt.nz

22-M-0070 - Talking Points - Interview with Tess McClure from The Guardian on the Milford Opportunities Project

Please note that Minister Nash has also been asked for comment by the journalist, as have mana whenua.

Key facts: Background and the need for government to take action

- The breath-taking, isolated natural splendour of Milford Sound Piopiotahi is the jewel in the crown of New Zealand tourism and arguably the 8th wonder of the world. Piopiotahi has a rich cultural heritage and is home to unique geology, rare terrestrial and marine wildlife.
- The Milford Opportunities Project (MOP) was formed in 2017, due to concerns about the rapidly growing visitor numbers and ongoing pressures on Milford Sound Piopiotahi and the surrounding area. With the number of annual visitor's reaching 870,000 in 2019, the natural environment, cultural values and infrastructure at this UNESCO World Heritage site were experiencing significant and increasing pressures.
- Results from surveys over two years 2017-2018 (both NZ public and international tourist responses) indicated dissatisfaction with congestion at peak times, road safety and limited infrastructure to support a quality visitor experience.
- Despite the reduction in visitor numbers due to the COVID pandemic, there is still the need for integrated management and governance to activate benefits for mana whenua, conservation, communities, and visitors, while managing the impacts of visitors.
- The MOP Masterplan is based on a foundation of protection for the natural and cultural values and regenerative tourism, strongly aligned with the strategic direction of DOC's Heritage and Visitor Strategy and the New Zealand-Aotearoa Government Tourism Strategy, the Parliamentary Commissioner for the Environment reports on sustainable tourism, the Future of Tourism report and the Direction of Tourism.
- The MOP's independent, collaborative approach illustrates how strategic long-term thinking could better provide integrated future management and presents an opportunity

for the Government to harness ground-breaking innovative solutions.

- It has remained a ministerial priority across successive governments since its inception and is a critical project for exploring how we deliver sustainable visitor experiences while supporting conservation outcomes.

Talking point topic one: Milford opportunities Project what is it trying to achieve

- Milford Sound Piopiotahi is a national taonga and arguably New Zealand's most recognised destination globally. It is of great significance to mana whenua and our national identity.
- Working collaboratively with Ngāi Tahu, Crown agencies, industry and local communities, the MOP uses an innovative approach to plan for the long-term future of Milford Sound Piopiotahi and its surrounding areas.
- In June 2021, the MOP delivered a visionary non-statutory Masterplan to Cabinet aimed at protecting the taonga, while creating a world-class visitor experience that would benefit Milford Sound Piopiotahi, surrounding areas and support conservation.

Talking point topic two: The Masterplan

- The MOP Masterplan was based on extensive research and collaborative long-term destination planning.
- The Masterplan seeks to showcase Milford Sound Piopiotahi and surrounding areas through a curated visitor journey that celebrates place, the power of nature and the stories of the past. It intends on creating a world-class visitor experience that benefits Milford Sound Piopiotahi, surrounding communities and supports conservation goals.
- To support its 50 year vision, the Masterplan was guided by the following five overarching objectives:
 1. The role of Ngāi Tahu as mana whenua and Treaty partner is acknowledged, and Te Ao Māori values are embedded throughout.
 2. Milford Sound Piopiotahi is protected now and into the future, recognizing its World Heritage status
 3. The visitor experience is world class and enhances conservation and community.
 4. Infrastructure is effective, efficient, resilient and sustainable (including access methods).
 5. Visitors benefit the communities of Te Anau, Southland and Otago.
- As part of an integrated solution, the Masterplan details a range of recommendations that, if enacted, would bring transformative change to Milford Sound Piopiotahi and surrounding areas. These include:
 - a. Restricting private vehicle access to Milford Sound Piopiotahi through a permit and public transport system
 - b. Charging international visitors for access to Milford Sound Piopiotahi based on the value of the place, creating a self-funded sustainable system
 - c. Prohibiting cruise ships from entering Milford Sound Piopiotahi
 - d. Closing the aerodrome (fixed-wing runway) at Milford Sound Piopiotahi and replacing it with an expanded heliport to allow for significant reorganisation of the infrastructure and visitor flow at Milford Sound Piopiotahi
 - e. Redesigning the facilities and attractions on the Milford Road to encourage longer and slower visitor experiences. The primary transport would be regular hop on/hop off bus services
 - f. Making Te Anau the primary transport hub for the journey to Milford Sound

Piopiotaahi

- g. Introducing a new governance and management structure for Milford Sound Piopiotaahi village and surface waters of the Sound to the Tasman Sea and the Milford Road corridor to improve efficiency and function, potentially with special legislation to enable change
- h. Using the revenue collected from visitors to increase the funding for conservation, mana whenua and community aspirations, transport, and the visitor experience

Talking point topic three: DOC's role in the MOP

- DOC has been involved with the MOP since its inception with Southland District Council. DOC supports the direction of the master planning work and sees the MOP's independent, collaborative approach as an opportunity to develop strategic long-term thinking to better provide integrated future management in high pressure locations.
- While the Masterplan is a major achievement, more work is needed to realise the Masterplan's full potential. Feasibility testing of the Masterplan's recommendations and preparations for project delivery will be led by the MOP Unit.
- Any proposed legislation or changes to existing legislation would go to Cabinet for consideration.

Talking point topic four: Next steps

- As part of the package to support the tourism sector and communities to recover and reset from COVID-19, last year Cabinet approved \$15 million to fund a detailed planning and feasibility assessment of the MOP Masterplan recommendations for the next two years and agreed to the formation of a MOP Unit and Board to oversee the work.
- The MOP is now at the beginning of this next stage of planning and feasibility work. This will include further analysis, consultation and public engagement and is expected to take two years.
- The MOP Board will guide the project and includes two Ngāi Tahu representatives, local and central government representatives, as well as skill-based members.
- The Minister of Conservation, Minister of Tourism and Minister of Transport oversees the MOP Board.

Talking point topic five: Wider impacts on tourism management in Aotearoa

- The MOP is a valuable test case in sustainable tourism management for Aotearoa New Zealand.
- Through the MOP, there is the ability to test different ways of managing places, exploring appropriate visitor limits and access, and ways visitors might directly contribute to conservation.
- DOC is applying destination planning principles at other key locations, such as Tongariro Alpine Crossing, Te Manahuna ki uta (the Mackenzie Basin and Aoraki) and the Glacier area of South Westland on the West Coast of the South Island – Te Tai Poutini.
- This approach of collaborative long-term destination planning may also inform statutory plan reviews, business planning and investment decisions for key locations.

Contact: Claire Spencer, Manager Regional Visitor Planning, s9(2)(a)

----- Forwarded message -----

From: Neil Deans <Neil.Deans@parliament.govt.nz>
Date: 21/04/2022 4:15 pm
Subject: FW: Milford Opportunities interview
To: Government Services <GovernmentServices@doc.govt.nz>, Claire Spencer <cspencer@doc.govt.nz>, Stacey Wrenn <swrenn@doc.govt.nz>
Cc: Huia Forbes <Huia.Forbes@parliament.govt.nz>, Sven Grabow <Sven.Grabow@parliament.govt.nz>, Sam Green <Sam.Green@parliament.govt.nz>
Hi team

Could we please have the summary discussion points for the Minister on the Milford Opportunities Project as requested below, by next Wednesday 27th "April 10.00 am, please?"

Many thanks



Neil Deans | Private Secretary (Conservation)
Office of Hon Kiritapu Allan
Minister of Conservation | Minister for Emergency Management |
Associate Minister for the Environment | Associate Minister for Arts,
Culture and Heritage
4.5L Executive Wing, Parliament Buildings | Private Bag 18888 |
Wellington 6160 | New Zealand
s9(2)(a) | E: neil.deans@parliament.govt.nz

From: Julie Jacobson
Sent: Thursday, 21 April 2022 4:00 PM
To: Neil Deans <Neil.Deans@parliament.govt.nz>; Huia Forbes <Huia.Forbes@parliament.govt.nz>
Subject: Milford Opportunities interview

Hi both

Could we get some notes for the minister for an interview with Tess McClure who writes for The Guardian (NZ correspondent) on the MOP

Including what it's trying to achieve, why government action was needed in that region, how conservation and tourism can compete as priorities, what the intentions are for balancing those, and lessons from Milford for the rest of the country.

The interview is Thursday morning so if it could be with the Minister Wed morning that would be great.

Thanks

Julie Jacobson | Press Secretary
Office of Hon Kiri Allan
Minister of Conservation | Minister for Emergency Management | Associate Minister for the Environment | Associate Minister for Arts, Culture and Heritage
4.5L Executive Wing, Parliament Buildings | Private Bag 18888 | Wellington 6160 | New Zealand
s9(2)(a)
Email julie.jacobson@parliament.govt.nz

[SEEMAIL]

Read

Meeting Memo



Department of
Conservation
Te Papa Atawhai

In Confidence

GS ref: 22-M-0077
DOCCM: 7002910

To: Minister of Conservation **Date:** 11 May 2022

From: Tim Bamford, Acting Director,
Heritage and Visitor Unit

Subject: Meeting with Milford Opportunities Project Board Chair, Dr Keith Turner

Contact (organiser)	
Dr Keith Turner, Milford Opportunities Project Board Chair	s.9(2)(a)
Contact (local DOC staff)	
Name and position	Cellphone
Claire Spencer, Manager Regional Visitor Planning	s.9(2)(a)

Purpose

1. This memo provides context and talking points for your meeting with the Chair of the Milford Opportunities Project (MOP) Board, Dr Keith Turner on Thursday 12 May.
2. We understand that Dr Turner is looking to:
 - a. provide an update on the progress of the project and his thinking on how a business model might work for Milford Sound Piopiotahi
 - b. provide an update on MOP's recruitment of the MOP Programme Director.

Background and context – Te horopaki

Feasibility testing of the MOP Masterplan recommendations will commence soon to inform decision making by Ministers

3. In July 2021, MOP released its Masterplan, which set out a wide range of recommendations across a broad number of topics—all of which will undergo stringent feasibility testing before Government can make an informed decision on them.
4. As part of an integrated solution, the Masterplan details a range of recommendations that, if enacted, would bring transformative change to Milford Sound Piopiotahi and surrounding areas, some of which will require ministerial support and significant feasibility testing.
5. The key recommendations from the Masterplan are:
 - a. Restricting private vehicle access to Milford Sound Piopiotahi through a permit and public transport system
 - b. Charging international visitors for access to Milford Sound Piopiotahi based on the value of the place, creating a self-funded sustainable system
 - c. Prohibiting cruise ships from entering Milford Sound Piopiotahi
 - d. Closing the aerodrome (fixed-wing runway) at Milford Sound Piopiotahi and replacing it with an expanded heliport to allow for significant reorganisation of the infrastructure and visitor flow at Milford Sound Piopiotahi
 - e. Redesigning the facilities and attractions on the Milford Road to encourage longer and slower visitor experiences. The primary transport would be regular hop on/hop off bus services
 - f. Making Te Anau the primary transport hub for the journey to Milford Sound Piopiotahi
 - g. Introducing a new governance and management structure for Milford Sound Piopiotahi village and surface waters of the Sound to the Tasman Sea and the Milford Road corridor to improve efficiency and function, potentially with special legislation to enable change
 - h. Using the revenue collected from visitors to increase the funding for conservation, mana whenua and community aspirations, transport, and the visitor experience
 - i. Building a world class cable car to reach a higher elevation, combined with walks up Bowen Valley and a lookout over Bowen Falls.
6. The MOP's independent, collaborative approach illustrates how strategic long-term thinking could better provide integrated future management and presents an opportunity for the Department to harness ground-breaking innovative solutions.
7. Some of the Masterplan recommendations, if they are to be implemented, will likely require bespoke legislation that contains precedent-setting changes to how Government approaches public access, charging for services, concession management, and governance and management models. For further information on the intent and background to MOP see the Cabinet Paper that was confirmed in June 2021, in Appendix Two.
8. As part of feasibility testing, MOP will develop detailed business cases for the recommendations which will be presented to Government for decisions on the recommendations to progress.
9. The MOP Board met for the first time on Tuesday 12 April to discuss the Masterplan recommendations and priority work areas. Discussion included the workstreams crucial to successful outcomes, being:

- a. What a self-sustaining business model for Milford Sound Piopiotahi could look like
- b. Legal and legislative pathway – including the enablers to facilitate revenue collection for reinvestment
- c. Transport – how visitors access Milford Sound Piopiotahi, via road, air and water
- d. Possible new governance and management structures.

Implications of the MOP for DOC

10. Though specific to Milford Sound Piopiotahi, MOP is of national interest due to the potential precedent setting nature of the project for transformational change of how tourism is managed in New Zealand. Due to the scale and complexity of the MOP masterplans recommendations, it has large implications for DOC.
11. Beyond site-specific impacts, implementation of the Masterplan may impact how DOC governs Milford Sound Piopiotahi. s9(2)(g)(i)
12. The concession situation at Milford Sound Piopiotahi is already complex and there are several significant and long-term concessions up for renewal. s9(2)(g)(i)
13. MOP offers DOC considerable opportunity to work with Ngāi Tahu and could be one of DOC's major avenues to bring the Treaty principles to life. Ngāi Tahu contributed an aspirations and values paper to the information gathering stage of the MOP work (see Appendix 4).
14. The current Fiordland National Park Management Plan is overdue for revision. The context of the age of the current plan, the MOP Masterplan, COVID 19 impacts on businesses and DOC working with Ngāi Tahu on how to give life to our section 4 responsibilities, means there are a range of expectations and aspirations for the park plan review across stakeholders, concessionaries, Ngāi Tahu and DOC.
15. Developing a new park plan in the context of the MOP work and our growing understanding of the Section 4 responsibilities will be challenging. It presents an opportunity to ensure that the new plan is agile and able to meet changing needs while upholding conservation values but achieving this will require a substantial change to DOC's current planning mechanisms.
16. The proposed Conservation Law Reform may provide an avenue to address the above challenges.

MOP's recruitment of its Programme Director is expected to be finalised in May 2022

17. A Programme Director was originally scheduled to be in place by December 2021, but MOP has emphasised the need to find the right candidate rather than the expedient one. Recruitment took longer than anticipated and a candidate has now been endorsed by the Board.
18. The work programme has been delayed by the extended recruitment process, but will begin when the Director's appointment is completed, expected imminently.
19. DOC will continue to support the MOP Unit to enable effective and timely delivery of the work programme.

Key people at the meeting

20. Dr Turner was named Chair of the MOP Board in July 2021.

21. He has over 40 years of executive experience in the power industry, and for the latter 25 years, held senior executive positions in Meridian Energy (as CEO), the former Electricity Corporation of New Zealand (as COO), and its predecessor NZED. Since 2008 he has been a Professional Director on major NZ and Australian boards. He was appointed Chair of the Transpower Board on 1 May 2022, having been a director on that board since December 2021.
22. You talked with Dr Turner by telephone on Monday 9 May. During that call you discussed the appointment of a representative of Environment Southland to the MOP Board and the issue of his remuneration as Chair of the Board. Further information on those issues is attached as Appendix Three.

Opportunities

23. The meeting provides the opportunity for Dr Turner to discuss implementation of the MOP Masterplan and provide an update on MOP's recruitment of the MOP Programme Director.
24. Dr Turner wishes to test his thinking with you around transformational change. We expect the conversation will be centred around the following transformative propositions:
 - a. Legal and legislative pathway to enable implementation – including the enablers to facilitate revenue collection for reinvestment
 - b. Transport – how visitors access Milford Sound Piopiotahi, via road, air and water
 - c. Possible new governance and management structures.
25. The meeting is an opportunity for you to discuss potential implications for conservation and DOC, such as:
 - a. the need for conservation to be front and centre of the next stage of the work for Milford Sound Piopiotahi given the impact of tourism on biodiversity and the natural environment
 - b. interconnection with other DOC priority work:
 - Implementation of the DOC Climate Change Adaptation and Action Plan
 - Fundamental reform of conservation legislation.
26. As Chair of the Ministerial Group you have the opportunity to convene the Ministers of Tourism and Transport to discuss opportunities and implications of the transformation change this project could bring.
27. There is an opportunity for you to visit Te Anau and Milford Sound Piopiotahi to consider the reality at place of the implications of the most crucial workstreams.

Risks

28. This meeting is low risk. That said, it is crucial that the MOP Ministerial Group and the MOP Chair maintain a good, working relationship.

Appendices

Appendix One – Talking Points/Key messages

Publicly released under www.milfordopportunities.nz/assets/Projects/MOP-Establishment-Board-TOR-May2023

Appendix Three – Additional points discussed during telephone conversation of 9 May

Out of scope

MEETING MEMO ENDS

Talking points/Key Messages

<p>Dr Turner's recent Board appointment</p>	<p>9(2)(g)(i) [Redacted]</p>
<p>Implementation of the MOP Masterplan</p>	<p>9(2)(g)(i) [Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>9(2)(g)(i) [Redacted]</p> <p>9(2)(g)(i) [Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>
<p>Working with the Ministerial Group</p>	<p>9(2)(g)(i) [Redacted]</p> <p>[Redacted]</p>

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Progress on recruiting the
MOP Programme Director

9(2)(g)(i)


Released under the Official Information Act 1982

Additional points discussed during telephone conversation of 9 May

Environment Southland's appointment to the Board

29. In February 2022 the Ministerial group agreed on the appointment of the members of the Milford Opportunities Project Board. You have also recently agreed to the appointment of a representative of Environment Southland as an additional advisory member of the board, with no voting rights (consistent with other local and central government appointees).
30. Letters for signing by the Ministerial Group confirming the appointment of representatives of Environment Southland and Southland District Council to the MOP Board in an advisory role are to be sent to your office on 16 May. The draft Board Terms of Reference is being revised and will also accompany the letters requesting approval by the Ministerial Group before being issued to the Board.

Remuneration for the MOP Chair

31. Dr Turner was appointed Board Chair for the period July 2021 to June 2023 [CAB-21-MIN-0237]. The appointment of Dr Turner was based on his knowledge, skills and experience and his ability to provide consistency as the project moves from Stage Two to Stage Three.
32. s 9(2)(a) 

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Read

Departmental Briefing



Department of
Conservation
Te Papa Atawhai

In Confidence

GS ref: 22-B-0303
DOCCM: DOC-7003279

To: Minister of Conservation **Date:** 25 May 2022

Subject: Letters of appointment for local government members to the Milford Opportunities Project Board

Action sought: Sign the attached letters
Circulate the attached letters to the Ministerial Group for signing
Issue the letters

Time Frame: 30 May 2022

Risk Assessment: The issuing of these letters is low risk **Department's Priority:** Normal

Level of Risk: Low

Contacts

Name and position	Cellphone	First contact	Principal author
Tania Short, Acting Manager, Regional Visitor Planning	s9(2)(a)	✓	
Rachael McMillan, Senior Regional Visitor Planner	s9(2)(a)		✓

Executive summary – Whakarāpopoto ā kaiwhakahaere

- 1) This briefing recommends that the Ministerial Group sign the attached letters confirming the appointment of two local government members to the Milford Opportunities Project (MOP) Board. These appointees have previously been agreed by the Ministerial Group but have not received letters of appointment.

We recommend that you ... (Ngā tohutohu)

		Decision
a)	<u>Sign and issue</u> the attached Letters of Appointment to Environment Southland and Southland District Council	Yes / No
b)	<u>Circulate</u> the attached letters to the Ministerial Group for signing	Yes / No



Bruce Parkes
DDG Policy and Visitors
For Director-General of Conservation

----- / ----- / -----
Hon Kiri Allan
Minister of Conservation

Purpose – Te aronga

1. You will finalise the board appointments to the Milford Opportunities Project (MOP) Board by signing the attached letters.
2. This report also provides an update on the development of the Terms of Reference for the MOP Board.

Background and context – Te horopaki

Letters of Appointment

3. In February 2022 you agreed to the appointment of the members of the Milford Opportunities Project Board [21-B-0902]. At that time letters of appointment were sent to five members (Bill Day, Michelle Trapski, Andrew Patterson, Muriel Johnstone and Michael Skerrett). Letters were not sent to those appointed to the Board as representatives of central or local government as those appointments are aligned with the appointee's employment.
4. You have recently agreed to appoint a representative of Environment Southland as an additional non-voting advisory member of the Board, consistent with central government appointees.
5. Environment Southland has asked that their representative be provided with a formal letter of appointment to the MOP Board and the Board Terms of Reference to provide certainty on their role. We agree that such a letter would provide clarity to the appointee and his employer.
6. For consistency we recommend that you also provide the representative of Southland District Council with a letter of appointment. We do not believe similar letters are necessary for those appointed to the Board as representatives of central government agencies.
7. The letters of appointment for Wilma Falconer, (Acting Chief Executive, Environment Southland) and Cameron McIntosh (Chief Executive, Southland District Council) are attached for your signature.

Terms of Reference

8. We are working with the Chair of the Board to revise the draft Terms of Reference (TOR) that you noted in draft form on 15 October 2021 [21-M-160]. The TOR is being revised to reflect recent changes in the design of the MOP Board and to clarify the roles and responsibilities of those involved in the project and the relationship to DOC as host.
9. We expect to provide the refined TOR to the Ministerial Group for approval in June 2022.

Risk assessment – Aronga tūraru

s9(2)(g)(i)

Consultation – Kōrero whakawhiti

12. In drafting the appointment letters, we have consulted with the Chair of the MOP Board and MBIE and MOT agencies.

Financial implications – Te hiraunga pūtea

13. The representatives of Southland District Council and Environment Southland are not paid for their work on the MOP Board; therefore, no financial implications arise other than incidental travel and accommodation expenses, which are to be paid from the funds appropriated for the project by Cabinet.

Next steps – Ngā tāwhaitanga

14. The appointees are required to accept their appointment by way of the form letter attached to your Letter of Appointment.
15. The signing and issuing of these letters will finalise the appointment of these members.

Attachments – Ngā tāpiritanga

16. Attachment A – Letter of Appointment for Southland District Council representative
17. Attachment B – Letter of Appointment for Environment Southland representative

ENDS

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Hon Poto Williams

MP for Christchurch East
Minister of Conservation
Minister for Disability Issues
Associate Minister for Children



Ref: 22-B-0303

Cameron McIntosh
Chief Executive
Southland District Council
cameron.mcintosh@southlanddc.govt.nz

Tēna koe Cameron

APPOINTMENT TO THE MILFORD OPPORTUNITIES PROJECT BOARD

It is our pleasure to advise you that we have appointed the Chief Executive of Southland District Council (SDC) in an advisory capacity. Rather than residing with any one individual, this appointment rests with whoever occupies the role of SDC Chief Executive. Thus, should SDC appoint a new chief executive, the appointment of MOP Board membership will pass on to the new chief executive. The term for appointment begins in June 2022 and concludes at the end of December 2023, unless revised.

Board members appointed in an advisory capacity do not have voting rights. However, they play a crucial role on the Board, providing robust advice to the MOP Ministers and MOP Unit to ensure the MOP achieves its objectives.

Cabinet delegated authority to the MOP Ministerial Group to appoint Board members, and this letter confirms that appointment. This letter provides you with the terms and conditions of your appointment.

We believe your organisation has the attributes, experience and leadership qualities which enable it to make a valuable contribution to the Board. The public announcement of this appointment will be made by the MOP Ministerial Group as soon as practical.

Purpose and accountabilities of the Milford Opportunities Board

The purpose of the Board is to support effective decision making by the MOP Ministerial Group. Through collaboration with partners and stakeholders, the Board is responsible for the Unit undertaking the feasibility and planning work necessary for implementation decisions to be made.

The goal of the feasibility phase is to assess how to achieve the recommendations of the Masterplan through identifying avenues to progress or identify fatal flaws that create stop point(s). This will manage risk and improve the likelihood of moving to implementation.

The feasibility and planning work delivered by the Board must demonstrate to decision makers, partners, and stakeholders how it:

- delivers on the purpose and vision of the Milford Opportunities Project Masterplan
- protects Milford Sound Piopiotahi now and into the future, recognising its World Heritage status
- acknowledges the role of Ngāi Tahu as mana whenua and Treaty Partner

- enhances the visitor experience, and creates recreation, conservation, and community benefits for the communities of Te Anau, Southland, and Otago.

Role and responsibilities

The role of the MOP Board is to govern the MOP Unit. The Unit will not be a legal entity and its Board will not have statutory obligations; these will remain with the relevant central and local government organisations.

Key responsibilities include:

- Ensure project outcomes align with the purpose and objectives of the Masterplan
- Provide visibility of risks and assurance to the Ministerial Group that the project is on-track and well managed
- Deliver phase one, Stage Three objectives
- Monitor the Delivery Unit's management, particularly budget, accountability, and performance
- Report (at least) six monthly to the Ministerial Group

Consistent with the skills that you are bringing to the Board, we expect you to:

- Exercise strong leadership
- Act with honesty and integrity
- Act in good faith
- Act with reasonable care, diligence, and skill
- Not disclose or make use of information that would otherwise not be available to you
- Support the Chair to ensure MOP Board and Unit are working effectively with Ministers, Ngāi Tahu, central and local agencies and other key strategic partners
- Provide timely access to resources and capability in support of MOP
- Raise any concerns or risks with the MOP Unit first and seek to resolve these with the Board before escalating these to Ministers
- Not speak publicly on the project unless agreed beforehand with the Chair.

Members are also responsible for declaring any real or potential conflicts of interest to the Chair as soon as the conflict arises. This includes any conflicts related to SDC or its chief executive.

There is an expectation you will work in good faith to try and reach a consensus position where differences of opinion exist and update the Chair if new conflicts of interest occur.

The role of Board members appointed in an advisory role is to:

- a) provide expert advice and opinion on matters relating to the MOP by:
 - leading the development of a coherent organisational view on matters relevant to the organisation they represent and presenting that view to the Board
 - ensuring that their organisation provides complete and comprehensive responses to requests for information or advice from the MOP Board
- b) during board discussions, present a view representing their organisation's position.

The Board's Terms of Reference and Letter of Expectations will be provided to you shortly.

Term of office

The SDC Chief Executive will continue as a member despite the expiry of the term until SDC is reappointed, its successor is appointed, or it is informed in writing that an SDC representative will not to be reappointed to the Board. Should SDC appoint a new chief executive, the appointment of MOP Board membership will pass to this individual. This is to say, the MOP Board appointment resides with the position of SDC Chief Executive rather than with any individual who might occupy the role of SDC Chief Executive at any point in time.

SDC may resign from the MOP Board by written notice to us, with a copy sent to the MOP Board. Resignation would be effective on our receipt of notice, or at a later date, specified by your organisation.

We may remove SDC from the Board at any time and for any reason that in our opinion justifies the removal. We would only do so by giving written notice to SDC and stating the reason for removal.

Acceptance of the Appointment

We would be grateful if you could formally acknowledge SDC's acceptance of this offer of appointment by signing the attached letter and returning it to Rachael McMillan at the Department of Conservation (rmcmillan@doc.govt.nz) who will record it on my behalf.

I congratulate SDC on its appointment and wish it well for its term on the Milford Opportunities Board.

Nāku noa nā

Hon Poto Williams

Minister of Conservation

Hon Michael Wood

Minister of Transport

Hon Stuart Nash

Minister of Tourism

cc: Bruce Parkes, Deputy Director General, Department of Conservation

Dr Keith Turner, Chair of the Milford Opportunities Project Board

Hon Poto Williams
Minister of Conservation
Hon Michael Wood
Minister of Transport
Hon Stuart Nash
Minister of Tourism
Parliament Buildings
Wellington

Dear Ministers

Southland District Council (SDC) acknowledges receipt of your letter appointing its chief executive (CE) to the Milford Opportunities Board in an advisory capacity for a term beginning in April 2022 and concluding at the end of December 2023.

SDC accepts that it will hold office at the discretion of the Ministers of Conservation, Tourism, and Transport.

SDC will ensure that it remains fully familiar with the obligations and responsibilities of the position. SDC will advise you, via the Department of Conservation, of any change in it or its CE's circumstances that may have an impact on its ability to serve on the Milford Opportunities Board.

Yours sincerely

NAME

Date:

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Hon Poto Williams

MP for Christchurch East
Minister of Conservation
Minister for Disability Issues
Associate Minister for Children



Ref: 22-B-0303

Wilma Falconer
Chief Executive
Environment Southland
Wilma.Falconer@es.govt.nz

Tēna koe Wilma

APPOINTMENT TO THE MILFORD OPPORTUNITIES PROJECT BOARD

It is our pleasure to advise you that we have appointed the Chief Executive of Environment Southland (ES) to the Milford Opportunities Board (the MOP Board) in an advisory capacity. Rather than residing with any one individual, this appointment rests with whoever occupies the role of ES Chief Executive. Thus, should ES appoint a new chief executive, the appointment of MOP Board membership will pass on to the new chief executive. The term for appointment begins in June 2022 and concludes at the end of December 2023, unless revised.

Board members appointed in an advisory capacity do not have voting rights. However, they play a crucial role on the Board, providing robust advice to the MOP Ministers and MOP Unit to ensure the MOP achieves its objectives.

Cabinet delegated authority to the MOP Ministerial Group to appoint Board members, and this letter confirms that appointment. This letter provides you with the terms and conditions of your appointment.

We believe your organisation has the attributes, experience and leadership qualities which enable it to make a valuable contribution to the Board. The public announcement of this appointment will be made by the MOP Ministerial Group as soon as practical.

Purpose and accountabilities of the Milford Opportunities Board

The purpose of the Board is to support effective decision making by the MOP Ministerial Group. Through collaboration with partners and stakeholders, the Board is responsible for the Unit undertaking the feasibility and planning work necessary for implementation decisions to be made.

The goal of the feasibility phase is to assess how to achieve the recommendations of the Masterplan through identifying avenues to progress or identify fatal flaws that create stop point(s). This will manage risk and improve the likelihood of moving to implementation.

The feasibility and planning work delivered by the Board must demonstrate to decision makers, partners, and stakeholders how it:

- delivers on the purpose and vision of the Milford Opportunities Project Masterplan
- protects Milford Sound Piopiotahi now and into the future, recognising its World Heritage status
- acknowledges the role of Ngāi Tahu as mana whenua and Treaty Partner

- enhances the visitor experience, and creates recreation, conservation, and community benefits for the communities of Te Anau, Southland, and Otago.

Role and responsibilities

The role of the MOP Board is to govern the MOP Unit. The Unit will not be a legal entity and its Board will not have statutory obligations; these will remain with the relevant central and local government organisations.

Key responsibilities include:

- Ensure project outcomes align with the purpose and objectives of the Masterplan
- Provide visibility of risks and assurance to the Ministerial Group that the project is on-track and well managed
- Deliver phase one, Stage Three objectives
- Monitor the Delivery Unit's management, particularly budget, accountability, and performance
- Report (at least) six monthly to the Ministerial Group

Consistent with the skills that you are bringing to the Board, we expect you to:

- Exercise strong leadership
- Act with honesty and integrity
- Act in good faith
- Act with reasonable care, diligence, and skill
- Not disclose or make use of information that would otherwise not be available to you
- Support the Chair to ensure MOP Board and Unit are working effectively with Ministers, Ngāi Tahu, central and local agencies and other key strategic partners
- Provide timely access to resources and capability in support of MOP
- Raise any concerns or risks with the MOP Unit first and seek to resolve these with the Board before escalating these to Ministers
- Not speak publicly on the project unless agreed beforehand with the Chair.

Members are also responsible for declaring any real or potential conflicts of interest to the Chair as soon as the conflict arises. This includes any conflicts related to ES or its chief executive.

There is an expectation you will work in good faith to try and reach a consensus position where differences of opinion exist and update the Chair if new conflicts of interest occur.

The role of Board members appointed in an advisory role is to:

- a) provide expert advice and opinion on matters relating to the MOP by:
 - leading the development of a coherent organisational view on matters relevant to the organisation they represent and presenting that view to the Board
 - ensuring that their organisation provides complete and comprehensive responses to requests for information or advice from the MOP Board
- b) during board discussions, present a view representing their organisation's position.

The Board's Terms of Reference and Letter of Expectations will be provided to you shortly.

Term of office

The ES Chief Executive will continue as a member despite the expiry of the term until ES is reappointed, its successor is appointed, or it is informed in writing that an ES representative will not be reappointed to the Board. Should ES appoint a new chief executive, the appointment of MOP Board membership will pass to this individual. This is to say, the MOP Board appointment resides with the position of ES Chief Executive rather than with any individual who might occupy the role of ES Chief Executive at any point in time.

ES may resign from the MOP Board by written notice to us, with a copy sent to the MOP Board. Resignation would be effective on our receipt of notice, or at a later date, specified by your organisation.

We may remove ES from the Board at any time and for any reason that in our opinion justifies the removal. We would only do so by giving written notice to ES and stating the reason for removal.

Acceptance of the Appointment

We would be grateful if you could formally acknowledge ES's acceptance of this offer of appointment by signing the attached letter and returning it to Rachael McMillan at the Department of Conservation (rmcmillan@doc.govt.nz) who will record it on my behalf.

I congratulate ES on its appointment and wish it well for its term on the Milford Opportunities Board.

Nāku noa nā

Hon Poto Williams

Minister of Conservation

Hon Michael Wood

Minister of Transport

Hon Stuart Nash

Minister of Tourism

cc: Bruce Parkes, Deputy Director General, Department of Conservation

Dr Keith Turner, Chair of the Milford Opportunities Project Board

Hon Poto Williams
Minister of Conservation
Hon Michael Wood
Minister of Transport
Hon Stuart Nash
Minister of Tourism
Parliament Buildings
Wellington

Dear Ministers

Environment Southland (ES) acknowledges receipt of your letter appointing its chief executive (CE) to the Milford Opportunities Board in an advisory capacity for a term beginning in April 2022 and concluding at the end of December 2023.

ES accepts that it will hold office at the discretion of the Ministers of Conservation, Tourism, and Transport.

ES will ensure that it remains fully familiar with the obligations and responsibilities of the position. ES will advise you, via the Department of Conservation, of any change in it or its CE's circumstances that may have an impact on its ability to serve on the Milford Opportunities Board.

NAME

Date:

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Read

Meeting Memo



Department of
Conservation
Te Papa Atawhai

In Confidence

GS ref: 22-M-0117

DOCCM: 7060436

To: Minister of Conservation **Date:** 28 June 2022

From: Tim Bamford, Acting Director,
Heritage and Visitors

Subject: Milford Opportunities Ministerial meeting

Contact

Tim Bamford, Acting Director, Heritage and Visitors

s9(2)(a)

Meeting purpose & context

1. This memo supports your attendance at the Milford Opportunities Ministerial Group (the Ministerial Group) on Wednesday 29 June at 8pm. The Ministerial Group is delegated responsibility from Cabinet for oversight of the Milford Opportunities Project (MOP). The next phase of the project is focused upon feasibility testing of the Milford Masterplan recommendations. A list of recommended agenda items for the meeting is appended at Attachment One.
2. The MOP Masterplan aims to create a world-class visitor experience that benefits Milford Sound Piopiotahi and surrounding communities while supporting conservation goals. This project aims to reset how tourism is managed with a key focus on conservation outcomes. The MOP has as its foundation an innovative, collaborative approach firmly based on the principles of regenerative tourism. It is strongly aligned to DOC's Heritage and Visitor strategy and Government's tourism strategy [22-B-0429 refers].
3. The Ministerial Group's Terms of Reference specifies that the group is constituted of the Minister of Conservation (Chair and Convenor), the Minister of Tourism and the Minister of Transport.
4. The TOR also provides that the ministers of the group are responsible for decisions in relation to their own portfolios but have a responsibility to ensure that those decisions are aligned with those of the other portfolios.
5. As Chair, you have a key role in ensuring the Ministerial Group achieves consensus on issues, and that decision making is collaborative. You also manage the relationship with the Chair of the MOP Board.

Agenda items – background and talking points

1. Ensuring the Ministerial Group is effective

To establish robust working relationships within the Ministerial Group to help regain the project's lost momentum

6. This is the first meeting of the reconstituted group, with Associate Minister of Transport Hon Kieran McNulty having assumed delegated responsibility for the Minister of Transport's role.
7. This meeting presents an opportunity to establish a robust working relationship within the group and consider how you will cooperate over the two years for the feasibility testing phase of the project. We understand that Minister Nash will raise his concerns about the need for all decision making to be undertaken through the Ministerial Group meetings rather than through circulating papers. We support all significant decisions being raised in this manner.
8. The meeting comes as the MOP works to regain momentum lost over the last year because of delays in establishing the Milford Opportunities Board and MOP Unit.
9. Those delays have arisen because of administrative issues, s9(2)(a) difficulty in obtaining a suitably experienced director to head the MOP Unit, and dissonant views on the composition of the MOP Board. Other than finalisation of the board composition and the Terms of Reference for the MOP Board, these issues have now been resolved.
10. The role of the Ministerial Group going forward will be to focus on the strategic level, of desired project outcomes, ensuring that key decisions that arise during feasibility testing are aligned with overarching government priorities and strategies and will achieve the best outcomes for tourism management in New Zealand. You may like to discuss with the Ministerial Group how you see its role going forward, and what needs to happen to ensure its effectiveness.
11. The Ministerial Group will also need to be forward looking to identify opportunities of synergy, and possible disruptors. The scale of transformation of the proposed changes to the management and governance of Milford Sound Piopiotahi is disruptive when considered in the context of the current legislative settings for public conservation land and state highways. Legislative amendment is likely to be required to enable a new way of managing visitors. Any changes will need to be fit for purpose for this area, and suitable for application to other areas of elevated tourism pressure.
12. While the MOP Board and Unit have been established with a high level of operational freedom, the agencies supporting the Ministerial Group have a role in supporting the Ministerial Group with advice on the project's alignment with the Masterplan and other government policies. You may like to discuss with your colleagues how the agencies might best work together to provide a joined-up view on these matters.

Talking points

13. To establish robust working relationships within the Ministerial Group to help regain the project's lost momentum you could discuss the following points:
 - How best to clarify roles within the Ministerial Group?
 - What is the most effective way for the Ministerial Group to operate to regain momentum whilst maintaining strong decision making?
 - What is the best way to ensure that the agencies align to support the Ministerial Group?

2. Milford Opportunities Board membership and role

Ministers have yet to finalise the membership of the Board. It would be useful to discuss this issue at your meeting.

14. It has been proposed that representatives of Southland District Council (SDC) and Environment Southland (ES) be appointed to the Board, however the Ministerial Group has not yet come to a consensus on the appointment of ES. Your predecessor sent a letter to ES stating that they will receive an appointment letter in due course. The appointment letter has not yet been signed by the Ministerial Group s9(2)(g)(i) [REDACTED]. Please note that the MOP Chair has already been in contact with ES welcoming them to the Board in anticipation of the appointment letter being issued.
15. Another discussion point is whether both Councils should have voting rights. The Chair of the MOP Board considers that voting rights should be granted to SDC in recognition of their close relationship with the community of the area and their leadership of the earlier stages of the project. Your predecessor considered that neither Council should have voting rights, which aligns with the role that central government representatives play as advisors to the Board. We recommend that Ministers reach a consensus on SDC's role.
16. s9(2)(g)(i) [REDACTED] has been critical of aspects of the Masterplan and has been seeking a place on the Board. s9(2)(g)(i) [REDACTED] on the Board would significantly reduce the work required to manage this and allow MOP to focus on its primary role of organising feasibility assessments.
17. s9(2)(g)(i) [REDACTED] s9(2)(g)(i) [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
18. We recommend that the Group reach agreement on the membership of the board, specifically the role of the local authority representatives, and what the approach to further requests for Board membership will be.

Talking points

19. To agree the final composition of the Board you could discuss the following points:
 - Can we reach an agreement on the inclusion of Environment Southland on the Board?
 - What are your thoughts on whether Southland District Council is voting or non-voting?
 - s9(2)(g)(i) [REDACTED]
 - What will be our approach when more stakeholders request a seat on the Board?

3. MOP Board Terms of Reference

The Ministerial Group needs to consider and agree the level of freedom accorded to the Board and Chair in overseeing the project.

20. The supporting agencies (DOC, MBIE and MOT) have a role in monitoring the direction of travel of the project and providing corresponding advice to the Group. However, the Ministerial Group needs to consider and agree the level of freedom accorded to the

Board and Chair in overseeing the project. The Chair wishes to hold a high level of freedom and trust from Ministers to facilitate innovation.

21. Risks to consider are the reputation of the project (and its credibility) and divergence from previously agreed direction without Ministerial agreement. 9(2)(g)(i)

Note Ministers can disband the Board or use other mechanisms to restrict activities if the Board does not perform. We recommend the Ministerial group discuss and agree the level of control and oversight of the Board and project that should be exerted through the Board Terms of Reference and monitoring arrangements.

Talking points

22. To agree the level of control and direction over the project you wish to exert through the TOR you could discuss the following point:
- What level of control and oversight of the Board and project should be exerted through the Board TOR and monitoring arrangements?

4. Meeting with the Chair of the MOP Board

Dr Turner wishes to test his thinking with the Ministerial Group around the ability to achieve the MOP Masterplan outcomes through transformational change.

23. A meeting between the Ministerial Group and the Chair of the Board is being set up.
24. We understand that Dr Turner wishes to test his thinking with the Ministerial Group around the ability to achieve the MOP Masterplan outcomes through transformational change. He will be looking for an indication of Ministers' appetite for significant changes to the management of Milford Sound Piopiotahi.
25. At the meeting with the Board Chair it will also be important to discuss and confirm roles, and cement a working relationship with the Chair that provides clarity on roles and responsibilities to avoid issues. We suggest you work with the other members of the Ministerial group to define the other issues you wish to discuss with the Board Chair.
26. The Ministerial Group will be separately provided with advice to support that meeting.

Talking points

27. To prepare for the forthcoming meeting with the MOP Chair you could discuss the following points:
- Are there any issues that should be raised with the Chair of the MOP Board?
 - What is our agreed approach to working with the Chair going forward?

Risks

28. If the Ministerial Group does not have an agreed view of their role and the challenges of the project it is unlikely that it can guide the MOP project to success. This meeting is important to set the relationships within the Ministerial Group to enable joined up decision making and provide confidence that it can achieve the outcomes sought.
29. Further delays in finalising the membership of the MOP Board and the Board Terms of Reference risks slowing the progress of the project because of the resulting uncertainty. We recommend that Ministers act decisively to resolve these issues.

Treaty implications

30. Ngāi Tahu have been central to the Masterplan's development. The current visitor experience is almost devoid of any cultural element. The Masterplan addresses this issue and provides an avenue to actualise Ngāi Tahu's aspirations.

Legislative implications

31. To be implemented, some of the MOP Masterplan recommendations will likely require legislative change. This could include precedent-setting changes to how government approaches public access, charging for services, concessions management, and governance and management models.
32. DOC manages commercial activities on public conservation land through the concessions management system. The Masterplan recommendations have implications for existing long-term concession holders who have significant investment in infrastructure in the next 5-10 years. DOC will need to work closely with the MOP Unit to test how the masterplan recommendations might be actualised within the current legislative framework or whether it would be more appropriate to use another mechanism, such as special legislation, to enable the desired change to concessions.
33. Lessons from the MOP may also, in parallel, inform the approach to management of other high use conservation areas.
34. The MOP Board will provide advice to the Ministerial Group on these issues as a key deliverable.

Attachments

35. Attachment 1 – Summary of suggested agenda and talking points
 36. Attachment 2 – Terms of reference for the Ministerial Group
- Terms of Reference publicly available at www.milfordopportunities.nz/assets/Projects/MOP-Establishment-Board-TOR-May2023
-
- MEMO ENDS**

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Attachment 1: Summary of suggested talking points

Hon Poto Williams, Minister of Conservation Meeting with Milford Opportunities Ministerial Group Wednesday 29 June 2022, 8:00pm	
No DOC officials will be present	
Agenda Item	Talking points
1 Ministerial Group role	<ul style="list-style-type: none"> • How best to clarify roles within the Ministerial Group? • What is the most effective way for the Ministerial Group to operate to regain momentum whilst maintaining strong decision making? • What is the best way to ensure that the agencies align to support the Ministerial Group?
2 MOP Board membership	<ul style="list-style-type: none"> • Can we reach an agreement on the inclusion of Environment Southland on the Board? • What are your thoughts on whether Southland District Council is voting or non-voting? • s9(2)(g)(i) [REDACTED] • What will be our approach when more stakeholders request a seat on the Board?
3 MOP Board Terms of Reference	<ul style="list-style-type: none"> • What level of control and oversight of the Board and project should be exerted through the Board TOR and monitoring arrangements?
4 Meeting with Dr Keith Turner	<ul style="list-style-type: none"> • Are there any issues that should be raised with the Chair of the MOP Board? • What is our agreed approach to working with the Chair going forward?

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GS ref: 22-M-0141
DOCCM: 7104611

Talking points

Subject: Interview with Tess Brunton from RNZ on Milford Opportunities Project

Date: 19 July 2022

Contact (organiser)	
Name and position	Cellphone
Tess Brunton, Tourism Reporter, RNZ	s9(2)(a)
Contact (local DOC staff)	
Name and position	Cellphone
Tim Bamford, Acting Heritage and Visitor Unit Director	s9(2)(a)

Meeting purpose & context

1. This memo is to support your interview with Tess Brunton, Tourism Reporter from RNZ regarding the Milford Opportunities Project (MOP).
2. Ms Brunton interviewed Dr Keith Turner, Chair of the Milford Opportunities Project Board on Monday 18 July to discuss the MOP. Questions were focused on:
 - a. Impacts of a delay in the work programme
 - b. Board announcement
 - c. Director selection
3. Ms Brunton has requested an interview to discuss the government response to the progress of the MOP.

Key facts:

4. The MOP was established in 2017 to address the impact of visitor pressures on Milford Sound Piopiotahi and the Milford Road corridor, to protect the area's significant cultural and natural values, and to enhance people's enjoyment of it.
5. The MOP Masterplan was launched in Te Anau in July last year and put forward a suite of recommendations to government.

6. The recommendations in the Masterplan are intentions of future direction. The next stage of the project is testing the conceptual vision through detailed planning and feasibility assessments to form a robust implementation plan. There are significant implications that need to be worked through to enable potential implementation of specific recommendations. These will go through their normal government processes and will be brought to Cabinet as required and progress on recommendations will be subject to funding availability.
7. The next stages of the MOP will be progressed by a Ministerial Advisory Board.
8. As noted by the Minister of Conservation in Select Committee on 30 June, the Board will be announced shortly.
9. The new Board will be jointly overseen by the Ministers of Transport, Tourism and Conservation.
10. Please refer to advice 22-B-0429 and 22-M-0117 for more background on the MOP.

Talking point topic one

What involvement has the government had since the release of the Masterplan last July?

11. The Government provided \$15 million dollars through the Tourism Communities: Support, Recovery and Re-set Plan for the purpose of funding for the next phase of the redevelopment of Milford Sound Piopiotahi and the surrounding region.
12. This funding has been used to establish a Milford Opportunities Project unit within the Department of Conservation. That unit has, to this point, been focussed on setting up appropriate governance for the project and recruiting key staff.
13. DOC, the Ministry of Transport and the MBIE are partnering with the MOP on the feasibility testing of the Masterplan recommendations.

Talking point topic two

What progress has been made on the Milford Opportunities Project since the Masterplan was released?

14. Recruitment of the operationally independent MOP Unit hosted by DOC has begun, with the Director having taken up his role recently. More details about the unit will be announced at the time the Board announcements are made.
15. The work programme has commenced on high priority issues, such as:
 - a. testing possible avenues for implementation (legal, funding etc) for the delivery phase if government chooses to progress, and
 - b. testing recommendations that are foundational for other projects to be implemented later.

Talking point topic three

The project has been having months of issues trying to hire a Director. What impact is that expected to have on the project, the cost, and the timeframe for delivery?

Is the government happy with the progress to date?

16. The government spent time to select a strong experienced Board and Director.
17. Although this has meant a delay in the commencement of the feasibility testing of the Masterplan, the only impact is the delay in the schedule. The MOP is expected to deliver its final report to cabinet in the first half of 2024.

18. The government recognises the project has not progressed at the pace some stakeholders would prefer; however, the government considers it is essential to have the right team in place to ensure the project outcomes are enduring and meet expectations.
19. The project will publish regular progress updates and offer plenty of opportunities for stakeholders to have their voices heard.

Talking point topic five

When is the government expected to announce the Board?

20. The Ministerial Oversight Group expects to be able to announce the Board membership soon.

Talking point topic six

The Masterplan includes international visitors being charged a fee, banning cruise ships from entering, and phasing out planes. Given more international visitors are expected this summer, what role is the Masterplan expected to play in the near future in ensuring Piopiotahi doesn't return to an unsustainable business as usual?

21. The Milford Masterplan has set out an ambitious, long term, vision for how we could do things differently. Realising this vision will take time, as we test the feasibility and viability of the recommendations. There are no changes that impact the way people visit Milford Sound Piopiotahi at this stage.
22. Tourism recovery is happening with full recovery predicted to take some years yet.
23. This gives us time to rigorously test the Masterplan, getting the feedback from stakeholders including our international visitors.

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GS ref: 22-M-0141
DOCCM: 7025251

Talking points: Milford Opportunities Project Board announcement – *follow up to 22-M-0141*

Purpose

1. This document provides talking points, board member biographies and a draft media release for announcing the formation of the Milford Opportunities Project (MOP) Board.

Background on the Milford Opportunities Project

2. The MOP was established in 2017 to address the impact of visitor pressures on Milford Sound Piopiotahi and the Milford Road corridor, to protect the area's significant cultural and natural values, and to enhance people's enjoyment of it.
3. The MOP is a collaborative approach by Ngāi Tahu, central and local government and local businesses to address and resolve the fundamental challenges facing tourism in Milford Sound Piopiotahi and the surrounding area. The Milford Opportunities Masterplan is the result of intensive work by the project over four years.
4. As part of an integrated solution, the Masterplan released in July 2021, details a range of recommendations that, if enacted, would bring transformative change to Milford Sound Piopiotahi and surrounding areas.
5. The MOP Masterplan makes recommendations that ensure Milford Sound Piopiotahi maintains its status as a key New Zealand visitor icon and provides a world-class visitor experience that is accessible, upholds the World Heritage status, national park and conservation values and adds value to Southland and New Zealand Inc.
6. The recommendations in the Masterplan are intentions of future direction. The next stage of the project is testing the conceptual vision through detailed planning and feasibility assessments to form a robust implementation plan. There are significant implications that need to be worked through to enable potential implementation of specific recommendations. These will go through their normal government processes and will be brought to Cabinet as required and progress on recommendations will be subject to funding availability.
7. The next stages of the MOP will be progressed by a Ministerial Advisory Board.

MOP Board key facts:

8. The Milford Opportunities Ministerial Advisory Board will be jointly overseen by the Ministers of Transport, Tourism and Conservation.
9. In February 2022 the Ministerial Group agreed to the appointment of the members of the MOP Board to oversee the feasibility phase of the MOP.
10. In April 2022 Minister Allan appointed a representative of Environment Southland (ES) to the Board. Letters of appointment are being sent to ES and Southland District Council as advisory non-voting board members.
11. The announcement of the MOP Board has been delayed from December 2021 due to the need to undertake three rounds of recruitment to secure a MOP Director, key decisions from Ministers on the organising structure for MO **s9(2)(a)**

12. The Director has now been confirmed in role, decisions by the Ministerial Group on the MOP structure and Board members have been confirmed s9(2)(a)
13. We are working with MBIE and MOT as well as the Chair of the Board to revise the draft Board Terms of Reference (TOR). The Board TOR will be sent to the Ministerial Group for review and approval by the end of July.

Talking point material – questions and answers

1. What is the MOP and why was it set up?

- Milford Sound Piopiotahi is Aotearoa New Zealand's premier visitor attraction and is one of New Zealand's most popular visitor attractions.
- Pre-covid Milford Sound Piopiotahi was receiving on busy days over 4,000 visitors a day. Infrastructure was not coping; cars were parked for kilometres up the state highway. The place was noisy and congested and not the experience we want to showcase to the world.
- The Milford Opportunities Project was established in response to pressures that tourism was placing on Milford Sound Piopiotahi. In June 2021, the MOP delivered a visionary Masterplan to Cabinet aimed at protecting the place, while creating a world-class visitor experience.
- Although tourism numbers have dropped significantly due to COVID-19, it is expected that as New Zealand receives increasing numbers of worldwide visitors again, pressure will return.
- Worldwide, governments are rethinking how they manage the impacts of intensive tourism. For New Zealand the MOP provides an opportunity to re-set and rebuild how high-use tourism sites are managed, with a focus on cultural values, sustainability and conservation.
- Our approach is unique in taking an integrated approach to visitor management that considers not only the impacts of tourism in place, but the impact of how visitors travel, and the experiences and heritage that are often overlooked when the tourist experience is focussed on a specific site.
- The Masterplan makes recommendations that ensure that Milford Sound Piopiotahi maintains its status as a key New Zealand visitor icon and provides a world-class visitor experience that is accessible, upholds the World Heritage status, national park and conservation values and adds value to Southland and New Zealand Inc.
- The key elements of the Masterplan are:
 - Restricting private vehicle access through a permit system and providing public transport with the primary transport hub located at Te Anau
 - Redesigning the facilities and attractions on the Milford Road to encourage longer and slower visitor experiences
 - Charging international visitors for access to Milford Sound Piopiotahi based on the value of the place, creating a self-funded sustainable funding system
 - Prohibiting cruise ships from entering Milford Sound Piopiotahi
 - Closing the fixed-wing runway at Milford Sound Piopiotahi and replacing it with an expanded heliport to allow for significant reorganisation of the infrastructure and visitor flow

- Introducing a new governance and management structure to improve efficiency and function, potentially with special legislation to enable change.

2. What is the significance of MOP?

- Though specific to Milford Sound Piopiotahi, the MOP is of national interest due to the potential precedent setting nature of the project for visitor management in protected areas across in New Zealand.
- MOP is shaking up how we do tourism and is an excellent test case for creating a self-funded, sustainable model for site management, where improvements, maintenance, and conservation are 9(2)(f)(iv)
- The recommendations will undergo stringent feasibility testing before Government can make an informed decision on them.
- Some of the Masterplan recommendations, if they are to be implemented, will likely require bespoke legislation that contains precedent-setting changes to how Government approaches public access, charging for services, concession management, and governance and management models and may result in legal challenges.

3. Who are the board and what will they be doing?

- The next stages of the MOP will be progressed by a Ministerial Advisory Board, designed to bring fresh perspective to the issues of Milford Sound Piopiotahi.
- The Board will provide direction to the MOP Director and Unit and drive delivery of a robust business case for the Ministers to secure better outcomes for Milford Sound Piopiotahi.
- The Board will be led by the deeply experienced chair Dr Keith Turner. Members of the board include mana whenua representatives Muriel Johnstone and Michael Skerrett, alongside tourism and environmental leader Michelle Trapski, philanthropist and seasoned business leader Bill Day, and award-winning architect Andrew Patterson, bringing collective knowledge of the outdoors, sustainable tourism, design.
- Supporting the board's expertise and experience are Southland District Council chief executive Cameron McIntosh, Wilma Falconer, the newly appointed chief executive of Environment Southland, as well as senior officials from the Ministry of Business, Innovation and Employment, Ministry of Transport, and the Department of Conservation.
- The MOP Unit will define and deliver the work programme. The MOP Board is expected to deliver its final report to cabinet in the first half of 2024.

4. How is the board independent from Ministers and government?

- The voting members of the board are appointed as independent advisors to the MOP and are not employees of any government department or ministry. They are required to make well-reasoned objective decisions and recommendations in the interest of all New Zealanders, based on their personal experience, knowledge and skills.
- The voting members of the board are supplemented by advisory members, appointed to provide advice and recommendations drawn from the perspective of the agencies they represent.

5. What will be done in the feasibility testing stage of the MOP work programme?

- The feasibility phase of work will include further detailed analysis, consultation, and public engagement on the Masterplan recommendations.
- This will involve detailed analyses of the feasibility of the Masterplan's recommendations and their implications, cost-benefit analyses, pre-delivery design, community and stakeholder consultation, and work on consenting and preparation for infrastructure construction on individual projects.

6. Why has it taken so long since the Masterplan was launched in 2021?

- The Masterplan was not devised as a 'quick fix' and does not recommend that changes are made overnight. Its recommendations are about taking time to create a better visitor experience and preserving the natural beauty and environment of the area for future generations.
- With the Board in place and the MOP unit being established, we're expecting to see significant progress on the feasibility testing of the Masterplan, including getting feedback from key stakeholders and international visitors.

7. What involvement has the government had since the release of the Masterplan last July?

- The government has provided funding of \$15m in funding over the next two years to support the MOP Board and business unit as they carry out the next stage of the project detailed planning and feasibility assessments to form a robust implementation plan
- This funding has been used to establish a Milford Opportunities Project unit within the Department of Conservation. That unit has, to this point, been focussed on setting up appropriate governance for the project and recruiting key staff.
- DOC, the Ministry of Transport and the MBIE are partnering with the MOP on the feasibility testing of the Masterplan recommendations.

8. What is the timeframe for recommendations to be decided on and implemented?

- Stage Three, the feasibility testing stage, is expected to take two years to complete, though feasibility testing of some recommendations may be completed sooner.
- Proposed timelines for implementation will be determined as feasibility testing progresses. Stakeholders will be updated as feasibility testing progresses.

9. How can I keep informed of the project's progress?

- Regular project updates will be published on the MOP website, including opportunities to provide feedback on proposals.

Risks - Not for Publication

Negative questioning and comments may arise because the project is tracking behind expected timelines announced previously.

This delay has arisen because of:

- The government spent time to select a strong experienced Board and Director.

- Although this has meant a delay in the commencement of the feasibility testing of the Masterplan, the only impact is the delay in the schedule. The MOP is expected to deliver its final report to cabinet in the first half of 2024.
- The government recognises the project has not progressed at the pace some stakeholders would prefer; however, the government considers it is essential to have the right team in place to ensure the project outcomes are enduring and meet expectations.
- The project will publish regular progress updates and offer plenty of opportunities for stakeholders to have their voices heard.

Although the plan provides recommendations that are yet to be assessed for feasibility there may be a public perception that the Masterplan is a fait accompli and that this stage of the MOP will signify a rubberstamp for it.

This risk is mitigated by:

- The appointment of well-respected and independent thinking members to the board, in particular the chair.
- Consistent and factual messaging reflecting that the recommendations are not a fait accompli – they will go through their respective public processes, including further work on feasibility, funding, and possible legislative change

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Draft press release

Ministerial Advisory Board to drive Milford Opportunities Project

9(2)(g)(i) [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

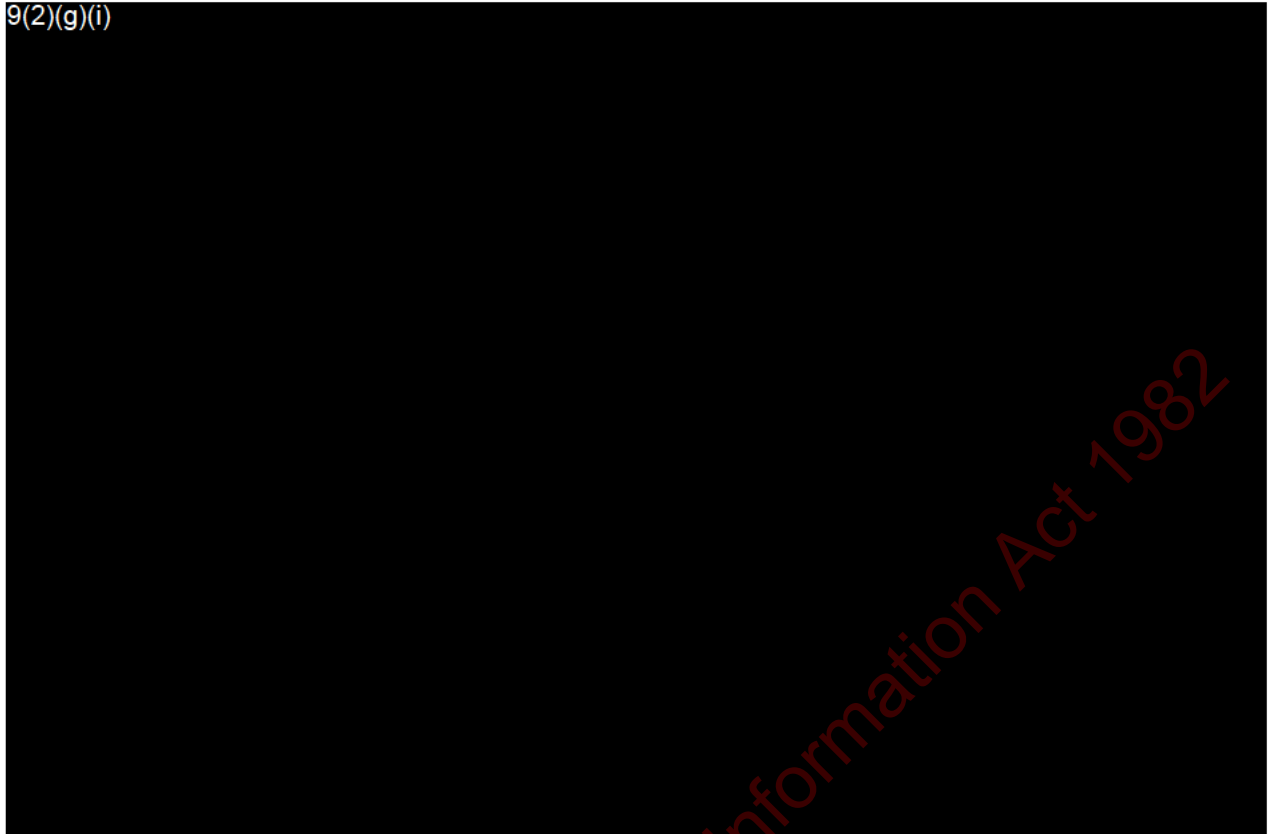
[Redacted]

[Redacted]

[Redacted]

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9(2)(g)(i)



ENDS

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Milford Opportunities Project Board Biographies

Chair – Dr Keith Turner

Keith has over 39 years of executive experience in the power industry, and for the latter 25 years, held senior executive positions in Meridian Energy (as CEO), the former Electricity Corporation of New Zealand (as COO), and its predecessor NZED. His planning and development roles have given him a deep insight to the sectoral drivers of growth and competitive advantage in economies. He has extensive experience of working with the major economic and environmental policy departments of government. Keith has also received wide recognition for his achievements. Including having been recognised as a Distinguished Fellow by Engineering NZ, awarded the William Pickering Award for Engineering Leadership, and won the premier award for Outstanding Leadership at the 2015 Energy Awards. He was appointed Chair of the Transpower Board on 1 May 2022, having been a board director since December 2021. He has also been appointed as Independent Chair of the Queenstown Spatial Plan Steering Group and Governance Group. Keith has been Chair of the previous stages of the Milford Opportunities Project since 2017.

Muriel Johnstone MNZM, Ōraka Aparima, Ngāi Tahu representative

Muriel is an expert in Ngāi Tahu place names, whakapapa, traditions and history. She has voluntarily dedicated more than 40 years to Ngāi Tahu, Oraka-Aparima and her community. Muriel is a passionate environmental advocate who has represented Ōraka-Aparima Rūnanga and Ngāi Tahu on numerous governance boards. Muriel recently received the Member of the New Zealand Order of Merit, for her services to Māori and her work in conservation. As a respected Kaumātua and Kai-Rongoā, Muriel is a Te Waipounamu Trustee on the National Te Kāhui Rongoā Trust

Michael Skerrett QSM - Ngāi Tahu representative

Kaumātua Michael whakapapa's to Waihopai Runanga. As past manager of Te O Marama, he recently stepped down as chair of Kaitiaki Roopu o Murihiku. He was on the Board of Te Runanga o Ngai Tahu for many years. Michael has extensive experience in both commercial and educational governance, and strong skills in ensuring alignment of organisational activities to both tikanga and legislative requirements. Michael was awarded the Queen's Service Medal for services to Maori and the community in 2013.

Bill Day

Bill is well known and highly respected, including by tourism operators, in the region for his many efforts and contributions. He has 40 years corporate experience, and his previous board experience includes Wanaka Airport Users Group Chair; Wanaka Marina Company Director; Waikato Link PSAF Investment Committee Director; LandSAR NZ Director. Bill has contributed much to local communities in respect of both philanthropy and governance. This includes establishing a sustainable model for Wanaka Search & Rescue (for which he remains a director).

Andrew Patterson

A vivid architectural storyteller with a passion for Māori history and mythology, Andrew is an advocate for architecture that responds to our history, the landscape and sense of place. Andrew won NZ Australian and Awards for Architecture multiple times.

Michelle Trapski

Michelle has a track record of business improvement, commercial success and excellence in leadership. She was instrumental in The Headwaters project, set up by philanthropists in Glenorchy, which demonstrates a new concept for sustainable hospitality, tourism services and retail. Michelle has a range of board and senior executive experience across the tourism and education sectors.

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Read



Meeting Memo

In Confidence

MBIE ref: 2223-0530

GS ref: 22-M-0170

DOCCM: 7150546

To: Minister of Conservation
Minister of Tourism
Associate Minister of Transport

Date: 6 October 2022

From: Tim Bamford, Acting Director,
Heritage and Visitors, DOC


Subject: Meeting between Ministers Williams, Nash and McAnulty and Joseph Mooney MP to discuss Milford Opportunities Project

Contact (organiser)	
Name and position	Phone
Joseph Mooney, National Party Member for Parliament, Southland	s9(2)(a) (Parliamentary Office)
Contact (agencies)	
Name and position	Phone
Marie Long, Deputy Director General, National Programmes and Regulatory Services (DOC)	s9(2)(a)
Tim Bamford, Acting Director Heritage and Visitors (DOC)	s9(2)(a)
Dale Elvy, Manager Tourism Operations and Partnerships (MBIE)	s9(2)(a)
Jessica Ranger, Manager Placemaking and Urban Development (Ministry of Transport)	s9(2)(a)

Purpose

1. This memo is to support a meeting between Ministers Williams, Nash and McAnulty and Southland National MP Joseph Mooney regarding the Milford Opportunities Project (MOP) on Wednesday 19 October 2022.
2. This information includes context about recommendations in the Milford Opportunities Master Plan, information about attendees, and talking points for the meeting.

Your meeting with Mr Mooney

3. This meeting will be an opportunity for you to discuss the Milford Opportunities Masterplan recommendations (see item 13 in this memo), provide information on the proposed feasibility testing, and discuss any perspectives Mr Mooney has in relation to potential transformational change. This will also be an opportunity for you to hear the views of the local Southland MP and establish a relationship should continued engagement be required through next steps.
4. Marie Long, Deputy Director General, National Programmes and Regulatory Services, from the Department of Conservation will attend to support you at this meeting.
5. Chris Goddard, MOP Programme Director, met with Mr Mooney on 17 August 2022 to socialise the MOP Masterplan recommendations and the discussion points provided for you below are elicited from this engagement.
6. s9(2)(g)(i)

7. While a high-level discussion may be useful, we believe the work is not yet sufficiently developed to allow for informed decision-making. This should occur once the feasibility work is complete and with detailed options have been presented along with associated costs and benefits. Accordingly, we recommend deferring any detailed discussions until that time, but discussing any high-level thoughts now.
8. A recent update is that the MOP Board Terms of Reference (TOR) is now with the Ministers.

Agenda items

Item 1 - Background and context

9. The Milford Opportunities Project is a collaborative approach by Ngāi Tahu, central and local government and local businesses to address and resolve the fundamental challenges facing tourism in Milford Sound Piopiotahi and the surrounding area due to rising visitor numbers. As international travel resumes, visitor numbers are expected to continue climbing from pre-COVID levels, there is a risk of visitor numbers impacting significant cultural and natural values at place, and people's enjoyment of Milford Sound Piopiotahi.
10. The MOP was first mentioned as an action in the Southland Regional Development Strategy in 2015 and commenced in 2017. The Masterplan is the result of intensive work over several years. Successive governments have supported the MOP to date due to its value to Southland, Otago and New Zealand.
11. As part of an integrated solution, the Masterplan released in July 2021, details a range of recommendations that, if enacted, would bring transformative change to Milford Sound Piopiotahi and surrounding areas. Though specific to Milford Sound Piopiotahi, the MOP is of national interest due to the potential precedent-setting nature of the project for visitor management in protected areas across New Zealand.

12. MOP provides a test case for creating a self-funded, sustainable tourism model for site management, where improvements, maintenance, conservation and added value experiences are 9(2)(f)(iv)
13. Cabinet has agreed to the formation of a dedicated Unit and Board so that detailed planning and feasibility testing of the Masterplan can be undertaken to address the large visitor numbers travelling to Milford Sound Piopiotahi, and address the associated risks. [CAB 21-Min-0237 confirming DEV-21-MIN-0135 refers]. There is an additional opportunity in this area to transform the existing tourism offering through improving and future-proofing, visitor experiences on public land, transport infrastructure, and conservation management in the Milford Sound Piopiotahi and surrounding areas. The transformational change necessary for the project's success will require collaboration across central and local government, iwi and other key stakeholders.
14. The key recommendations from the Masterplan are:
 - a) Restricting private vehicle access to Milford Sound Piopiotahi through a permit and public transport system
 - b) Charging international visitors for access to Milford Sound Piopiotahi based on the value of the place, creating a self-funded sustainable system over time
 - c) Prohibiting cruise ships from entering Milford Sound Piopiotahi
 - d) Closing the aerodrome (fixed-wing runway) at Milford Sound Piopiotahi and replacing it with an expanded heliport to allow for significant reorganisation of the infrastructure and visitor flow at Milford Sound Piopiotahi
 - e) Redesigning the facilities and attractions on the Milford Road to encourage longer and slower visitor experiences. The primary transport mode in and out of the area would be by regular hop-on/hop-off bus services
 - f) Te Anau would become the primary transport hub for the journey to Milford Sound Piopiotahi, reducing day trips from Queenstown
 - g) Introducing a new governance and management structure for Milford Sound Piopiotahi village and surface waters of the Sound to the Tasman Sea and the Milford Road corridor to improve efficiency and function, potentially with special legislation to enable change
 - h) Using the revenue collected from visitors to increase the funding for conservation, mana whenua and community aspirations, transport, infrastructure, and the visitor experience
 - i) Building a world-class cable car to reach a higher elevation, combined with walks up Bowen Valley and a lookout over Bowen Falls.
15. Feasibility testing will determine, what if any changes to legislation or management models would need to be considered. Recommendations within the MOP masterplan contain precedent-setting implications to how Government might approach public access to national parks, road access to an existing state highway, charging for services, concessions management, and governance and management models. Detailed testing and options analysis will be required to identify potential pathways for:
 - a) implementing a permitting system to enable regulation of transport into and out of Milford Sound Piopiotahi
 - b) a differential pricing system to enable charging non-New Zealanders to enter Milford Sound Piopiotahi
 - c) reform of governance and management at Milford Sound Piopiotahi, including the possible creation of a new governance/management entity
 - d) possible alterations to the concessions system

- e) removal and redevelopment of existing infrastructure with existing long-term concession holders who have significant investment in infrastructure
 - f) new infrastructure builds and features in Milford Sound Piopiotahi and surrounding areas
 - g) management of boats and cruise ships in Milford Sound Piopiotahi.
16. The MOP has recently started Stage Three, the feasibility testing stage, of its work programme. This stage of work is due for completion in the fourth quarter of 2024 and will include further detailed analysis, consultation, and public engagement on the Masterplan recommendations to support decision-making. The MOP Board will provide independent advice to Ministers, in addition to that provided by officials. Ministers will make decisions taking into consideration advice from the Board and officials before seeking final decisions from Cabinet.
 17. The recommendations in the Masterplan cover a broad range of areas from how Milford Sound Piopiotahi is governed and managed through to the infrastructure required to manage the flow and presence of visitors. There are many and varied groups and operators whose interests range from commercial to recreational. Public engagement and consultation will be crucial throughout this stage of the MOP.

Talking points:

18. MOP provides an opportunity to manage the visitor numbers to Milford Sound and address the associated risks. While this is Government's first priority, we also recognise there is an opportunity for improving and future-proofing visitor experiences, transport infrastructure, and conservation management in Milford Sound Piopiotahi and surrounding areas.
19. The MOP was first mentioned as an action in the Southland Regional Development Strategy in 2015. Since its inception, it has been picked up by successive governments due to its value to Southland, Otago and more broadly, New Zealand.

Possible Questions and Answers

20. Q: We are interested in understanding from you, which of the Masterplan proposals you view as most critical to achieving the MOP vision
21. A: We do not yet have a detailed view of possible changes to Milford Sound Piopiotahi. These recommendations, like all the MOP Masterplan recommendations, need to undergo stringent feasibility testing. The MOP Board will provide independent advice to Ministers, in addition to that provided by officials. Ministers will make decisions taking into consideration advice from the Board and officials before seeking final decisions from Cabinet.
22. We recognise that the project is only possible with collaboration across central and local government, iwi and the wider community. Public engagement and consultation will be crucial throughout this stage of the MOP. For this reason, we have established a core MOP team, including the MOP Director, in Southland/Otago to enable the MOP Unit to better understand the needs of the region and make it easier to engage with local communities and other stakeholders.

Item 2 - potential topics for discussion

23. The following are some of the points covered in the MOP Programme Director's recent meeting with Mr Mooney and may be raised by Mr Mooney in your meeting.

2a - Proposed aerodrome removal

24. One of the Masterplan recommendations is to close the aerodrome (fixed-wing runway) at Milford Sound Piopiotahi and replace it with an expanded heliport. This would allow

for significant reorganisation of the infrastructure and visitor flow at Milford Sound Piopiotahi.

s9(2)(g)(i)

26. There are a number of issues when considering the future of the aerodrome, including its susceptibility to sea level rise and its occupation of land that may be better utilised for other purposes. Historically visitors arriving by fixed-wing aircraft at Milford Sound Piopiotahi account for only 5% of the total number of visitors¹. Initial analysis suggests that removing the aerodrome would allow for significant reorganisation of the infrastructure and visitor flow at Milford Sound Piopiotahi.

Talking points:

27. These recommendations, like all the MOP Masterplan recommendations, need to undergo stringent feasibility testing.
28. The MOP Board will provide independent advice to Ministers, in addition to that provided by officials. Ministers will make decisions taking into consideration advice from the Board and officials before seeking final decisions from Cabinet.
29. The project is currently at Stage 3, feasibility testing, and this is due for completion in Quarter 4 of 2024.
30. We encourage those who have concerns about the proposed aerodrome removal to continue to work with the project team and engage in the public consultation process,
31. The Ministry of Transport has a particular interest because it operates the aerodrome which gives access to the area.
32. Until decisions are made about the recommendations in the Milford Opportunities Masterplan, the Ministry continues the safe operation of the aerodrome. This includes work to meet the requirements for a Qualifying Aerodrome under Civil Aviation Rule Part 139 and contracting day-to-day management activities to a specialist third party.

2b - Commercial risks to operators

33. s9(2)(g)(i)

34. Inherent in the Masterplan recommendations is potential reform of the concessions system for Milford Sound Piopiotahi, including complex and potentially costly negotiations. The Masterplan recommendations also have implications for existing long-term concession holders who have significant investment in infrastructure in the next 5-10 years.
35. The concession situation at Milford Sound Piopiotahi is similarly complex and is at a pivotal stage, with a number of long-term concessions up for renewal. Integrating Crown concession regulatory responsibilities with the MOP Masterplan's recommendation will require careful consideration.

Talking points:

36. s9(2)(g)(i)
37. We support the need to develop options with scaled commercial benefits as part of the business case process.
38. We do not yet have a clear view of these considerations and, like all the MOP Masterplan recommendations, this needs a detailed analysis to understand the implications of any proposed changes for local operators.

2c - Local visitor flow

39. s9(2)(g)(i)
40. s9(2)(g)(i)
41. s9(2)(g)(i)

Talking points:

42. What are your views on visitor flow via Invercargill instead of Queenstown, to reduce congestion and spread visitors regionally?
43. Understanding that in the current Stage 3 work, feasibility testing is the key focus, MOP will work collaboratively with central government and local authorities, providing a valuable connection between the MOP transport workstream and the needs of the Southland District to ensure the Te Anau community and infrastructure are managing environmental and safety considerations, and preparing for higher visitor numbers.

2d - Legislative changes

44. While feasibility testing is underway, it remains premature to suggest what, if any legislative changes may be needed.
45. Any changes recommended would represent precedent-setting alterations to how Government approaches public access, charging for services, concession management, and governance and management models and may result in legal challenges.
46. Lessons from the MOP may also, in parallel, inform the conservation law reform programme of work.

Talking points:

47. To be implemented, some of the MOP Masterplan recommendations will likely require legislative change. This could include precedent-setting changes
48. What are your thoughts about legal and legislative changes to enable the Masterplan recommendations?
49. Lessons from the MOP may also, in parallel, provide valuable opportunities to inform the approach to the management of other high-use conservation areas.

50. Following feasibility testing, the MOP Board will provide advice to the Ministerial Group on these issues as a key deliverable, as well as Cabinet as the decision maker.
51. There are significant implications that need to be worked through. These will go through their normal government and public processes and will be brought to Cabinet as required, and progress on recommendations will be subject to funding availability.

Risks

52. s9(2)(g)(i) [REDACTED] This risk is mitigated by emphasising that the MOP Board will provide independent advice to Ministers, in addition to that provided by officials. Ministers will make decisions taking into consideration advice from the Board and officials before seeking final decisions from Cabinet.
53. s9(2)(g)(i) [REDACTED]

Treaty implications

54. Ngāi Tahu have been central to the Masterplan's development and have representatives on the MOP Board. The current visitor experience at Milford Sound Piopiotahi is almost devoid of any cultural element. The Masterplan addresses this issue and provides an avenue to actualise Ngāi Tahu's aspirations.

Legislative implications

55. DOC manages commercial activities on public conservation land through the concessions management system. The Masterplan recommendations have implications for existing long-term concession holders in the next 5-10 years who have significant investment in infrastructure. DOC will need to work closely with the MOP Unit to test how the masterplan recommendations might be actualised within the current legislative framework or whether it would be more appropriate to use another mechanism, such as special legislation, to enable the desired change to concessions.
56. Lessons from the MOP may also, in parallel, inform the approach to the management of other high-use conservation areas.
57. The MOP Board will provide advice to the Ministerial Group on these issues as a key deliverable.

Consultation

58. This memo has been developed by DOC, MBIE and MOT, and represents the collectively agreed view of all three agencies.

MEMO ENDS

Subject: FW: 22-B-0576 - Advice - Request - Reactive lines on article on the Milford Opportunities Project (MOP)

From: Tim Bamford <tbamford@doc.govt.nz>

Sent: Friday, 26 August 2022 11:42 am

To: Huia Forbes <Huia.Forbes@parliament.govt.nz>; Government Services <GovernmentServices@doc.govt.nz>

Cc: Sven Grabow <Sven.Grabow@parliament.govt.nz>; Sam Green <Sam.Green@parliament.govt.nz>; Claire Spencer <cspencer@doc.govt.nz>; Marie Long <mlong@doc.govt.nz>; Tania Short <tshort@doc.govt.nz>; Rachael McMillan <rmcmillan@doc.govt.nz>; Aaron Fleming <afleming@doc.govt.nz>; Chris Goddard <cgoddard@milfordopportunities.nz>; Lizzy Sutcliffe <lsutcliffe@doc.govt.nz>

Subject: 22-B-0576 - Advice - Request - Reactive lines on article on the Milford Opportunities Project (MOP)

Kia ora Huia and team,

See below some information to support any response to the article: [Govt splashing cash but achieving little with Milford project | Stuff.co.nz](#). Please note that some of the of statements in the article regarding the Milford Opportunities Project are missing context and therefore are a bit of a misinterpretation of the WPQ responses. Please shout out if you need anything else.

Key points

- The Milford Opportunities Project is a key priority for the Government to address rapidly growing visitor numbers and pressure on Milford Sound Piopiotahi and surrounding area.
- The number of visitors peaked at 870,000 in 2019, double the visitor numbers recorded six years prior. This growth is not sustainable.
- The issues facing Milford Sound Piopiotahi are complex because the area is, managed and regulated by various local and central government entities and private entities within the boundaries of a National Park.
- It's vital that all agencies work together to ensure that the place functions efficiently and cultural, environmental, and heritage values are retained while providing a world class visitor experience.
- The Government recognises the project has not progressed at the pace some stakeholders would prefer. Time has been taken to select and approve a strong, experienced Board and Programme Director to oversee and guide the work of the MOP.
- Now that the Board and Director is in place and the MOP unit is established it will be gathering momentum as quickly as possible and we're looking forward to seeing progress.

Supporting information

Some key points regarding the following:

- **Use of contractors:**
 - The figures have been misinterpreted – the only payment for recruitment costs included in the WPQ responses was the \$30,000 payment to **s9(2)(a)**.
 - While a small core of staff will remain through the life of the project to manage key feasibility testing workstreams, different skill sets will need to be procured as the work progresses. This reflects specialist skills required for specific elements of the feasibility testing. The use of contractors is prudent to provide flexibility and access to specialist skills.
 - The Programme Director and a core MOP team are Southland/Otago based which enables the MOP Unit to easily interact with local communities, businesses and visitors. However it is not possible to forecast the potential spend on local (Otago/Southland) staff as recruitment is still underway for the MOP Unit, and as mentioned above, the composition of the team will change over time.
- **Amount spent/projected cost:**

- The total spend for the MOP Stage Three from 1 July 2021 to 30 June 2022 is \$1.7 million.
- The majority of spend to 30 June relates to the establishment and set up of the unit, some early project work undertaken by contractors working for the initial establishment team and the contractor resources required for work this year, while fixed term resources are sourced.
- MOP, MOT, MBIE and DOC will be working closely on development of the work programme to create a clear view of how the funding will be applied to enable outcomes through Stage Three of the MOP. The recommendations in the Masterplan now require stringent feasibility testing.
- **Projected length:**
 - Stage Three, phase 1 of the MOP, the feasibility testing stage, is expected to take two years to complete, though feasibility testing of some recommendations may be completed sooner it is important to spend time to test such significant recommendations.
 - Feasibility testing will involve detailed analyses of the feasibility of the Masterplan's recommendations and their implications, cost-benefit analyses, pre-delivery design, community and stakeholder consultation, and work on consenting and preparation for infrastructure construction on individual projects. Proposed timelines for implementation will be determined as feasibility testing progresses. Stakeholder communication is a focus for the MOP team, and stakeholders will be involved as feasibility testing progresses.
- **Progress to date:**
 - Since the Masterplan was unveiled the following has been achieved:
 - the Ministerial Group to oversee the project has been stood up
 - an organising model for the project structure to be hosted by the Department of Conservation has been developed
 - a Programme Business Case, high level work programme and draft engagement strategy has been developed
 - setting up of systems and processes for the feasibility testing phase
 - initiated the Milford Opportunities project work programme.
- **Priority of the project:**
 - The MOP is a key priority for the government.
 - The overall approach and many of the recommendations of the Masterplan can be precedent setting for other parts of New Zealand that also experience high intensity tourism.
- **Consultation process (that it is underway):**
 - No decisions have been made at this point. The Masterplan's recommendations are not a fait accompli – they will go through stringent testing. There is considerable assessment and planning work needed to determine the feasibility of the specific recommendations. That work will include an extensive programme of consultation with stakeholders and the public. The MOP is currently developing an engagement plan to manage that consultation and communication.

Thanks, Tim and team

Out of scope

Out of scope

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Out of scope

Released under the Official Information Act 1982



MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI



TE MANATŪ WAKA
MINISTRY OF TRANSPORT



Department of
Conservation
Te Papa Atawhai

Departmental Briefing

In Confidence

GS ref: 22-B-0624
DOCCM7160361
MBIE:2223-1139
MOT:OC220836

To: Minister of Conservation
Minister of Tourism
Associate Minister of Transport

Date: 23 September 2022

Subject: **Milford Opportunities Establishment Board draft terms of reference**

Action sought:

Approve the attached Milford Opportunities Establishment Board draft Terms of Reference. Sign the attached draft letters to the Chair of the Board, and the chief executives of the Department of Conservation; Ministry for Business, Innovation and Employment and Ministry of Transport.

Time Frame: 30 September 2022

Risk Assessment:	Terms of Reference are necessary to ensure the Milford Opportunities Establishment Board fully understands its responsibilities and the scope of its work programme.	Department's Priority:	High
		Level of Risk:	Medium

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Contacts

Name and position	Cellphone	First contact	Principal author
Marie Long, Deputy Director-General National Programmes and Regulatory Services, Department of Conservation	s9(2)(a)	✓	
Heather Kirkham, General Manager, Tourism Labour, Science and Enterprise, Ministry of Business, Innovation and Employment		✓	
Jessica Ranger, Manager, Placemaking and Urban Development, Ministry of Transport		✓	
Claire Spencer, Regional Visitor Planning Manager, Department of Conservation		✓	
John Arathimos, Principal Advisor (Policy) Milford Opportunities Project, Department of Conservation		✓	

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Executive summary – Whakarāpopoto ā kaiwhakahaere

1. Draft Terms of Reference (TOR) for the Milford Opportunities Establishment Board (the Board) are attached for your approval. The TOR will ensure that the Board understands the scope of its work programme and core accountabilities. Officials have noted in the TOR that the Board is a ministerial advisory committee to better represent its function and statutory limitations. Draft letters concerning the TOR and ex-officio representation on the Board are also attached for your approval and signature.

We recommend that you ... (Ngā tohutohu)

- | | Decision |
|--|-------------------------|
| a) <u>Approve</u> the Milford Opportunities Establishment Board Terms of Reference | Yes/No <i>see below</i> |
| b) <u>Note</u> that the Establishment Board is an advisory committee | |
| c) <u>Sign</u> the letter to the Chair of the Milford Opportunities Establishment Board | Yes/No |
| d) <u>Sign</u> letters to the Chief Executives of the Department of Conservation; Ministry for Business, Innovation and Employment and Ministry of Transport | Yes/No |

** Please share Terms of Ref with MOP Board for discussion and approval. Setup opportunity to discuss with Board prior to my sign off.*

Date: / /

Date: / /

Heather Kirkham
General Manager, Tourism
 Labour, Science and Enterprise,
 Ministry of Business, Innovation and
 Employment

Jessica Ranger
Kaiwhakahaere, Whakaaweawe i ngā
Taura Here
 Manager, Placemaking and Urban
 Development
 Te Manatū Waka Ministry of
 Transport

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M S Long

Date: / /

Marie Long
Deputy Director General, National
Programmes and Regulatory Services
For Director-General of Conservation
Department of Conservation



Date: 9/10/22

Hon Poto Williams
Minister of Conservation

Date: / /

Hon Stuart Nash
Minister of Tourism

Date: / /

Hon Kieran McAnulty
Associate Minister of Transport

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Purpose – Te aronga

1. This briefing requests you approve draft terms of reference for the Milford Opportunities Establishment Board (the Board), and sign letters to the Board Chair and chief executives from the Department of Conservation (DOC); Ministry of Business, Innovation and Employment (MBIE) and Ministry of Transport (MOT).

Background and context – Te horopaki

2. In June 2021, Cabinet agreed to the formation of an 'Establishment Board' and dedicated Unit, so that Stage Three, Phase One of the Milford Opportunities Project (MOP) could commence. This phase entails detailed planning and feasibility assessment of the recommendations in the Milford Opportunities Project Masterplan. [CAB 21-MIN-0237 and DEV-21-MIN-0135 refer]. The Board and Unit provide advice to you concerning the viability of recommendations in the MOP Masterplan.
3. The Board has recently been appointed. The MOP Unit is currently developing its work programme.

Terms of Reference

4. Attached for your approval (Appendix One refers) are Terms of Reference to provide clear direction to the Board on:
 - the Board's purpose, role, and key responsibilities
 - your expectations of Board members
 - Board procedures
 - the timeframe for delivery of Phase One of Stage Three.
5. The Terms of Reference are compliant with Public Service Commission guidance on ministerial advisory committees. Care has been taken to ensure that the Board understands the scope of its work programme and that this should be focussed on feasibility assessments and progression of initiatives where possible, not implementation (22-B-0618 refers).
6. Attached for your approval (Appendix Two) is a draft letter from you to the Board Chair advising him that:
 - the Terms of Reference for the Board have been approved
 - the Terms of Reference be made publicly available on the Milford opportunities website
 - you expect the Board will work collaboratively with all partner agencies when developing its advice

s9(2)(g)(i)

The 'Establishment Board' is a Ministerial Advisory Committee

7. The new entity established to advise you on the feasibility of MOP Masterplan recommendations was described by Cabinet as an 'Establishment Board' (DEV-21-MIN-0135 refers). The Board however is a Ministerial Advisory Committee. This is because:
 - The 'Establishment Board' does not have statutory authority
 - The primary purpose of the Board is to provide advice to you on feasibility assessments required to enable MOP Masterplan recommendations, and to manage the MOP Unit.

Ex officio central government Board members

8. You have agreed that three senior officials from the Department of Conservation; the Ministry of Business, Innovation and Employment, and the Ministry of Transport respectively, would sit on the Board as ex-officio members. This is provided for in the Terms of Reference.
9. However, the Public Service Commission has advised that if you wish to have departmental officials present as ex officio non-voting members, then you should make that request to your respective chief executives. Letters have been drafted for your approval and signature accordingly (Appendix Three).

Risk assessment – Aronga tūraru

10. Terms of Reference are necessary to ensure that the Board operates within its intended scope and to ensure appropriate ministerial oversight of the Group.

Consultation – Kōrero whakawhiti

11. The Board, DOC, MBIE and MOT have been consulted on the proposed terms of reference.

Next steps – Ngā tāwhaitanga

12. Draft Terms of Reference and ministerial correspondence will be dispatched pending your approval and signature.

Attachments – Ngā tāpiritanga

Attachment One – Draft Terms of Reference for the Board.

Attachment Two – Draft letter to the Chair of the Board.

Attachment Three – Draft letter to chief executive of DOC

Attachment Four – Draft letter to chief executive of MBIE

Attachment Five – Draft letter to chief executive of MOT

ENDS

Hon Poto Williams

MP for Christchurch East
Minister of Conservation
Minister for Disability Issues
Associate Minister for Children



Penny Nelson
Director-General
Department of Conservation
pnelson@doc.govt.nz

Tēnā koe Penny

Ex officio member for the Milford Opportunities Establishment Board

Thank you for the Department of Conservation's help in establishing the Milford Opportunities Establishment Board (the Board).

The Board terms of reference provide for an ex officio, non-voting member from the Department to sit on the Board in an advisory capacity. The role and responsibilities of an ex officio, non-voting member are described in further detail in the terms of reference.

Please select a suitably qualified official to fill this role and advise me of your choice. I expect the member to attend Board meetings consistently to ensure continuity on the Board. However, if the member is unable to attend due to unavoidable circumstances, a delegate may attend in the member's place.

Nāku noa nā

Hon Poto Williams
Minister of Conservation

cc Marie Long, Deputy Director-General, National Programme and Regulatory Services,
Department of Conservation

Hon Stuart Nash LL.M., M.Mgt., M.For.Sc.

MP for Napier

Minister for Economic and Regional Development
Minister of Forestry
Minister for Small Business
Minister of Tourism



Carolyn Tremain
Chief Executive
Ministry of Business, Innovation and Employment
carolyn.tremain@mbie.govt.nz

Tēnā koe Carolyn

Ex officio member for the Milford Opportunities Establishment Board

Thank you for the Ministry of Business, Innovation and Employment's help in establishing the Milford Opportunities Establishment Board (the Board).

The Board terms of reference provide for an ex officio, non-voting member from the Ministry to sit on the Board in an advisory capacity. The role and responsibilities of an ex officio, non-voting member are described in further detail in the terms of reference.

Please select a suitably qualified official to fill this role and advise me of your choice. I expect the member to attend Board meetings consistently to ensure continuity on the Board. However, if the member is unable to attend due to unavoidable circumstances, a delegate may attend in the member's place.

Nāku noa nā

Hon Stuart Nash
Minister of Tourism

cc Chris Bunny, Deputy Secretary, Labour, Science and Enterprise, Ministry of Business, Innovation and Employment

Hon Kieran McAnulty

Minister for Emergency Management
Minister for Racing
Deputy Leader of the House
Associate Minister of Local Government
Associate Minister of Transport



Bryn Gandy
Chief Executive
Te Manatū Waka Ministry of Transport

Dear Bryn,

Ex officio member for the Milford Opportunities Establishment Board

Thank you for Te Manatū Waka Ministry of Transport's help in establishing the Milford Opportunities Establishment Board (the Board).

The Board terms of reference provide for an ex officio, non-voting member from the Ministry to sit on the Board in an advisory capacity. The role and responsibilities of an ex officio, non-voting member are described in further detail in the terms of reference.

Please select a suitably qualified official to fill this role and advise me of your choice. I expect the member to attend Board meetings consistently to ensure continuity on the Board. However, if the member is unable to attend due to unavoidable circumstances, a delegate may attend in the member's place.

Yours sincerely,

Hon. Kieran McAnulty
Associate Minister of Transport

Read

KWA

Departmental Briefing

In Confidence



Department of
Conservation
Te Papa Atawhai

GS ref: 22-B-0066
DOCCM: DOC-6925183

To: Minister of Conservation
Minister of Tourism
Minister of Transport

Date: 17 March 2022

Subject: Options for remunerating the Chair of the Milford Opportunities Project (MOP) Board

Action sought:

s9(2)(a)

Agree for the Minister of Conservation to sign the attached letter to the Minister for the Public Service, seeking his support for an exemption.

Risk Assessment:	The MOP has been assessed as having a high-risk profile by Treasury	Department's Priority:	High
		Level of Risk:	Medium

Contacts

Name and position	Cell phone	First contact	Principal author
Claire Spencer, Manager, Regional Visitor Planning	s9(2)(a)	✓	
Rachael McMillan, Senior Regional Visitor Planner	s9(2)(a)		✓

Executive summary – Whakarāpopoto ā kaiwhakahaere

1. The MOP Ministerial Group wrote to Dr Keith Turner, appointing him Chair of the MOP Board, noting that his fee would be set at a later date, but that it would be in accord with the Cabinet Fees Framework (**the Framework**).

2.

s.9(2)(a)

3.

4.

s9(2)(g)(i)

Fees exceeding the Framework require an exemption from Cabinet's Appointments and Honours Committee (**APH**).

5.

Before seeking an exemption from APH, you need to consult with the Minister for the Public Service on the matter.

6.

s9(2)(g)(i)

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We recommend that you ... (Ngā tohutohu)

	Paragraph Reference	Decision
(a)	13-27	<input checked="" type="radio"/> Yes / <input type="radio"/> No
(b)	28	<input checked="" type="radio"/> Yes / <input type="radio"/> No

s9(2)(g)(i)


Hon Stuart Nash
Minister of Tourism

11




Hon Kiri Allan
Minister of Conservation

18/03/22
11



Hon Michael Wood
Minister of Transport

16/04/2022



Bruce Parkes
Deputy Director General, Policy & Visitors
For Director-General of Conservation

Purpose – Te aronga

7. This briefing recommends the MOP Ministerial Group seek the support of the Minister for the Public Service. s9(2)(a)

Background

8. On 6 August 2021, you sent a letter to Dr Keith Turner, appointing him Chair of the MOP Board (Appendix 2). In that letter, you noted that his fee would be set at a later date, but that it would be in accord with the Framework.

9. Dr Turner has not formally accepted his appointment as the MOP Chair by signing the letter acknowledging his appointment that you provided him on 6 August 2021.

s9(2)(a)

10. We have determined the MOP Board to be a Group 4, Level 1 entity. The Framework recommends a daily rate of between \$540 and \$1,150 for a Chair of such an entity.

11. s9(2)(g)(i)

12. s.9(2)(a)

We recommend you seek support from the Minister for the Public Service for an exemption.

13. We recommend the MOP Ministerial Group agrees to seek support from the Minister for the Public Service. s9(2)(a)

This recommendation is based on:

- the pioneering significance of the MOP
- MOP's commercial and stakeholder complexity

14. s9(2)(g)(i)

The MOP is commercially complex.

15. With the multiple parties that hold rights and/or statutory responsibilities related to Milford Sound Piopiotahi, the MOP is a commercially complex project. It will require high levels of commercial experience and judgement to navigate the complexities of the existing commercial arrangements and to ensure that any new proposals are commercially viable. The MOP will be dealing with senior and experienced commercial operators and requires a chair with significant commercial experience who is also able to work closely with Government. s9(2)(g)(i)

Knowledgeable, relationship-based leadership is crucial to MOP's success.

16. Prior to leading the MOP, Dr Turner spent 39 years in senior executive positions in the power industry, including 10 years as Chief Executive of Meridian Energy. He has also been a board member on a number of major boards across New Zealand and Australia.
17. Based on his professional track record and the significant relationships he has developed across Southland, particularly as Meridian's CE, Dr Turner was named Chair of the MOP Governance Group in 2017.
18. Dr Turner will not only provide consistency to MOP, as an institution, but also to Treaty partners and key stakeholders, whose support is crucial to achieving visionary change for Milford Sound Piopiotahi, Southland, and New Zealand as a whole. Dr Turner has built up strong, trusted relationships with Treaty partners, Ngāi Tahu, and key commercial and community stakeholders. Such relationships cannot be developed quickly and require time to mature to support strong cohesion in direction. Many of Dr Turner's key relationships were established in his pre-MOP career and have been strengthened over the last four years that he has led the MOP.

The Cabinet Fees Framework does not account for the commercial and stakeholder complexity of MOP.

19. DOC has determined the MOP to be a Group 4, Level 1 entity. In assessing these entities and the recommended fees for their members, the Framework focuses on four broad areas:
 - skills, knowledge, and experience required for members
 - function, level, and scope of authority
 - complexity of issues
 - public interest and profile.
20. Though the public interest and profiles of projects are considered, the Framework does not allow for any special consideration to be given to a project like the MOP with high levels of commercial complexity.

s9(2)(a)

Risks associated with seeking an exemption

21. s9(2)(a), s9(2)(g)(i)
22. s9(2)(a), s9(2)(g)(i)
23. s9(2)(a), s9(2)(g)(i)

Risks associated with not seeking an exemption

24. s9(2)(g)(i)
25. s9(2)(g)(i)

[Redacted]

Lower rates of remuneration may be insufficient to retain Dr Turner as Chair.

26.

s9(2)(g)(i)

Next steps – Ngā tāwhaitanga

27.

s9(2)(g)(i)

Appendices

Appendix 1 – Letter to Hon Chris Hipkins, Minister for the Public Service, s9(2)(g)(i)

s9(2)(i)

Appendix 2 – 6 August 2021 – Letter Appointing Dr Turner as Chair of MOP Board

ENDS

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Hon Kiritapu Allan

MP for East Coast
Minister of Conservation
Minister for Emergency Management
Associate Minister for Arts, Culture and Heritage
Associate Minister for the Environment



Hon Chris Hipkins
Minister for the Public Service

Dear Chris

s9(2)(g)(i)

Project Chair

As Chair of the Milford Opportunities Project (MOP) Ministerial Group, s9(2)(g)(i)

The MOP Board is a Group 4, Level 1 entity, with a Cabinet Fees Framework recommended range of \$540 to \$1,150 per day for a chairperson. s9(2)(a)

Background

The Milford Opportunities Project aims to create a world-class visitor experience that benefits Milford Sound Piopiotahi and surrounding communities, protecting this pristine environment, and supporting conservation goals through regenerative tourism.

On 28 June 2021, Cabinet received the MOP Masterplan recommendations, the culmination of MOP's Stage Two work. Cabinet approved \$15 million for MOP's Stage Three work, which focuses on detailed planning and feasibility assessments of the Masterplan's recommendations and is due for completion in December 2023 [DEV-21-MIN-0067, CAB-21-MIN-0111]. The formation of a MOP unit and the MOP Board to oversee this work were also decided, and Cabinet appointed a Ministerial Group (Ministers of Conservation, Tourism and Transport) to appoint the MOP Board and to decide, following feasibility testing, which recommendations in the MOP Masterplan to implement [DEV-21-MIN-0135, CAB-21-MIN-0237]. At this same time, Cabinet also appointed Dr Keith Turner, as the Chair of the MOP Board [DEV-21-MIN-0135].

The proposed exemption

Subsequent to Cabinet's decisions s9(2)(a)

In the previous two stages of MOP work, Dr Turner was paid by local Government, and

s9(2)(a)

s9(2)(a), s9(2)(g)(i)

The MOP may change the way New Zealand manages sites of national significance.

The MOP is landmark project that could alter the way New Zealand fundamentally approaches conservation and tourism management and planning. As a test case for how nationally significant sites can be managed collaboratively to produce better outcomes for conservation, visitors, local communities, and New Zealand as a whole, the MOP will play a large role in determining how New Zealand approaches conservation, regenerative tourism, and visitor management for years to come. If successful, the MOP may change the way significant sites are managed across New Zealand.

The MOP is commercially complex.

With its collaborative approach to long-term planning and management and the numerous interested parties involved, including multiple parties that hold rights and/or statutory responsibilities related to Milford Sound Piopiotahi, the MOP is a commercially complex project. It will require high levels of commercial experience and judgement to navigate the complexities of the existing commercial arrangements and to ensure that any new proposals are commercially viable. The MOP will be dealing with senior and experienced commercial operators and requires a chair with significant commercial experience who is also able to work closely with Government.

s9(2)(g)(i)

Knowledgeable, relationship-based leadership is crucial to MOP's success.

Prior to leading the MOP, Dr Turner spent 39 years in senior executive positions in the power industry, including 10 years as Chief Executive of Meridian Energy. He has also been a board member on a number of major boards across New Zealand and Australia.

Based on his professional track record and the significant relationships he has developed across Southland, particularly as Meridian's CE, Dr Turner was named Chair of the MOP Governance Group in 2017.

Dr Turner will not only provide consistency to MOP, as an institution, but also to Treaty partners and key stakeholders, whose support is crucial to achieving visionary change for Milford Sound Piopiotahi, Southland, and New Zealand as a whole. Dr Turner has built up strong, trusted relationships with Treaty partners, Ngāi Tahu, and key commercial and community stakeholders.

Such relationships cannot be developed rapidly and require time to mature to support strong cohesion in direction. Many of Dr Turner's key relationships were established in his pre-MOP career and have been strengthened over the last four years that he has led the MOP.

Given the national significance of MOP, its commercial and stakeholder complexity, as well as Dr Turner's significant commercial experience and the strong relationships he has forged with Treaty partners, Ngāi Tahu, and local stakeholders.

s9(2)(a)

s9(2)(g)(i)

In consultation with Public Service Commission staff, the Department of Conservation has determined the MOP to be a Group 4, Level 1 entity. In assessing these entities and the recommended fees for their members, the Fees Framework focuses on four broad areas:

- skills, knowledge, and experience required for members
- function, level, and scope of authority
- complexity of issues
- public interest and profile.

Though the public interest and profiles of projects are considered, the Cabinet Fees Framework does not allow for any special consideration to be given to a project like the MOP with high levels of commercial complexity and a likely hands-on role in working through the

s9(2)(g)(i)

Risks related to not supporting an exemption

s9(2)(g)(i)

Risks associated with supporting an exemption

s9(2)(g)(i)

The Public Service Commission has been consulted on this item.

s9(2)(g)(i)

Nāku noa, nā



Hon Kiri Allan
Minister of Conservation
Chair of MOP Ministerial Group

cc Hon Stuart Nash, Minister of Tourism
Hon Michael Wood, Minister of Transport

Released under the Official Information Act 1982

Dr Keith Turner

Power Industry Executive and Independent Director

Dr Turner possesses extensive experience in the New Zealand energy sector. He was the inaugural Chief Executive Officer of Meridian Energy Limited from 1999 to his retirement in 2008. Prior to that, he worked as a private energy expert advising large corporate clients and Government, following 15 years heading power planning and then operations of the whole of NZ's power system.

From 1985 to 1999 he led and served in a wide range of electricity industry reform functions that established the current NZ industry structure and electricity market.

Since 2008, Dr Turner has held a number of major company board roles. He was formally Deputy Chair of Auckland International Airport Ltd, a Director of Chorus, a director of Spark Infrastructure Ltd (ASX), Victoria Power Networks (VIC) and South Australia Power Networks (SA), Chair of Solar City Limited, Chair of Emirates Team NZ and Chair of Fisher & Paykel Appliances. He is currently Chair of DamWatch Holdings Ltd, Milford Opportunities Project, MfE ARC and is a director of TransGrid (NSW) and Trustpower.

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Hon Stuart Nash LLM, MMgt, MForSc



Minister for Economic and Regional Development
Minister of Forestry
Minister for Small Business
Minister of Tourism

06 AUG 2021

Dr Keith Turner
Chair of the Milford Opportunities Project Governance Group

s9(2)(a)

Dear Keith,

APPOINTMENT AS THE CHAIR OF THE MILFORD OPPORTUNITIES PROJECT ESTABLISHMENT BOARD

It is my pleasure to formally advise that we have appointed you as the Chair of the Milford Opportunities Project Establishment Board, for a term commencing on 1 July 2021 and expiring on 30 June 2023.

Cabinet agreed to appoint you as the Chair and this letter confirms that appointment. We believe that you have the personal attributes, experience and leadership qualities which will enable you to make a valuable contribution to the Establishment Board.

The media announcement of your appointment will be made in conjunction with the Milford Opportunities Project Masterplan launch on 28 July considering the Cabinet decision.

This letter provides you with the terms and conditions of your appointment.

Role and Purpose of the Milford Opportunities Establishment Board

The role of the Establishment Board is to govern the Milford Opportunities Establishment Unit and ensure that the objectives of the Milford Opportunities Project are achieved. The unit will not be a legal entity and its board will not have statutory obligations. The objectives of the Establishment Board include:

- To progress the Masterplan recommendations to specific implementable projects
- To ensure that projects:
 - o Reflect the purpose and vision of the Milford Opportunities Project
 - o protect Milford Sound Piopiotahi now and into the future, recognising its World Heritage status
 - o acknowledge the role of Ngai Tahu as mana whenua and Treaty Partner
 - o enhance the visitor experience, recreation, conservation, and community
 - o benefit the communities of Te Anau, Southland and Otago.

The Milford Opportunities Establishment Board is responsible to a Cabinet appointed Ministerial Group of the Ministers of Tourism, Conservation and Transport. The Milford Opportunities Establishment Board has delegated authority to govern and manage the Milford Opportunities Stage Three – Phase 1 including the Milford Opportunities Establishment Unit. Cabinet will be the decision maker for existing or new legislation changes relating to this project.

Role and responsibilities

Consistent with the skills that you are bringing to the Milford Opportunities Project Establishment Board, we expect you to:

- Exercise strong leadership
- To act with honesty and integrity
- To act in good faith and not at the expense of the entity's interests
- To act with reasonable care, diligence and skill
- To not disclose, or make use of information, that would otherwise not be available to you.
- Ensure the Milford Opportunities Establishment Board and Unit is working effectively with Ministers and other key strategic partners
- Maintain systems for managing the Milford Opportunities Establishment Unit, particularly budget, accountability, and performance management systems.
- Report frequently to the Ministerial Group

I understand that you have confirmed that you have no conflicts in interest in relation to this appointment, and that when you have, you will follow the Board procedure. You will be informed about the Establishment Board's internal policies on managing conflicts of interest.

Term of office

You continue as a member despite the expiry of your term until you are reappointed, your successor is appointed, or you are informed in writing that you are not to be reappointed.

You may resign by written notice to us, with a copy sent to the Board. Resignation would be effective on our receipt of your notice, or at a later time that you specify.

We may remove you from office at any time and for any reason that in our opinion justifies the removal. We would only do so by giving written notice to you and stating the reason for the removal.

Remuneration

As the Chair of the Milford Opportunities Establishment Board remuneration payable is set in accordance with the Cabinet Fees Framework which applies to members of statutory and other bodies appointed by the Crown. You are also entitled to claim for actual and reasonable travelling and other expenses incurred in carrying out your duties as the Chair of the Milford Opportunities Establishment Board. We will advise you of the fee in due course.

Acceptance of the Appointment

I would be grateful if you could formally acknowledge your appointment by signing the attached letter and returning it to Abby Cheeseman at the Ministry of Business, Innovation and Employment (abby.cheeseman@mbie.govt.nz) who will record it on my behalf.

I congratulate you on your appointment and wish you well for your term as the Chair of the Milford Opportunities Establishment Board.

Yours sincerely,



**Hon Stuart Nash
Minister of Tourism**



**Hon Kiritapu Allan
Minister of Conservation**



**Hon Michael Wood
Minister of Transport**

cc: Bruce Parkes, DOC

cc: Iain Cossar, MBIE

Released under the Official Information Act 1982

Hon Stuart Nash
Minister of Tourism
Hon Kiritapu Allan
Minister of Conservation
Hon Michael Wood
Minister of Transport
Parliament Buildings
Wellington

Dear Ministers

I acknowledge receipt of your letter appointing me as the Chair of the Milford Opportunities Establishment Board, for a term commencing on 1 July 2021 and expiring on 30 June 2023.

I accept that I will hold office at the discretion of the Ministers of Tourism, Conservation and Transport.

I will ensure that I keep myself fully familiar of the obligations and responsibilities of the position. I undertake to advise you, via the Ministry of Business, Innovation and Employment, of any change in my circumstances that may have an impact on my ability to serve on the Milford Opportunities Establishment Board.

Yours sincerely,

Dr Keith Turner

Date:

Released under the Official Information Act 1982

Read



Meeting Memo

In Confidence

GS ref: 22-M-0089
MBIE ref: 2122-4683
DOCCM: 7022804

To: Minister of Conservation
Minister of Tourism
Minister of Transport

Date: 10 June 2022

From: Tim Bamford, Acting Director,
Heritage and Visitors, Department
of Conservation

Subject: Milford Opportunities Project Ministerial Group meeting with MOP
Chair

Contact (organiser)	
Dr Keith Turner, Milford Opportunities Project Board Chair	s9(2)(a)
Contact (agencies)	
Name and position	Cellphone
Bruce Parkes, Deputy Director-General Policy and Visitors, DOC	s9(2)(a)
Claire Spencer, Manager Regional Visitor Planning, DOC	s9(2)(a)
Heather Kirkham, General Manager Tourism, MBIE	s9(2)(a)
Angela Parker, Manager Placemaking & Urban Development, Ministry of Transport (MOT)	s9(2)(a)

Purpose

1. This memo provides context and talking points for the upcoming Ministerial Group meeting with the Chair of the Milford Opportunities Project (**MOP**) Board, Dr Keith Turner. This includes:
 - Information on key recommendations in the MOP Masterplan
 - DOC, MBIE and MOT advice on implementation of the recommendations
 - Opportunities arising from the meeting, including discussing your views on the extent of transformational change proposed
 - Information on meeting attendees and talking points for the meeting.

Background and context

You will be meeting the MOP Board Chair to discuss the MOP Masterplan

2. The Ministers of Conservation, Tourism and Transport have agreed to jointly meet the Chair of the MOP Board, Dr Keith Turner. The date of the meeting has yet to be confirmed.
3. The meeting provides the opportunity to discuss Dr Turner's vision of how to give effect to the MOP Masterplan, as well as the significant transformation that would be required to achieve this.
4. We understand that Dr Turner wishes to test his thinking with the Ministerial Group around the ability to achieve the MOP Masterplan outcomes through transformational change. He will be looking for an indication of Ministers' appetite for significant changes to the management of Milford Sound Piopiotahi. We expect he will use this opportunity to:
 - update the Ministerial Group on the project progress and request a timeframe extension, and
 - discuss pathways for transformative change to the management of Milford Sound Piopiotahi, described later in this memo.
5. While a high-level discussion may be useful, we believe the work is not yet sufficiently developed to allow for informed decision-making. This should occur once the feasibility work is complete and you have been presented with detailed options, and their associated costs and benefits. Accordingly, we recommend deferring any detailed discussions until that time, but highlighting any high-level thoughts now.
6. The following sections provide context on the MOP Masterplan and agency views on key recommendations, to inform your meeting with Dr Turner.

The MOP Board Chair has requested an extension to the feasibility phase delivery due date

7. The MOP is currently scheduled to deliver detailed business cases for the Masterplan's recommendations by December 2023. Dr Turner has requested an extension of this timeline to June 2024 because of the delays in fully establishing the Board and the appointment of the Director.
8. We support the requested extension. The programme of work is complex and will take two years to deliver from commencement. The milestone plan attached in Appendix Two reflects the new proposed timeframe for your consideration.
9. If you agree to the deferral of your report back to Cabinet, the Department of Conservation will work with the Minister of Conservation to seek Cabinet's approval of the change.

The MOP Masterplan

The MOP Masterplan is designed to transform the experience and management of Milford Sound Piopiotahi

10. The Milford Opportunities Project is a collaborative approach by Ngāi Tahu, central and local government and local businesses to address and resolve the fundamental challenges facing tourism in Milford Sound Piopiotahi and the surrounding area. The Masterplan is the result of intensive work over four years.
11. As part of an integrated solution, the Masterplan released in July 2021, details a range of recommendations that, if enacted, would bring transformative change to Milford Sound Piopiotahi and surrounding areas. Though specific to Milford Sound Piopiotahi, the MOP is of national interest due to the potential precedent setting nature of the project for visitor management in protected areas across in New Zealand.
12. The key recommendations from the Masterplan are:
 - a. Restricting private vehicle access to Milford Sound Piopiotahi through a permit and public transport system
 - b. Charging international visitors for access to Milford Sound Piopiotahi based on the value of the place, creating a self-funded sustainable system
 - c. Prohibiting cruise ships from entering Milford Sound Piopiotahi
 - d. Closing the aerodrome (fixed-wing runway) at Milford Sound Piopiotahi and replacing it with an expanded heliport to allow for significant reorganisation of the infrastructure and visitor flow at Milford Sound Piopiotahi
 - e. Redesigning the facilities and attractions on the Milford Road to encourage longer and slower visitor experiences. The primary transport would be regular hop on/hop off bus services
 - f. Making Te Anau the primary transport hub for the journey to Milford Sound Piopiotahi
 - g. Introducing a new governance and management structure for Milford Sound Piopiotahi village and surface waters of the Sound to the Tasman Sea and the Milford Road corridor to improve efficiency and function, potentially with special legislation to enable change
 - h. Using the revenue collected from visitors to increase the funding for conservation, mana whenua and community aspirations, transport, and the visitor experience
 - i. Building a world class cable car to reach a higher elevation, combined with walks up Bowen Valley and a lookout over Bowen Falls.
13. The next phase of the MOP includes detailed planning, consenting, community consultation and preparation for the necessary infrastructure build. For further context and implications see Appendix One and the work programme and milestones in Appendix Two.

Your meeting with the MOP Board Chair

Key people at the meeting

14. You will be meeting with Dr Keith Turner, Chair of the MOP Board. Dr Turner was named as Chair in July 2021.
15. Dr Turner has over 40 years of executive experience in the power industry, and for the latter 25 years, held senior executive positions in Meridian Energy, the former Electricity Corporation of New Zealand and its predecessor NZED. Since 2008 he has been a Professional Director on major New Zealand and Australian boards. He was

appointed Chair of the Transpower Board on 1 May 2022, having been a board director since December 2021. He has also been appointed as Independent Chair of the Queenstown Spatial Plan Steering Group and Governance Group.

16. The following officials may be attending the meeting:
 - a. Bruce Parkes – Deputy Director-General Policy and Visitors, DOC
 - b. Claire Spencer – Regional Visitor Planning Manager, DOC
 - c. Heather Kirkham – General Manager Tourism, MBIE
 - d. Angela Parker – Manager Placemaking and Urban Development, MOT

Opportunities from the meeting

17. The meeting provides the opportunity for you to:
 - a. receive an update on MOP’s recruitment
 - b. discuss the request for an extension to the delivery date for the MOP feasibility phase.
 - c. understand the proposed transformational changes that would support achievement of the MOP vision
 - d. provide feedback to Dr Turner on the extent of transformational change that you would support.
18. We understand that Dr Turner’s proposed approach is ground-breaking, and likely to challenge traditional thinking. The opportunities for transformative change encompass:
 - a. Legal and legislative changes to enable implementation – including that needed to facilitate revenue collection for reinvestment
 - b. how visitors access Milford Sound Piopiotahi, via road, air and water
 - c. possible new governance and management structures.
19. This meeting will give Ministers the chance to give Dr Turner initial reactions to his thinking and provide thoughts on what success looks like over the long-term (based on the strategic direction outlined in the Masterplan).
20. While a high-level discussion may be useful, we believe the work is not yet sufficiently developed to allow for informed decision-making. This should occur once the feasibility work is complete and you have been presented with detailed options, and their associated costs and benefits. Accordingly, we recommend deferring any detailed discussions until that time, but highlighting any high-level thoughts now.

Risks

21. This meeting is a sharing of high-level thinking, and requires no commitments or decisions by Ministers, therefore it is low risk. That said, it is crucial that the MOP Ministerial Group and the MOP Chair maintain a good, working relationship.

s9(2)(g)(i)

s9(2)(g)(i)

s9(2)(g)(i)

s9(2)(g)(i)

25. Each additional request for membership risks further slowing the process of announcing the Board. The concerns of [REDACTED] are best addressed through the current commitment to robust consultation and communication throughout the project. We recommend that Ministers discuss this with Dr Turner.
26. There is also a risk that, as funding was provided for Stage Three of the Milford work more than a year ago, there may be some criticism from external stakeholders [REDACTED] about progress to date. It may be advisable to discuss how Dr Turner intends to respond to this, along with any concerns about the extensive mining background of the newly appointed Programme Director Chris Goddard.

Consultation

27. To prepare this memo, DOC has consulted with MBIE and MOT. This memo represents the collective agreed view of all three agencies.

Appendices

Appendix One – Context and implications

Appendix Two – Work programme and project deliverables

Appendix Three – Talking Points/Key messages

Appendix Four – Cabinet Paper Milford Opportunities Project

Cabinet paper available at
[www.mbie.govt.nz/
dmsdocument/7025-the-milford-
opportunities-project-cabinet-paper](http://www.mbie.govt.nz/dmsdocument/7025-the-milford-opportunities-project-cabinet-paper)
MEMO ENDS

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Page 5 of 13

Further context and implications

1. Feasibility testing all of the Masterplan recommendations would cost approximately \$22M. To work affordably and to achieve the investment objectives and the vision of the Masterplan, the potential work was categorised into three tiers with only the top two tiers likely to be affordable within the \$15M of funding allocated by Cabinet (Appendix Two). It should be anticipated that the high-level work programme will need to adapt and adjust. Should Ministers wish for tier three work to be undertaken further funding is likely to be required.
2. Some of the Masterplan recommendations, if they are to be implemented, may require bespoke legislation that contains precedent-setting changes to how Government approaches access to areas such as National Parks, charging for visitor services, concession management, and governance and management models.
3. For further information on the intent and background to MOP, see the Cabinet Paper [DEV-21-MIN-0135, CAB-21-MIN-0237] that was confirmed in June 2021 in Appendix Four.

MOP is a critical project for transforming Milford Sound Piopiotahi

4. Prior to COVID-19, Milford Sound Piopiotahi and the access corridor faced a number of significant pressures. As international visitors return, we consider that the area cannot simply return to 'business as usual'.
5. Applying incremental improvements through existing mechanisms is unlikely to achieve the transformational outcomes sought due to the complexity of the governance and management systems at place.
6. Integrated management and governance are essential to ensure that the place functions efficiently and effectively, by bringing together all parties to provide a coordinated approach to progressing change. This will help ensure that the right infrastructure and transport solutions are applied that enhance the function and wonder of the location.
7. The MOP's independent, collaborative approach is an opportunity to better provide integrated future management and harness ground-breaking and innovative solutions.
8. The MOP has remained a ministerial priority across successive governments since its inception. We recommend that Ministers continue to support the MOP approach in order to achieve the regenerative tourism outcomes articulated by the Minister of Tourism.

A wide range of parties will need to work together to achieve the transformation of Milford Sound Piopiotahi

9. Successful master planning for the Milford Sound Piopiotahi area will require a range of bespoke changes in current management, governance, functions, roles and responsibilities, and legislative change.
10. The next phase will include the Crown and Ngāi Tahu working in partnership to build a common understanding for intergenerational benefits and outcomes. Some mana whenua aspirations are directed at the implementation of specific Masterplan projects while others have broader implications for governance and management of the place.
11. Due to the scale and complexity of the MOP Masterplan's recommendations, it has broad implications for the Crown. Some have implications at international, national, regional and local level for the tourism industry and how visitors interact with and access Public Conservation Land, and how local and central government administer and govern complex land systems, including Public Conservation Land.
12. The complexity of management is shown by the fact that the infrastructure along the Milford Road corridor and at Milford Sound Piopiotahi is owned, managed and regulated

by various local and central government entities and private entities within the boundaries of a National Park:

- a. DOC – owns Deepwater Basin wharf and manages commercial activities in the National Park
 - b. Ministry of Transport – owns, manages and operates Milford Aerodrome
 - c. Waka Kotahi – owns, operates and manages the State Highway 94
 - d. Southland District Council – issues resource and building consents
 - e. Environment Southland – authorises water activities and the marginal strip
 - f. Milford Sound Tourism Limited – owns, manages and maintains the wharfs, terminal, toilets, parking, boardwalks, roads, sewerage and wastewater, etc
 - g. Properties – visitor and staff accommodation and commercial facilities – owned multiple organisations
 - h. Milford Power Holdings and Milford Sound Infrastructure – own electricity, water systems and fuel facilities.
13. It will be essential that the MOP engages with government officials from other Ministries and Departments (ie. Department of Internal Affairs, Department of the Prime Minister and Cabinet) that relate to implications of the MOP work programme, so the relevant Ministers can be kept apprised of developments ahead of the circulation of a draft Cabinet paper.

The DOC concessions system would need significant changes to implement the MOP recommendations

14. The need to redesign the governance and management system has created uncertainty and nervousness for operators. The concession situation at Milford Sound Piopiotahi is complex and there are several significant and long-term concessions up for renewal, including s9(2)(g)(i)
15. The Masterplan notes a lack of rigour in the concession framework – including the inability to monitor and enforce commercial activities to achieve optimal conservation and recreational outcomes. Barriers to achieving a world class tourist experience at Milford Sound Piopiotahi include an absence of competition between concessionaires, reducing the incentive to invest or innovate.
16. To enable transformational change, it is likely that the concessions system will need significant structural change and may require mechanisms to cease current concessions. The Masterplan recommends that the concessions framework should set high and clear standards and help hold concessionaires to account and it anticipates wholesale changes to the physical and visitor experience. Complex negotiations to revise existing commercial arrangements will be necessary. Where property and activity rights need to be changed compensation will need to be considered.
17. Achieving the transformational change required to implement some of the MOP Masterplan recommendations may require changes to existing legislation.
18. The proposed Conservation Law Reform may provide an avenue to address some of the implementation challenges and concessions issues.
19. Other options for enabling implementation of the Masterplan recommendations are special legislation: Manapouri and the Te Anau Development Act 1963 is an example of special legislation that allowed for development of the Manapouri hydroelectric power

generation scheme within a National Park but under strong restrictions and by setting up a monitoring body – the Guardians of the Lakes Manapouri and Te Anau.

20. The MOP Unit will explore possible legislative mechanisms to address the concessions framework, and the cost implications through the feasibility work.

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Work Programme and deliverables

Tier	Work
<p>1: Critical to reaching the goal of this phase</p>	<p>a) Ensuring key enabling components are in place or in progress to support implementation if the assessment identifies the recommendations as feasible and they are approved for delivery, i.e.,</p> <ul style="list-style-type: none"> i. Preparation of a cultural narrative ii. Identification and progress pathways for governance, management, policy, and regulatory changes iii. Commercial models and funding mechanisms iv. Assessments of project implications on concessionaires v. Scoping a potential management, governance and delivery entity for Milford Sound Piopiotahi <p>b) Gaps in foundation studies are filled to provide criteria to infrastructure projects to progress forward</p> <p>c) Scoping and feasibility assessments of key linchpin projects that are required to enable other work to progress.</p> <ul style="list-style-type: none"> i. Designing of transport system including model and permit system ii. Significant service infrastructure upgrades <p>d) Feasibility assessments of key infrastructure improvements and new experiences.</p> <ul style="list-style-type: none"> i. Infrastructure improvements along Corridor and at Milford Sound Piopiotahi, and ii. Te Anau hub options.
<p>2: Important to reaching the goal, and is likely affordable within the funding envelope</p>	<p>e) High priority projects with less dependency</p>
<p>3: Adds the least value towards achieving the goal and is likely unaffordable within the funding allocation</p>	<p>f) Any other projects</p>

Work programme project deliverables:

Deliverable	Target date
Support other project teams align approved/funded work with Milford Opportunities Masterplan (including DOC, MOT, RCG)	Ongoing
Recruit key staff members of the Milford Opportunities Unit and other key support contracts (10+ staff)	July 2022
Finalise engagement and communications strategy for phase one, Stage Three of the MOP and create an engagement and communications action plan	July 2022
Recruit remaining Milford Opportunities Unit and other relevant support contracts to deliver phase one of Stage Three of the MOP	August 2022
Initiate feasibility and scope of: <ul style="list-style-type: none"> • new operating funding model • transport system, including transport model and permit system • design of Te Anau hub options • infrastructure improvements along corridor and at Milford Sound Piopiotahi • significant service infrastructure upgrade proposals 	September 2022
Identify approach to enablers - governance, management, policy and regulatory changes	October 2022
Agree scope of the cultural narrative (giving effect to the aspirations and values of Ngāi Tahu) working together with Ngāi Tahu including any symbolic and visible changes that can be made Q4 2022-Q3 2023	October 2022
Governance, management, policy and regulatory changes decisions due [REDACTED]	9(2)(f)(iv) [REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

Talking points/Key Messages

<p>Dr Turner's recent Board appointment</p>	<p>Congratulations on your recent appointment as Chair of the Transpower Board.</p>
<p>MOP vision</p>	<p>9(2)(g)(i) [Redacted]</p>
<p>Questions about implementation of the MOP Masterplan</p>	<p>9(2)(g)(i) [Redacted]</p>
<p>Achieving transformational change</p>	<p>9(2)(g)(i) [Redacted]</p>
<p>Legal and legislative changes</p>	<p>9(2)(g)(i) [Redacted]</p>

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<p>Proposal to restructure governance and management</p>	<p>9(2)(g)(i)</p> <p>[Redacted]</p>
<p>Extension to final delivery date for feasibility phase</p>	<p>9(2)(g)(i)</p> <p>[Redacted]</p>
<p>Engagement</p>	<p>9(2)(g)(i)</p> <p>[Redacted]</p> <p>s9(2)(g)(i)</p> <p>[Redacted]</p>
<p>Vision for long-term success for MOP</p>	<p>9(2)(g)(i)</p> <p>[Redacted]</p> <ul style="list-style-type: none"> ■ [Redacted] ■ [Redacted] ■ [Redacted] ■ [Redacted] ■ [Redacted]

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	<p data-bbox="667 136 687 181">b7c</p> <p data-bbox="715 136 1337 255">[REDACTED]</p> <p data-bbox="667 286 687 331">b7c</p> <p data-bbox="715 286 1326 443">[REDACTED]</p>
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Read

Departmental Briefing



Department of
Conservation
Te Papa Atawhai

In Confidence

GS ref: 22-B-0429
DOCCM: 7055237

To: Minister of Conservation

Date: 23 June 2022

Subject: Milford Opportunities Project Update

Actions sought:

- Resolve with the Ministerial Group the proposed appointments to the Milford Opportunities Project (MOP) Board
- Sign the attached letter
- Agree to meet with the MOP Board Chair

Time Frame: 7 July 2022

Risk Assessment: The MOP has been assessed as having a high-risk profile by Treasury

Department's Priority: High

Level of Risk: Low

Contacts

Name and position	Cellphone	First contact	Principal author
Bruce Parkes, Deputy-Director General Policy and Visitors	s.9(2)(a)		
Tania Short, Acting Manager Regional Visitor Planning	s.9(2)(a)	✓	
Rachael McMillan, Senior Regional Visitor Planner	s.9(2)(a)		✓

Executive summary – Whakarāpopoto ā kaiwhakahaere

1. Milford Sound Piopiotahi is a national taonga and arguably New Zealand’s most recognised destination globally. It is of great significance to mana whenua and our national identity. However, visitor pressures (pre-covid) are threatening its sustainability.
2. Working collaboratively with Ngāi Tahu, Crown agencies, industry and local communities, the Milford Opportunities Project (MOP) was established in 2017 to plan for the long-term future of Milford Sound Piopiotahi and its surrounding areas.
3. In June 2021, the MOP delivered a visionary Masterplan to Cabinet aimed at protecting the taonga, while creating a world-class visitor experience that would benefit Milford Sound Piopiotahi, surrounding areas and support conservation.
4. The MOP’s independent, collaborative approach illustrates how strategic long term thinking could better provide integrated future management and presents an opportunity for the government to harness ground-breaking innovative solutions.
5. Cabinet approved \$15m to facilitate this next phase (Stage Three) of stringent feasibility testing of the recommendations in the Masterplan and agreed that a Ministerial Group, comprising the Ministers of Tourism, Conservation, and Transport, would be decision maker on Stage Three of the MOP.
6. The Terms of Reference for the Milford Opportunities Ministerial Group specify that you, as Minister of Conservation, are its Convenor and Chair. The Associate Minister of Transport, Hon Kieran McAnulty now represents the Minister of Transport on this Group, through a delegation from Minister Wood.
7. Successive governments have supported the MOP to date, with \$18M committed since 2016, including the \$15M allocated to the current phase of feasibility testing.
8. The projects initiation has been delayed but it is now underway, and with a unit director in place, work on the next stage has begun.
9. Achieving the transformational change necessary to the project’s success is only possible with collaboration across central and local government and the community. The Ministerial Group has a crucial role in achieving that unity.

We recommend that you ... (Ngā tohutohu)

	Decision
a) <u>Note</u> the background information on the Milford Opportunities Project	
b) <u>Note</u> you are meeting with your Milford Opportunities Project Ministerial Group on Wednesday 29 June. A separate meeting memo and talking points will be provided to support this meeting	
c) <u>Note</u> officials are available to meet before your Ministerial meeting if required	
d) <u>Discuss and resolve</u> with your Ministerial Group colleagues the proposed appointment of a representative of Environment Southland and Southland District Council to the MOP Board and decide their voting status	Yes / No

e)	<u>Agree</u> to meet with the Ministerial Group and the Chair of the MOP Board to test the direction of travel of the project prior to the first Board meeting on 4 July	Yes / No
f)	<u>Sign</u> the attached letter of remuneration for the Chair of the MOP Board	Yes / No

Date: / /

Tim Bamford
Acting Director, Heritage and Visitors
 For Director-General of Conservation

Date: / /

Hon Poto Williams
Minister of Conservation

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Purpose – Te aronga

1. To provide you with key information on the Milford Opportunities Project, including its background, purpose, and objectives, your role as Chair of the Ministerial Group, and the critical next steps.

Background and context – Te horopaki

The MOP is a collaborative independent project, that could transform the way the Government thinks and responds to tourism areas under pressure

2. The MOP was formed in 2017 in response to concerns about the rapidly growing visitor numbers and ongoing pressures on Milford Sound Piopiotahi and the surrounding area. A new approach to tourism is needed in this iconic area, as the pre-COVID visitor situation is not sustainable long-term for cultural, ecological or recreational reasons¹.
3. Working alongside Ngāi Tahu, Crown agencies, industry and local communities, the MOP delivered a visionary Masterplan for Milford Sound Piopiotahi to Cabinet in June 2021 (see Attachment Two for the Cabinet Paper).
4. The Masterplan is based on a foundation of protection and regenerative tourism. Many of the recommendations of the Masterplan are of national interest due to the potential precedent setting nature for visitor management in protected and surrounding areas.
5. The Masterplan includes a suite of recommendations that proposes transformative change to Milford Sound Piopiotahi, the Milford Road corridor and Milford Area and sets out intentions for its future direction and ongoing management.
6. The key recommendations from the Masterplan are:
 - Restricting private vehicle access to Milford Sound Piopiotahi through a permit and public transport system
 - Charging international visitors for access to Milford Sound Piopiotahi based on the value of the place, creating a self-funded sustainable system
 - Prohibiting cruise ships from entering Milford Sound Piopiotahi
 - Closing the aerodrome (fixed-wing runway) at Milford Sound Piopiotahi and replacing it with an expanded heliport to allow for significant reorganisation of the infrastructure and visitor flow at Milford Sound Piopiotahi
 - Redesigning the facilities and attractions on the Milford Road to encourage longer and slower visitor experiences. The primary transport would be regular hop on/hop off bus services
 - Making Te Anau the primary transport hub for the journey to Milford Sound Piopiotahi
 - Introducing a new governance and management structure for Milford Sound Piopiotahi village and surface waters of the Sound to the Tasman Sea and the Milford Road corridor to improve efficiency and function, potentially with special legislation to enable change
 - Using the revenue collected from visitors to increase the funding for conservation, mana whenua and community aspirations, transport, and the visitor experience
 - Building a world class cable car to reach a higher elevation, combined with walks up Bowen Valley and a lookout over Bowen Falls.

¹ See the Cabinet Paper in Attachment One for the masterplan initiation

7. Identifying appropriate legal/policy mechanisms for implementation of the projects identified in the Masterplan is a core element of the work programme for this stage of the MOP.
8. The Masterplan's recommendations are underpinned by the following core principles:
 - protect the essential character of the place
 - intertwine iwi culture and history
 - spread visitation over the whole day to reduce pressures
 - slow the journey down so the journey is appreciated more
 - provide multiple experiences
 - modernise infrastructure and improve infrastructure resilience and protect the environmental and ecological values of the place
 - remove congestion and visitor conflict points
 - control international visitor numbers through permits and transport mode
 - reduce visitor exposure and risk to natural hazards
 - adopt zero carbon technology
 - create a better funding model and a focused governance arrangement
 - visitors benefit communities and conservation.
9. This next phase of the MOP (Stage three) will test the feasibility of the recommendations. Much of this work will be focused on commercial viability, funding models and legislative pathways.

The MOP has been set up as an independent project

10. This third stage of the MOP has been designed to operate with a high degree of operational independence while retaining Ministerial oversight.
11. Cabinet agreed²:
 - to a dedicated MOP Unit being set up to undertake Stage three. It will be hosted by DOC for administrative effectiveness and as the agency with the greatest mandated responsibility.
 - a Ministerial Group, comprising the Ministers of Tourism, Conservation and Transport, would be decision maker on Stage Three, including the MOP Board representation, the organising model and project deliverables.
 - the provision of \$15M over two years.
12. As Minister of Conservation, you are Chair of the Ministerial Group. You manage the Group's relationship with the MOP Board and have the responsibility to achieve consensus amongst the responsible Ministers where required. The Associate Minister of Transport, Hon Kieran McNulty, now represents the Minister of Transport on this Group, through a delegation from Minister Wood.
13. The Ministerial Group is to meet for the first time since you became Minister of Conservation on June 14. Now that the MOP unit is getting established, there is an opportunity for the Ministerial Group to meet more regularly to provide direction and governance to the MOP unit and Board. The meeting on Wednesday 29 June is an opportunity to discuss and resolve some of the issues outlined in this briefing and create

² See the Cabinet paper at Attachment Two

the basis for ongoing collaboration as the project advances (note, a meeting memo will be provided, 22-B-0450 refs).

14. DOC has a significant role in the MOP, including:
 - hosting the Board and Unit,
 - providing analysis and advice reflecting our statutory responsibilities
 - in conjunction with MBIE and MOT, supporting the Ministerial Group with advice on the project's alignment with the Masterplan and other government policies.

Establishment of the Board and commencement of the MOP work programme

15. The project has suffered from delays in its initiation, this may be a topic raised at the Ministerial Group meeting given it is twelve months since the funding was approved. Delays have been the result of:
 - the extended recruitment process required to secure a suitably experienced MOP Programme Director,
 - key decisions from the Ministerial group on the organising structure for MOP, and
 - the time needed to resolve the issue of remuneration for the Chair of the Board (see paragraphs 21-23 in Attachment Two).
16. There are several matters still requiring finalisation for the establishment of the Board and project, including the Terms of Reference (TOR) for the Board and the announcement of the Board and Director. Best practice dictates that the Board cannot be announced until the TOR's have been agreed and finalised.
17. DOC is working with the other responsible agencies to finalise the Board TOR, which will be key to creating a shared set of expectations and building accountabilities for Board members, as well as explaining some of the supporting roles for the MOP. We expect to provide the Ministerial Group with the TOR for approval and review by 14 July.
18. The Programme Director and Chair have now both been confirmed in their roles. The independent board members and the two members representing Ngāi Tahu have also been appointed and accepted their positions on the Board. The appointment of the Chair was announced in July 2021. It remains open for you to announce the appointment of the Unit Director and the commencement of this stage of the project proper.
19. The Ministerial Group previously agreed that senior officials of MBIE, DOC and the MOT be non-voting members of the Board in advisory roles. It has also been proposed that representatives of Southland District Council and Environment Southland be appointed to the Board, however the Ministerial Group has not yet come to a consensus on their appointment and whether they would have voting rights.
20. The Ministerial Group meeting on Wednesday 29 June is an opportunity to discuss and achieve consensus on these proposed appointments and any other issues relating to the membership of the Board.

Confirmation of remuneration for the Chair of the Board

21. We have received an Official Information Act request for two briefings relating to the establishment of Stage Three of the MOP and the Board, which is a follow up to earlier requests on the MOP.
22. Those briefings contain material relating to the Chair's remuneration, including your predecessors request to the Minister for the Public Service for his support of an exception to the Fees framework.

s9(2)(g)(i)

24. The attached letter to Dr Turner confirms his remuneration to be s.9(2)(a) per day. He is also entitled to claim for actual and reasonable travelling and other expenses incurred in carrying out his duties.
25. If you agree to sign the attached letter (Appendix One), circulating it to the others within the Ministerial group for their signature and its issuing, will confirm the details of Dr Turner's appointment for this role.

Risk assessment – Aronga tūraru

Engagement risk

26.

27.

28.

29. To mitigate this risk the MOP Director and DOC will:

- Develop an engagement and communications strategy that ensures stakeholders are well informed and have the opportunity to input into the process
- Develop good relationships and apply audience appropriate communications
- Ensure regular communication across stakeholder groups with messaging that is consistent and enduring.

Treaty principles (section 4) – Ngā mātāpono Tiriti (section 4)

30. The role of Ngāi Tahu has been purposefully intertwined as central to how the project will operate. The organising model for Stage Three acknowledges the strong partnership with Ngāi Tahu and consistency with iwi aspirations that informed the Masterplan's development. The organising model was designed in conjunction with Ngāi Tahu mana whenua group with input from the eight papatipu rūnanga.
31. Application of Treaty principles in the MOP context will require a deep understanding and careful analysis to ensure that Ngāi Tahu's expectations can be consistently addressed with the Crown's Treaty position, particularly in relation to concession management and aspirations.

Consultation – Kōrero whakawhiti

32. This briefing has been reviewed by the Ministry of Transport and the Ministry of Business, Innovation and Employment. The content of the briefing was developed in conjunction with partners and stakeholders.

Financial implications – Te hiraunga pūtea

33. Approximately \$2.4M of the Cabinet allocated \$15M is currently allocated for DOC's indirect corporate costs related to hosting the MOP unit and DOC staff to support the project.

34. The hosting arrangement is being finalised with the MOP Board Chair. Included in the agreement is a clause that allows the renegotiation of costs between the parties should they change.

Legislative implications – Te hiraunga a ture

35. A key recommendation in the Masterplan is to reform/restructure the management and governance of Milford Sound Piopiotahi.
36. This requires the scoping of a potential management, governance and delivery structure, the powers that any new body may have, identification of potential implications on the concessions system and the functions of the various statutory entities with responsibilities for the area.
37. To be implemented, some of the MOP Masterplan recommendations will likely require bespoke legislation that contains precedent-setting changes to how Government approaches public access, charging for services, concessions management, and governance and management models.
38. Inherent in the Masterplan recommendations is potential reform of the concessions system for Milford Sound Piopiotahi, s9(2)(g)(i) [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]. The Masterplan recommendations also have implications for existing long-term concession holders who have significant investment in infrastructure in the next 5-10 years.
39. Lessons from the MOP may also, in parallel, inform the conservation law reform programme of work and reviews of stewardship land.
40. The MOP will provide advice to the Ministerial Group on these issues as a key deliverable.

Next steps – Ngā tāwhaitanga

41. You assume your role as Minister of Conservation at a key stage of the project, with many moving parts.
42. You will meet with your colleagues of the Ministerial group on 29 June to discuss the project (note, a meeting memo will be provided 22-M-0117 refs). This is an opportunity to understand your colleagues' view on the MOP, any key aspects for the MOP to consider in the feasibility stage, and how the Ministerial Group wants to operate moving forward.
43. We recommend that soon after the 29 June meeting, the Ministerial Group is to meet with the MOP Chair. DOC will work with your office to provide that information to support that meeting. The date of this meeting is yet to be confirmed.
44. If you sign the letter of remuneration for the Chair, your office will circulate it to the other members of the Ministerial Group for consideration and signing.
45. The MOP Unit will report back to Cabinet in February 2023, on progress of the Feasibility phase. The February Cabinet paper will also include recommendations for the approach to legislative mechanisms that could enable progressing the MOP Stage Three work if Government decides to proceed with implementation after the Feasibility phase.

Attachments – Ngā tāpiritanga

- Attachment One – Cabinet Paper March 2019
 - Attachment Two – Cabinet Paper June 2021
 - Attachment Three – Letter of remuneration to the Chair of the MOP
- Cabinet papers are publicly available at: <http://www.mbie.govt.nz/dmsdocument/7025-the-milford-opprtunities-project-cabinet-paper-proactiverelase-pdf> and <http://www.mbie.govt.nz/dmsdocument/16517-the-milford-opprtunities-project-cabinet-paper-proactiverelase-pdf>

ENDS

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Hon Poto Williams

MP for Christchurch East
Minister of Conservation
Minister for Disability Issues
Associate Minister for Children



Ref: 22-B-0429

Dr Keith Turner
Chair of the Milford Opportunities Board

s.9(2)(a)

Tēnā koe Keith

REMUNERATION AS THE CHAIR OF THE MILFORD OPPORTUNITIES BOARD

We are writing to you to confirm your remuneration as the Chair of the Milford Opportunities Board, as required in your letter of appointment date 6 August 2021. We apologise for the extended delay in finalising this matter.

As the Chair of the Milford Opportunities Board your remuneration is set in accordance with the Cabinet Fees Framework which applies to members of statutory and other bodies appointed by the Crown.

We have determined the Milford Opportunities Board to be a Group 4, Level 1 entity under the Framework. In keeping with that classification, we have determined your remuneration to be s.9(2)(a) per day. You are also entitled to claim for actual and reasonable travelling and other expenses incurred in carrying out your duties as the Chair of the Board.

We wish you well for your term as the Chair of the Milford Opportunities Board.

Nāku noa nā

Hon Poto Williams
Minister of Conservation

Hon Stuart Nash
Minister of Tourism

Hon Michael Wood
Minister of Transport

cc Bruce Parkes, Deputy Director General, Department of Conservation

Read



MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI



TE MANATŪ WAKA
MINISTRY OF TRANSPORT



Department of
Conservation
Te Papa Atawhai

Departmental Briefing

In Confidence

GS ref: 22-B-0618
DOCCM 7144066
MBIE: 2223-1001
MOT: OC220826

To: Minister of Conservation
Minister of Tourism
Associate Minister of Transport

Date: 21 September 2022

Subject: Ministerial visit to Piopiotahi Milford Sound on 3 – 4 October 2022

Action sought: Note programme arrangements for your visit to Piopiotahi Milford Sound and that you will discuss these with officials prior to your visit. Ask the MOP Board to focus its work programme to feasibility, planning and scoping of MOP Masterplan recommendations. s9(2)(g)(i)

s9(2)(g)(i) Advise Destination Milford Sound that decisions will not be made prior to the completion of feasibility testing and public consultation. Note a draft media release.

Time Frame: 3 October 2022

Risk Assessment:	MOP Masterplan recommendations are contentious among some stakeholders and could draw negative media attention. Clarity of scope is required to ensure the MOP Board and Unit meet expectations.	Department's Priority:	High
		Level of Risk:	High

Contacts

Name and position	Cellphone	First contact	Principal author
Marie Long, Deputy Director-General National Programmes and Regulatory Services, Department of Conservation	s9(2)(a)	✓	
Dale Elvy, Manager, Tourism Operations and Partnerships; Labour, Science and Enterprise; Ministry of Business, Innovation and Employment		✓	
Jessica Ranger, Manager, Placemaking and Urban Development, Ministry of Transport		✓	
John Arathimos, Principal Advisor (Policy) Milford Opportunities Project, Department of Conservation		✓	

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Executive summary – Whakarāpopoto ā kaiwhakahaere

1. You are visiting Piopiotahi Milford Sound on 3 and 4 October to gain a better understanding at place of recommendations in the Milford Opportunities Project (MOP) Masterplan. You will meet with the MOP Board and Destination Milford Sound during your visit.
2. Your meeting with the MOP Board is an opportunity to help ensure that the Board and MOP Unit understand the scope of their work programme. Phase three of the MOP should be focussed on providing advice to you on the feasibility of MOP Masterplan recommendations so that you can decide how to progress them. It is not for the Board or Unit to implement or enable those recommendations.
3. Your meeting with Destination Milford Sound is an opportunity to provide assurance that decisions concerning Masterplan recommendations will not be made prior to the completion of feasibility testing and extensive public consultation.

We recommend that you ... (Ngā tohutohu)

	Decision
a) <u>Note</u> the draft programme arrangements for your visit to Piopiotahi Milford Sound on 3 and 4 October 2022	
b) <u>Agree</u> to advise the MOP Board and Unit that their work programme should focus on feasibility, planning and scoping in accordance with Cabinet Minute decisions	Yes / No
c) <u>Agree</u> to advise the MOP Board and Unit that they are to provide advice on the feasibility of the Masterplan recommendations to you so you can decide how to progress them	Yes / No
d) <u>Note</u> that the MOP Board and Unit and/or agencies will determine delivery vehicles for implementation of MOP Masterplan recommendations at the completion of the feasibility testing phase.	
e) <u>Confirm</u> that you have agreed to extend the feasibility testing phase of the Milford Opportunities Project to 30 June 2024	Yes / No
f) s9(2)(g)(i), s9(2)(f)(iv)	Yes / No
g) <u>Agree</u> to advise Destination Milford Sound that decisions concerning recommendations in the MOP Masterplan will not be made prior to the completion of feasibility testing and extensive public consultation	Yes / No
h) <u>Note</u> a draft media release for your visit	



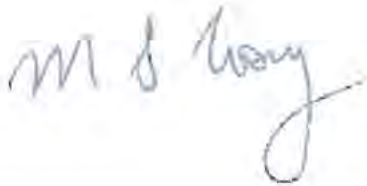
Date: 21 / 9 / 22

Dale Elvy
Manager, Tourism Operations and Partnerships
Labour, Science and Enterprise,
Ministry of Business, Innovation and Employment



Date: 21 / 9 / 22

Jessica Ranger
Kaiwhakahaere, Whakaaweawe i ngā Taura Here
Manager, Placemaking and Urban Development
Te Manatū Waka Ministry of Transport



Date: 21 / 9 / 22

Marie Long
Deputy Director General, National Programmes and Regulatory Services
For Director-General of Conservation
Department of Conservation

Date: / /

Hon Poto Williams
Minister of Conservation

Date: / /

Hon Stuart Nash
Minister of Tourism

Date: / /

Hon Kieran McAnulty
Associate Minister of Transport

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Purpose – Te aronga

1. The purpose of this paper is to support your attendance at the following events:
 - Site visits in Piopiotahi (Milford Sound) and along the Milford Corridor
 - Discussions with the Milford Opportunities Project (MOP) Board
 - Meeting with Destination Milford Sound (DMS).

Background and context – Te horopaki

2. You will visit Piopiotahi on 3 and 4 October 2022 to gain a better understanding at place of recommendations in the Milford Opportunities Project (MOP) Masterplan. Your draft programme and list of attendees is attached (Appendices 1 and 2 refer). You will meet with officials to discuss your visit prior to your departure date.
3. The key recommendations of the Masterplan are to:
 - Restrict private vehicle access to Piopiotahi through a permit and public transport system
 - Charge international visitors for access to Piopiotahi based on the value of the place, creating a self-funded sustainable system
 - Prohibit cruise ships from entering Piopiotahi
 - Close the aerodrome (fixed-wing runway) at Piopiotahi and replace it with an expanded heliport
 - Redesign the facilities and attractions on the Milford Road to encourage longer and slower visitor experiences. The primary transport mode in and out of the area would be by regular hop-on/hop-off bus services
 - Make Te Anau the primary transport hub for the journey to Piopiotahi, reducing day trips from Queenstown
 - Introduce a new governance and management structure for Piopiotahi village and surface waters of the Sound to the Tasman Sea and the Milford Road corridor to improve efficiency and function
 - Use revenue collected from visitors to increase the funding for conservation, mana whenua and community aspirations, transport, infrastructure, and the visitor experience
 - Build a world-class cable car to reach a higher elevation, combined with walks up Bowen Valley and a lookout over Bowen Falls.
4. The MOP Board and Unit were recently established to undertake the next stage of work which is feasibility testing of Masterplan recommendations. This includes investigation of potential legislative pathways and detailed business case assessments. It will also involve extensive stakeholder consultation. The outcomes of the feasibility testing will inform what work progresses to the implementation stage.
5. You have a separate meeting with DMS. This is a group of tourism businesses, who formed in response to the MOP Masterplan. s9(2)(g)(i)

s9(2)(g)(i)

Objectives of the visit

6. The key objectives for the visit are that you:
 - Better understand MOP Masterplan recommendations including opportunities and critical issues at place

- Support the newly established MOP Board and Unit to understand their role and the expected deliverables of the feasibility testing phase
- Listen to the views of DMS on the MOP Masterplan and give them confidence that consultation and full testing will be fundamental to the feasibility assessment of the Plan's recommendations.

Key points

Messages to convey to the MOP Board

7. The MOP Board is newly formed, and still in the process of understanding the scope and complexity of its work. Board members may ask you to implement some 'enabling' recommendations of the Masterplan as soon as possible. This could include asking for a decision in principle for the creation of a new entity and governance model for Piopiotahi.
8. Subject to your agreement, officials propose that you convey to Board members that:
 - The Government agrees that change is required in Piopiotahi
 - You look forward to receiving an outline of the MOP Board and Unit's work programme in due course
 - You expect that the feasibility phase of the project will provide you with advice by 30 June 2024 on the viability of the recommendations in the Masterplan. This will be based on identification of different options for achieving and implementing the recommendations and business case analysis.
 - You will determine what recommendations in the Masterplan should be further progressed following receipt of that advice.
 - In saying the above, you expect that the work will be approached in tranches where that makes sense, and that advice will be delivered as it is developed
 - Implementation of many of the recommendations before or close to 30 June 2024 is unrealistic if adequate feasibility testing is to occur. A process of extensive consultation and further policy development and advice will be required as outlined in paragraph 22.
 - The MOP Board and Unit and/or agencies will also need to determine delivery vehicles for implementation of MOP Masterplan recommendations at the completion of the feasibility testing phase.

9.

s9(2)(g)(i), s9(2)(f)(iv)

10.

Messages to convey to the DMS

9(2)(g)(i)

12. Subject to your agreement, officials propose that you assure DMS that:
- No decisions will be taken concerning recommendations in the MOP Masterplan until the completion of feasibility testing and ministerial review
 - The feasibility stage will include comprehensive public consultation, robust business case analysis and appropriate governance through government involvement in the Board and the Ministerial Group.

Critical issues

Scope of the MOP Board and Unit work programme

13. Your Ministerial group recently selected the MOP Board. It includes officials from the Department of Conservation (DOC), Ministry of Business, Innovation and Employment (MBIE) and Ministry of Transport (MOT) as ex-officio members, and Ngāi Tahu representatives. The Board reports to you and oversees a MOP Unit which will undertake the next stage of the MOP work programme.
14. The MOP Unit needs to work closely with the three agencies to ensure that, where relevant, they inform the work programme. DOC hosts the MOP unit and manages a \$15m funding allocation.
15. The Board will supply advice to the Ministerial group on feasibility options and their recommendations for implementation. You will also receive advice from their officials on the Board's recommendations. Due to complexity and challenges in the recruitment process, the Board and the dedicated MOP Unit have only recently been established. The MOP Unit is currently developing its work programme, and this is expected to be discussed with officials in coming weeks.
16. **9(2)(g)(i)** On 23 June 2021, the Cabinet Economic Development Committee (DEV-21-MIN-0135 refers):
- a) Agreed to the formation of a dedicated unit and Establishment Board, with Dr Keith Turner appointed as the Chair, by July 2021, so that the detailed planning and feasibility phase of MOP Stage Three can commence
 - b) Noted that budget has been secured to fund detailed planning and feasibility for the next two years [DEV-21-MIN-0067].
17. Deliverables would include 'scoping' any capital funding required for implementation of the Project's recommendations, including repayment options. The body of the paper to Cabinet described enabling considerations concerning recommendations in the Masterplan. **9(2)(g)(i)** the above-mentioned decisions are very specific in terms of what the feasibility testing phase of the project entails.
18. In regard to paragraph 16 (b) above, officials were advised that you agreed with the MOP Board to extend the feasibility assessment phase of the project to 30 June 2024. This is due to the recent appointment of the MOP Board and Unit. Please confirm this. We expect that advice will be delivered in tranches prior to that date to ensure momentum in progressing the project.
19. Officials interpret Cabinet's instructions to be that 'feasibility' testing should focus on identifying what Masterplan recommendations are feasible, and of those that are feasible, which can or cannot be implemented within current legislation. Feasibility testing should also identify potential legislative pathways, where relevant, and include detailed business case analysis of the recommendations.

20. The current funding envelope is not sufficient for detailed business case analysis on all the Masterplan recommendations. Therefore, there are specific topics within the Masterplan that officials consider should be prioritised, namely:
- Finding solutions for managing access and minimising congestion in Fiordland National Park and the Milford Road Corridor
 - Developing a potential revenue model that will help to fund the effective management of conservation values and infrastructure that improves the overall visitor experience
 - How to best manage the place in partnership with Ngāi Tahu.
21. Officials consider that implementation of any recommendations before the end of the feasibility testing work is inappropriate as many of the recommendations are interdependent of each other.
22. Officials consider that an indicative timeline for completion of policy analysis and final decisions by Ministers and Cabinet could be as follows:
- Detailed analysis/advice on options presented to ministers by 30 June 2024
 - Extensive public consultation (8 weeks) on options agreed to by ministers (2024)
 - Analysis of submissions (2024)
 - Final recommendations to ministers and Cabinet (2024)
 - Potential legislative bids approved by ministers and presented to Cabinet Office (2024/2025)
 - Legislation passed (2025/2027)
 - Potential budget bids submitted to Treasury in the annual budget round (2025)
 - Infrastructure development (2025 onward).
23. The MOP Unit confirming the work programme, and then communicating timeframes of the different steps is critical for stakeholders to understand and have assurance as to how they can engage in the process.

Scale and significance of MOP

24. The recommendations within the MOP Masterplan are of national significance due to their scale and complexity. Piopiotahi is one of the iconic visitor destinations in Aotearoa New Zealand, and changes to the area and how it is accessed will likely affect national visitor flows. If implemented, recommendations in the Masterplan will present opportunities for how tourism and conservation land is managed across the country.
25. The scale of change in the recommendations has significant implications for the Crown, including in legislation reform and Treaty partner responsibilities, and has created uncertainty for operators who hold existing concessions in Piopiotahi.

Legislative implications

26. Some of the MOP recommendations, if adopted, may require amendments to existing legislation or creation of new legislation. Officials consider that part of the feasibility testing work to be undertaken is to better understand short, medium and longer-term options to implement MOP recommendations.
27. MOP Masterplan recommendations include management of access and charging for entry to Piopiotahi. These controls are not allowed under current legislation including the Conservation Act, National Parks Act, and transport legislation. Testing and consulting on options for management of access and charging is critical due to the potential and

perceived impacts on the local community, tourism operators, businesses, other stakeholders, and the public (including a loss of social licence).

28. Within the Conservation Act, specific activities in Piopiotahi are managed under the Fiordland Park National Management Plan (FNPMP). The existing FNPMP does not allow many of the recommendations in the MOP Masterplan.
29. The FNPMP is due for review, but this has not yet begun and is expected to take several years. Developing a new park plan within the context of MOP Masterplan recommendations and upholding the Government's commitment under Section 4 of the Conservation Act will be challenging. It will likely require changes to DOC's current planning mechanisms. This also presents an opportunity to ensure that the new next FNPMP is agile and able to meet changing needs while upholding conservation values.
30. If implemented, some Masterplan recommendations could require significant changes to existing concession arrangements. Whilst this could result in constructive outcomes, it could entail complex and potentially costly negotiations.
31. **s9(2)(f)(iv)**
s9(2)(f)(iv) Importantly, DOC must manage concessions to meet the requirements of the current FNPMP and cannot pre-determine the outcomes of the MOP work.
32. It is also likely changes will be needed to transport legislation to restrict access to Piopiotahi. **s9(2)(h)**

Existing concession context

33. Most activities in Piopiotahi are carried out under a DOC concession. There are currently 21 businesses that are based at Piopiotahi - of which 11 are tourism-focused, one is a commercial fishing venture, and nine provide infrastructure or support services. Many concessions, particularly those involving infrastructure, have historically been issued for long periods of time (up to 30 years) to enable businesses certainty and quality investment.
34. Infrastructure at Piopiotahi is primarily managed by two companies - Milford Sound Infrastructure and Milford Sound Tourism Limited. Milford Sound Infrastructure manages the hydroelectric system, gas and the drinking water, while Milford Sound Tourism Limited manages the wastewater, rubbish and recycling, and the carparking facilities.
35. **s9(2)(b)(ii) and s9(2)(g)(i)**

Proposed closure of the aerodrome

36. The Masterplan recommends that the aerodrome (fixed-wing runway) at Piopiotahi is closed and replaced with an expanded heliport. It proposes that this would allow significantly more effective use of the limited space in Piopiotahi and an improved experience for most visitors. It is estimated that five percent of total visitors to Milford Sound arrive by fixed wing aircraft.
37. There has been significant public discussion on this issue, and some stakeholders (especially those holding concessions for fixed wing flights into the aerodrome) have been very vocal in their opposition to the proposal. Queenstown Milford User Group (QMUG) represents these operators and is a foundation member of the DMS.

38. There are structural issues associated with the aerodrome. The existing runway is deteriorating and is built on relatively poor foundations. It is susceptible to water ingress during very high tides and sea level rise.
39. There have been concerns raised that closing the aerodrome would negatively affect emergency response capabilities. Regardless of the outcome of the feasibility testing stage, MOT is committed to ensuring that air emergency and Search and Rescue functions will operate at a sufficient level.
40. MOT owns and manages the aerodrome and contracts day-to-day management activities to a specialist third party. [REDACTED]

s9(2)(g)(i)

Prohibition of cruise ships entering Piopiotahi

41. The MOP Masterplan recommends removing cruise ships from Piopiotahi. This needs to be analysed, tested and consulted on during the feasibility stage of the project. DOC will determine a view on this once feasibility assessments are completed. MBIE considers that the feasibility testing phase of the project should prioritise actions as stated in paragraph 20.

42. [REDACTED]

s9(2)(g)(i)

Engagement with stakeholders

43. Officials expect robust engagement with stakeholders to inform the MOP Board's recommendations to you on the feasibility of the Masterplan's recommendations. This means engaging with a full range of views and incorporating these views into the feasibility assessment.
44. It is also critical stakeholders can engage in good faith, i.e., on the understanding no decisions have been made on the Masterplan's recommendations and their feedback will help inform the feasibility assessment.
45. Officials will continue to work closely with the MOP Board and Unit to reinforce the need for this kind of robust engagement, and to make sure stakeholders understand no decisions have been made by you on how to progress the recommendations.

Risk assessment – Aronga tūraru

46. There is an overall high level of risk associated with your visit. This is because:
 - The MOP Masterplan is complex, transformative, and contentious among many stakeholders. There is high public interest and the Masterplan's content is frequently in the media.
 - The MOP Board and Unit are new and are developing an understanding of the magnitude of the work and their roles

• [REDACTED]

9(2)(g)(i)

47. These risks will be mitigated by:
- The feasibility testing stage of the project which will highlight the impacts and benefits of each recommendation
 - The associated public consultation processes and the MOP Unit and officials working with key stakeholder groups
 - Officials continuing to support the establishment of the MOP Board and Unit, including clarifying their roles, their work programme, and the expectations for the feasibility stage of work
 - Drawing upon the following key messages:
 - MOP is a key priority for the government, and you are visiting Piopiotahi/Milford Sound on 3 and 4 October to meet with those involved and to hear the local context
 - It is generally acknowledged by all those with a stake in Milford Sound that the current status quo is not an option
 - The initial work of the Milford Opportunities Governance Group was to develop a plan for how we might protect this incredible place and transform the way tourism interacts with the environment and conservation
 - What they achieved is innovative and challenging, however no decisions have been made at this point.
48. The next phase of work for MOP is to undertake robust assessment and planning work to determine the feasibility of the masterplan's specific recommendations. That work will include an extensive programme of consultation with the local community, tourism operators, businesses, other stakeholders and the public.

Treaty principles (section 4, Conservation Act) – Ngā mātāpono Tiriti (section 4, Conservation Act)

49. Ngāi Tahu has been involved in the Masterplan's development through their Papatipu Rūnanga and is supportive of the project. The current visitor experience at Piopiotahi is lacking a significant cultural element, and the current management may be an area where they are keen to see significant improvements and decision-making shifts. The Masterplan addresses this issue by providing an avenue to actualise Ngāi Tahu's aspirations including how Milford Sound is managed. Ngāi Tahu Papatipu Rūnanga have two representatives on the MOP Board.

Media

50. At the time of writing, we understand that there will be no media presence for your visit. Attached, for consideration of your offices, is a draft media release for joint release from the Ministerial Oversight Group (Appendix 5 refers).

Attachments – Ngā tāpiritanga

Appendix 1 – Draft programme

Appendix 4 – **Out of scope**

Appendix 2 – Event Attendees

Appendix 5 – **Not released as publicly available**

Appendix 3 – **Out of scope**

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APPENDIX 1 – DRAFT PROGRAMME

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Run Sheet

Event: Ministers' Visit to Piopiotahi

Date: 3 – 4 October 2022

Ministers	Hon Poto Williams, Minister of Conservation	Hon Stuart Nash, Minister of Tourism	Hon Kieran McAnulty, Associate Minister of Transport
Aides	Ryan Jones	TBC	TBC
Government Officials	Penny Nelson (Director General, DOC)	Heather Kirkham, (General Manager Tourism, MBIE)	Jessica Ranger (Manager Placemaking & Urban Development, MOT representative on MOP Board)
	Marie Long (Deputy Director General National Programmes and Regulatory Services, DOC)		James Caygill (Director Regional Relationships, Waka Kotahi)
	Aaron Fleming (Director Operations Southern South Island, DOC)		Sophie MacDonald, (Graduate Advisor, Placemaking & Urban Development, MOT)
	Claire Spencer (Manager Regional Visitor Planning, DOC)		
MOP Board	MOP Unit		
Keith Turner (Chair)	Chris Goddard, Director		
Muriel Johnstone (Ngāi Tahu)	Simon Moran (MOP Unit, Transport Lead)		
Michael Skerrett (Ngāi Tahu)	John Twidle (MOP Unit, Heritage Lead)		
Michelle Trapski (Independent)			
Andrew Patterson (Independent)			
Cameron McIntosh (CE, Southland District Council)			
Wilma Falconer (CE Environment Southland)			
Bill Day (Independent)			

Marie Long, DOC representative			
Heather Kirkham, MBIE representative			
Jess Ranger, MOT Representative			
Te Rūnanga o Ngāi Tahu			
Arihia Bennett (Chief Executive)			

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Day 1 Monday 3 October, Queenstown

Time	Programme	Attendees	Notes
3.25pm	Ministers Nash and McAnulty arrive in Queenstown and are met by Aaron Fleming	Minister Nash Minister McAnulty Aaron Fleming	
3.50pm	Minister Williams and Arihia arrive and are met by Aaron Fleming and Chris Goddard	Minister Williams Arihia Bennett Aaron Fleming Chris Goddard	
4.00pm – 4.30pm	Board bus and introductions	Ministers and aides Government Officials MOP Board and Unit (referred to below as 'all')	
4.30pm – 6.30pm	Depart from Queenstown Airport and travel to Te Anau by bus	All	Packed afternoon tea for the bus trip
6.30pm – 7.00pm	Rest stop in Te Anau	All	
7.00pm – 8.45pm	Travel to Milford Lodge, comfort stop at Knob's Flat if required.	All	Ngāi Tahu storytelling
8.45pm – 9.00pm	Check in and settle into rooms for those staying at Milford Lodge	Ministers and aides Penny Nelson Arihia Bennett Marie Long Muriel Johnstone Michael Skerrett Keith Turner	
9.00pm – 10.30pm	Dinner at Milford Lodge Retire for the evening		

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Day 2 Tuesday 4 October, Piopiotahi

Time	Programme	Attendees	Notes
6.45am – 7.15am	Ministers and Government Officials breakfast at Milford Lodge (to be confirmed – this will not be required if Government Officials have an opportunity to orally brief the Ministers prior to this event)	Ministers and aides Government Officials	
7.15am – 7.45am	Ministers and MOP Board breakfast	Ministers and aides MOP Board and Unit	
7.45am – 8.00am	Check out and board bus	All	
8.00am – 8.20am	Visit Milford Airport and receive aerodrome context	All	
8.20am – 8.35am	Brief bus tour of Piopiotahi – Milford Hotel, car parks, bus parks and boat terminal	All	
8.35am – 9.35am	Disembark bus at Milford Terminal and walk around site	All	
9.35am – 9.55am	Bus tour of Deepwater Basin	All	
9.55am – 11.55am	Travel towards Te Anau, with commentary provided at key sites (no stops): <ul style="list-style-type: none"> • Homer Tunnel operations and upgrade works • Gertrude Valley • Hine Pīwai and Wananga proposals • Gunns Camp • The Divide • Cascade Creek camp • Knobs Flat and proposed development 	All Kevin Thompson, Manager Milford Road Alliance and Grant Tremain, DOC Principal Ranger Heritage & Visitors to join bus and provide commentary.	Morning tea and lunch packs to be provided for bus trip

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Time	Programme	Attendees	Notes
11.55am – 12.10pm	Comfort stop in Te Anau	All	
12.10pm – 2.10pm	Travel to Queenstown Airport	All	
2.10pm – 2.40pm	Disembark, unload bus, say farewell, get to meeting room for those in DMS meeting	All	
2.40pm – 3.10pm	Meet with Destination Milford Sound	Ministers and aides Government Officials DMS: Mark Quickfall - Tourism Roger Wilson - Water Paul Anderson - Land James Stokes - Air	Coronet Peak meeting room at Queenstown Airport booked
3.10pm	Trip concludes, go to gates for departing flights. 4pm to Wellington, 4.20pm to Christchurch		

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APPENDIX 2 – LIST OF OFFICIALS AND BIOGRAPHIES

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Photo	Name	Organisation	Role/Biography
	Penny Nelson	DOC	Director General
	Marie Long	DOC	Deputy Director General National Programmes and Regulatory Services MOP Board Member
	Aaron Fleming	DOC	Director, Operations Southern South Island
	Claire Spencer	DOC	Manager, Regional Visitor Planning
	Heather Kirkham	MBIE	General Manager, Tourism MOP Board Member
	Jessica Ranger	MOT, MOP Board Member	Manager, Placemaking & Urban Development

Photo	Name	Organisation	Role/Biography
	Sophie MacDonald	MOT	Graduate Advisor, Placemaking & Urban Development, Te Manatū Waka Ministry of Transport
	James Caygill	Waka Kotahi	Director, Regional Relationships
	Grant Tremain	DOC	Principal Ranger Heritage & Visitors, Te Anau
Te Rūnanga o Ngāi Tahu			
	Arihia Bennett	Chief Executive Officer Te Rūnanga o Ngāi Tahu	CEO of Te Rūnanga o Ngāi Tahu since 2012 (~70,000 iwi members), tribal whakataukī: Mō tātou, ā, mō kā uri ā muri ake nei – for us and our children after us. Member of Māori advisory panel to the Ombudsman. Member of Global Women and the Tuahiwi Māori Women's Welfare League. New Zealand Order of Merit for services to Māori and the community, 2008. Arihia lives in North Canterbury.
Milford Opportunities Project Board			
	Dr Keith Turner	Milford Opportunities Board - Chair	Keith has over 39 years of executive experience in the power industry, and for the latter 25 years, held senior executive positions. He has extensive experience of working with the major economic and environmental policy departments of government. Keith has been Chair of the previous stages of the Milford Opportunities Project since 2017.














Photo	Name	Organisation	Role/Biography
	Muriel Johnstone MNZM, Ōraka Aparima	Milford Opportunities Board - Ngāi Tahu representative	Muriel is an expert in Ngāi Tahu place names, whakapapa, traditions and history. She has voluntarily dedicated more than 40 years to Ngāi Tahu, Oraka-Aparima and her community on numerous governance boards. Muriel recently received the Member of the New Zealand Order of Merit, for her services to Māori and her work in conservation.
	Michael Skerrett QSM	Milford Opportunities Board - Ngāi Tahu representative	Kaumātua Michael whakapapa's to Waihōpai Rūnanga. Michael has extensive experience in both commercial and educational governance, and strong skills in ensuring alignment of organisational activities to both tikanga and legislative requirements. Michael was awarded the Queen's Service Medal for services to Maori and the community in 2013.
	Bill Day	Milford Opportunities Board	Bill is well known and highly respected, including by tourism operators, in the region for his many efforts and contributions. He has 40 years corporate experience, and his previous board experience includes Wanaka Airport Users Group Chair; Wanaka Marina Company Director; Waikato Link PSAF Investment Committee Director; LandSAR NZ Director.
	Andrew Patterson	Milford Opportunities Board	A vivid architectural storyteller with a passion for Māori history and mythology, Andrew is an advocate for architecture that responds to our history, the landscape and sense of place. Andrew won NZ Australian and Awards for Architecture multiple times.
	Michelle Trapski	Milford Opportunities Board	Michelle has a track record of business improvement, commercial success and excellence in leadership. Michelle has a range of board and senior executive experience across the tourism and education sectors.

Photo	Name	Organisation	Role/Biography
	Cameron McIntosh	Milford Opportunities Board, ex officio	Chief Executive, Southland District Council.
	Chris Goddard	Milford Opportunities Board – Director, Milford Opportunities Project Unit	Chris lives in Tarras with his wife, Donna. They have their own consultancy business focused on culture, management, labour supply, and merger and acquisition support. He has a background in mining and project management and is well versed in engagement with government, diverse communities and the general public.
	Simon Moran	MOP Unit	
	John Twidle	MOP Unit	MOP Unit

Destination Milford Sound

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Photo	Name	Organisation	Role/Biography
	Mark Quickfall	Committee Chair, Destination Milford Sound, & Tourism Representative	Mark has experience in managing and operating tourism, marine, adventure and aviation businesses. He is sole director and shareholder of Omni Tourism Group and Totally Tourism Limited (TTL), founder and director of TTL from 1999 to present, owner of Mitre Peak Cruises Ltd, and Chair of Destination Queenstown (7 years). §
	Roger Wilson	Deputy Chair of DMS Committee & Water Representative	Roger is a consultant with Findex, specialising in corporate advisory work. He is also Director and Board Chairman for Milford Sound Tourism, Ltd, and a member of the Audit, Finance and Risk Committee for Queenstown Lakes District Council. He is former Director (1989-2017) of Real NZ Ltd (formerly Real Journeys).
	Paul Anderson	DMS Committee Member & Land Representative	Paul is Chief Executive Officer of Queenstown-based NZSki Limited, which owns and operates Coronet Peak, The Remarkables and Mt Hutt ski area. He is also Director of Trojan Holdings Limited and former General Manager, Corporate Services at Christchurch City Council.
	James Stokes	DMS Committee Member & Air Representative	James is Owner and Managing Director of Glenorchy Air, a commercial pilot and an executive member of the National Party, Wakatipu Branch.

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DRAFT media release

October 2022

Ministers visit Milford Opportunities Project

Tourism Minister, Stuart Nash, Associate Transport Minister, Kieran McAnulty, and Conservation Minister, Poto Williams are visiting Piopiotahi/Milford Sound today to meet with the newly established Milford Opportunities Board and hear local context.

“Creating a world-class experience at Milford Sound, that manages visitor impacts whilst supporting the aspirations of Ngāi Tahu, local communities, and businesses, is a priority for the Government. This work embodies the intent of the Government’s Tourism Strategy—that tourism growth is productive, sustainable and inclusive, and enriches Aotearoa now and into the future,” says Minister of Tourism Stuart Nash.

“We must act as guardians of this natural wonder and World Heritage Site.”

In June 2021 Cabinet approved \$15 million to fund the next stage of the Milford Opportunities Project (MOP), including establishing a unit to undertake feasibility planning, a MOP Board to guide the unit, and a Ministerial Group (comprising the Conservation, Tourism and Transport Ministers) to oversee it.

Conservation Minister Poto Williams said the next phase of MOP will be to stringently test the recommendations of the Milford Opportunities Masterplan delivered last year.

“While not everyone agrees with all elements of the masterplan’s recommendations, there is strong support for the purpose of this work—to protect and restore Piopiotahi and ensure an outstanding visitor experience.”

“The masterplan outlined some innovative, aspirational and challenging recommendations for overcoming tourism pressures and better honouring the area’s significant natural and cultural heritage. However, its recommendations are not a fait accompli,” said Poto Williams.

“Considerable assessment, feasibility testing and planning work is now needed, including an extensive programme of consultation with stakeholders and the public.”

Since the masterplan’s delivery, the project has focussed on developing structure, systems and processes for the feasibility testing phase. The Ministerial Oversight Group, MOP Board and MOP Unit have been established and a Programme Business Case, high level work programme and draft engagement strategy have been developed.

“Given the existing safety concerns, infrastructure pressures, and congestion, there is general consensus that change is needed to protect this incredible place,” said Kieran McAnulty, Associate Transport Minister.

“There is considerable momentum behind this project currently, and I’m delighted to see first-hand the passion, energy and commitment of all those involved.”

ENDS

Background

A record 946,000 people visited Milford Sound Piopiotahi in 2018. As visitor numbers rose so did the pressure on this World Heritage area, resulting in overcrowding at key sites, pressure on aging infrastructure, a degrading of the visitor experience and safety, and adverse effects on conservation. Although tourism numbers have dropped significantly due to COVID-19, predictions indicate the return of pre-COVID-19 numbers in coming years.

Milford Opportunities Project (MOP)

The Milford Opportunities Project was established in response to pressures that tourism was placing on Milford Sound Piopiotahi and the Milford Road corridor.

This work provides a valuable test case for transformational change of tourism in line with strategic direction from the New Zealand-Aotearoa Government Tourism Strategy and DOC's Heritage and Visitor Strategy.

MOP works to address these visitor pressures and enhance and sustain the visitor experience and harness opportunities to support the communities of Southland.

MOP is a collaborative project led by Independent Chair Dr Keith Turner with Ngāi Tahu, Department of Conservation (DOC), Ministry of Business, Innovation and Employment (MBIE), Ministry of Transport (MoT), Southland District Council, Queenstown Lakes District Council, Waka Kotahi New Zealand Transport Agency (Waka Kotahi), and local businesses.

MOP Board members were [announced by Minister of Conservation Poto Williams](#) on 29 July 2022.

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Departmental Briefing

In Confidence

GS ref: 22-B-0747
DOCCM: 7211539
MBIE: 2223-1964
MOT: OC221040

To: Minister of Conservation
Minister of Tourism
Associate Minister of Transport

Date: 29 November 2022

Subject: **Milford Opportunities Project: Finalised Board Terms of Reference and advice on MOP Board Ministers briefing**

Action sought: Agree to proposed amendments from Dr Keith Turner to Milford Opportunities Establishment Board Terms of Reference (TOR), subject to final revisions proposed by officials.
Note feedback from agencies on the MOP Unit's work programme.
Agree that officials will prepare a briefing from you to the Minister of Finance seeking approval to extend MOP funding to the 2023/24 financial year.
Note that officials will draft a letter from you to Dr Turner concerning the TOR and work programme pending your decisions.

Time Frame: 5 December 2022

Risk Assessment:	Terms of Reference are necessary to determine the scope of the MOP Board's work programme. Extending the funding past June 2023 will require approval from the Minister of Finance.	Department's Priority:	High
		Level of Risk:	Medium

Contacts

Name and position	Cellphone	First contact	Principal author
Richard Davies, Policy Director, Tourism Labour, Science and Enterprise, Ministry of Business, Innovation and Employment	s9(2)(a)	✓	
Jessica Ranger, Manager, Placemaking and Urban Development, Ministry of Transport		✓	
Tim Bamford, Director (Acting) Heritage and Visitors Unit, Department of Conservation		✓	
John Arathimos, Principal Advisor (Policy) Milford Opportunities Project, Department of Conservation			✓

Executive summary – Whakarāpopoto ā kaiwhakahaere

Terms of Reference

1. Dr Keith Turner has sent you proposed amendments to the draft Terms of Reference (TOR) for the Milford Opportunities Establishment Board. Officials recommend that you accept these amendments with three exceptions. Firstly, we have edited the text to clarify that development of 'enabling components' (e.g., securing funding and/or implementing legislative changes) in relation to the Masterplan recommendations will not happen prior to Ministerial decisions concerning feasibility. Secondly, it remains appropriate that agency attendance at Board meetings is in an ex officio (rather than observer) capacity, regardless of who the attendee is. Finally, officials have changed completion of the project in the TOR from June 2024 to December 2023 in line with decisions taken by the Ministerial Group in December 2021.

MOP Board progress update

2. A progress update was sent to you by the Board Chair on 18 November 2022. You have requested that officials provide advice to you concerning this. The Chair reiterates a request to extend the project to June 2024, proposes that one of you open a new Te Anau 'shopfront' office and seeks guidance on whether Cabinet should be updated on the status of the project orally or in writing.
3. The high-level work programme for the Milford Opportunities Project is well focused, but the timelines for achieving deliverables are very tight. We consider the Board should prioritise feasibility testing of access, pricing and concessions related recommendations for Cabinet's consideration. Your attendance at the opening of the Te Anau office could be an opportunity to reinforce the importance of the project. Given the importance of the project, a written update to Cabinet may be appropriate.

Timelines and funding

4. In December 2021 the Ministerial Group approved an extension of the project to December 2023. However, no provision was made to extend funding beyond June 2023. Approval will be required from the Minister of Finance to do this. The request would ask for the appropriation for the project to be shifted to the 2023/24 financial year. We propose decisions to extend the project to June 2024 be made in June 2023 and assessed against the extent to which the Unit has achieved key deliverables at that time.

We recommend that you ... (Ngā tohutohu)

	Decision
<p>a) <u>Agree</u> to proposed amendments to the Milford Opportunities Establishment Board Terms of Reference from the Board Chair, subject to the following final revisions:</p> <ul style="list-style-type: none"> • Additional text clarifying that 'development of enabling components (in relation to the Masterplan recommendations) is subject to prior agreement from the Ministerial Group that assessments identify recommendations as feasible to progress' • Clarification that agency representation at Board meetings will remain in an ex officio capacity, regardless of who the agency attendee is • Revising the completion date for feasibility testing of Masterplan recommendations from June 2024 to December 2023, subject to approval from the Minister of Finance 	<p>Yes / No</p> <p>Yes / No</p> <p>Yes / No</p>
b) <u>Note</u> that there is no provision to extend funding for the feasibility testing phase of the Milford Opportunities Project beyond June 2023	
c) <u>Agree</u> that officials draft a briefing from you to the Minister of Finance requesting approval to extend funding for the Milford Opportunities Project to the 2023/24 financial year	<p>Yes / No</p>
d) <u>Agree</u> that the December 2023 completion date for feasibility testing could tentatively be maintained at this stage, but reviewed in June 2023	<p>Yes / No</p>
e) <u>Note</u> agency feedback on the MOP high-level work programme	
f) <u>Note</u> that, pending your decisions, officials will draft a letter from Ministers to Dr Turner concerning the finalised Establishment Board Terms of Reference and High-Level work programme.	



Date: 28/11/2022

Richard Davies
Policy Director, Tourism
Labour, Science and Enterprise,
Ministry of Business, Innovation and
Employment



Date: 28/11/2022

Jessica Ranger
Kaiwhakahaere, Whakaaweawe i ngā
Taura Here
Manager, Placemaking and Urban
Development
Te Manatū Waka Ministry of
Transport



Date: 28 / 11 / 2022

Tim Bamford
Director Heritage and Visitors (Acting)
For Director-General of Conservation
Department of Conservation

Date: / /

Hon Poto Williams
Minister of Conservation

Date: / /

Hon Stuart Nash
Minister of Tourism

Date: / /

Hon Kieran McAnulty
Associate Minister of Transport

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Purpose – Te aronga

1. This paper proposes final revisions to the Milford Opportunities Establishment Board (the Board) Terms of Reference (TOR). It also provides feedback on a progress update sent to you from the Board Chair concerning the feasibility testing phase of the Milford Opportunities Project (MOP).

Background and context – Te horopaki

Terms of Reference

2. In September 2022 you sent TOR for the Board to Dr Keith Turner, Board Chair. You offered Dr Turner the opportunity for the Board to provide feedback on the TOR. Dr Turner has requested amendments to the TOR (Attachment One). Key proposed changes are as follows:
 - additional content on the focus of the Milford Opportunities Project (MOP) Unit based on earlier advice to Cabinet ('The Milford Opportunities Project' (23 June 2021) refers)
 - expanding the role of the Board to include 'oversee Stage Three, Phase One of the Project (detailed planning and feasibility testing)'
 - deletion of wording that the Board is a 'Ministerial Advisory Committee'
 - additional text saying the role of the Unit includes to 'ensure key enabling components are in place to support implementation'
 - additional text stating that 'the MOU will consider appropriate mechanisms to enable the Unit to effectively manage any procurement, employment and financial matters while adhering to Public Finance Act requirements'
 - revised wording stating that if an ex officio advisory member is unable to attend a meeting, the agency that the member represents may send an observer (instead of substitute as originally worded), with prior consent from Dr Turner.

Board progress update

3. On 18 November 2022 Dr Turner submitted a progress update to you on the feasibility testing phase of the project (Attachment Two). The update's recommendations included that you:
 - agree to extend the timeline to deliver Stage Three, Phase One of the MOP to June 2024
 - note the MOP Unit's high-level work programme
 - note 'early win' opportunities including opening of a Te Anau office 'shop front', pou whenua and a visitor App.
4. Project milestones were outlined as follows:
 - June 2023 - seek Cabinet agreement on key enabling policy settings including decisions relating to:
 - whether or not legislative change will be needed
 - an approach to concessions; managing access, charging principles, governance and management
 - Dec 2023 - Detailed feasibility testing, a potential legislative bid and budget bid for ministers to consider
 - June 2024 - Detailed feasibility testing, final feasibility assessment, including final policy advice and draft business case, and closure of Stage Three, Phase One.

- December 2024: Out of scope of Stage Three, Phase One, however further detailed planning, final business case, budget bids and potential legislative changes or other pathways to implement, subject to ministerial / Cabinet agreement.

Acceptance of proposed revisions to Terms of Reference

5. Officials are comfortable with the proposed amendments, with three exceptions. These concern enabling components to support implementation, ex officio representation at Board meetings and the proposed extension of feasibility testing to June 2024.
6. We consider clarification is needed in the TOR that Ministerial decisions on the feasibility of Masterplan recommendations is required prior to finalising enabling components (e.g., funding and/or legislative amendments). The more critical consideration is that these components are identified in the first round of substantive advice to ministers. Accordingly, we propose the TOR is revised as underlined below:
The role of the Unit is to undertake detailed planning and feasibility assessments of the recommendations in the Masterplan to support the Board's advice to the Ministerial Group and ensure key enabling components are in place to support implementation. Development of enabling components is subject to prior agreement from the Ministerial Group that assessments identify recommendations as feasible to progress. In progressing its work, the Unit will identify and outline the path it recommends for implementation of the Masterplan's recommendations.
7. On the question of ex officio representation at Board meetings, the Ministers of Conservation; Tourism; and Associate Minister of Transport stated in recent correspondence to their respective chief executives that:
'I expect the member to attend Board meetings consistently to ensure continuity on the Board. However, if the member is unable to attend due to unavoidable circumstances, a delegate may attend in the member's place.'
8. Given this guidance, the expertise contributed by officials, and that the Government has a crucial role to play in this phase of work, officials consider that it is appropriate for agencies to maintain the right to substitute ex officio representation at Board meetings if necessary. In communicating this to Dr Turner, officials suggest that you reassure him that continuity will be maintained as much as possible, but that you have told agencies that they can, if necessary, send alternative delegates to Board meetings.
9. Para 23 of the Chair's revisions in the draft TOR states the completion of feasibility testing is to June 2024. Officials have amended this to December 2023 in line with ministerial decisions, and subject to approval from the Minister of Finance. This is further explained in paras 13 to 16 below.
10. While the Board has removed the reference to Ministerial Advisory Committee, it is one according to Cabinet Office guidelines. The TOR explicitly states that the Board is neither a legal or statutory entity, and this is the key consideration.

Feedback on the Board progress update

The December 2023 completion date for feasibility testing could be maintained at this stage, but reviewed in June 2023

11. The Establishment Board has formally requested your approval to extend feasibility testing to June 2024. It states that doing so would allow it and the MOP Unit to complete feasibility testing meaningfully and to provide Ministers and Cabinet with appropriate quality advice.
12. The appointment of the Establishment Board and key positions in the MOP Unit was completed this year, approximately 12 months behind schedule. This was largely due to complications in the recruitment process and a skills shortage in the labour market. Approving an extension of the project timeline to June 2024 would allow the MOP Unit

more time to complete feasibility testing. In December 2021 the Ministerial Group agreed to extend the completion of the feasibility testing phase of the project from June 2023 to December 2023 (21-B-0902 refers). Officials consider it would be appropriate to maintain the December 2023 deadline at this stage.

13. The project timelines could potentially be reviewed in June 2023 and assessed against the extent to which the Unit has achieved key deliverables at that time. When Cabinet approved funding for the project, it was on the basis that the Board and Unit would have two years to complete its work programme. If justified, a decision to extend funding to June 2024 would not be inconsistent with that intent.

At present there is no provision to extend funding beyond June 2023

14. Funding of \$15M has been approved for the feasibility testing phase of the MOP from the 2020/21 to 2022/23 financial years (DEV 21-MIN-0067 refers). No steps have been taken to extend the funding to December 2023 and the current funding will run out in June 2023.
15. In October 2022 the Ministerial Group was asked to confirm that it had agreed to a request from the Board for a further extension of the project to June 2024 (22-B-0616 refers). s9(2)(f)(iv)
16. We have been advised by The Treasury that approval will be required from the Minister of Finance to extend funding from June 2023. Accordingly, we propose that officials draft a briefing from you to the Minister of Finance, requesting an extension of funding into the 2023/24 financial year. Treasury considers that the Minister of Finance would want to see evidence of progress and a clear pathway of when Cabinet would make substantive decisions before agreeing to an extension of funding.
17. As noted above, Ministers, including the Minister of Finance, could consider a further extension of the programme and its funding to 2024 once the Board and Unit has met its milestones, including delivery of substantive advice. In the interim, officials propose that you emphasise need for the Board to prioritise the feasibility testing of the critical elements for the MOP (access and pricing) for Cabinet's consideration.

The timelines for achieving the high-level work programme are very tight

18. Positive elements of the Board's high level work programme include a desire to:
 - support enduring relationships with Ngai Tahu
 - work with Treasury on developing sound business cases during feasibility testing, and
 - progress critical policy issues concerning access, pricing, governance, and a strategic planning framework.
19. The timelines for achieving the high-level work programme are very constrained and there is little room for slippage should you wish to obtain decisions from Cabinet on some core components of the Masterplan by mid-2023. Agencies and the Unit are working collaboratively, and plan to undertake intensive policy work over January and February 2023.
20. s9(2)(g)(i)
21. A key focus for agencies and the Unit is to ensure the Board has the information it needs to make informed, but quick decisions on the recommendations it wishes to make to Ministers.

Other matters

22. The Board has requested a Minister to open the Te Anau office. Your attendance at the opening of the Te Anau office could be an opportunity to reinforce the importance of the project. Your decision will be determined in part by proposed timing for the event and your other ministerial commitments.
23. The Board has also sought guidance on whether it should provide a written or oral update to Cabinet on the project. Given the importance and high profile of this initiative, we suggest that a written update to Cabinet is appropriate, and that this is drafted by agencies in consultation with the Unit. Agencies are ascertaining appropriate timing for this and will update you in due course.

Risk assessment – Aronga tūraru

24. The TOR are necessary to ensure that the Board operates within its intended scope and that there is appropriate Ministerial oversight of the Group. Extension of the project to December 2023 will require approval from the Minister of Finance.

Next steps – Ngā tāwhaitanga

25. Pending your decisions, officials propose that:
 - The finalised Establishment Board TOR is sent to Dr Turner under a covering letter.
 - Your letter to Dr Turner would also respond to the Board's progress update briefing paper
 - You send a briefing to the Minister of Finance requesting that he approve an extension of funding for the feasibility testing phase of the project beyond June 2023.

Attachments – Ngā tāpiritanga

- Attachment One
- Attachment Two

Out of Scope

ENDS



Briefing: Resignation of MOP Ministerial Advisory Committee Chair, finalisation of Ministerial Advisory Committee Terms of Reference and MOP funding arrangements

To	Minister of Conservation Minister of Tourism Associate Minister of Transport	Date submitted	28 February 2023
Risk Assessment	Medium Confirmation of funding beyond June 2023 is required to ensure project viability.	Priority	High
Reference	22-B-0805		docCM: 7235803 MBIE: 2223-2220 MOT: OC230014
Security Level	In Confidence		

Action sought	<u>Note</u> that the MOP Ministerial Advisory Committee Chair, Dr Keith Turner has resigned with effect from 31 March 2023. <u>Agree</u> to send finalised Terms of Reference under covering letter to Dr Turner. <u>Agree</u> to seek approval from the Minister of Finance to transfer uncommitted MOP funding from the 2022/23 financial year to the 2023/24 financial year.	Timeframe	6 March 2023
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Attachments	<p>Attachment 1 – Letter to Dr Keith Turner</p> <p>Attachment 2 – Finalised Ministerial Advisory Committee Terms of Reference</p> <p>Attachment 3 – Letter to Minister of Finance</p>
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Contacts	
Name and position	Cell phone
Richard Davies, Policy Director, Tourism, Labour, Science and Enterprise - Ministry of Business, Innovation and Employment	s9(2)(a)
Bryn Gandy, Deputy Chief Executive, System, Strategy & Investment – Te Manatū Waka Ministry of Transport	s9(2)(a)
Jessica Ranger, Manager, Placemaking and Urban Development - Te Manatū Waka Ministry of Transport	s9(2)(a)
Tim Bamford, Chief Advisor to the Deputy Director-General Biodiversity, Heritage and Visitors - Department of Conservation	s9(2)(a)
John Arathimos, Principal Advisor (Policy) Milford Opportunities Project - Department of Conservation	s9(2)(a)

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Executive summary – Whakarāpopoto ā kaiwhakahaere

1. The Milford Opportunities Project (MOP) was established to preserve Milford Sound Piopiotahi's world heritage status, cultural and conservation values and improve the overall visitor experience. Rapidly increasing tourism numbers, particularly prior to the Covid pandemic, had exacerbated congestion along the Milford Road corridor and placed significant pressure on ageing infrastructure.
2. Dr Keith Turner, Chair, MOP Establishment Ministerial Advisory Committee (the Committee) has resigned with effect from 31 March 2023. Attached for your signature is a letter thanking him for his service.
3. Former members of the MOP Ministerial Group, the Hon Poto Williams, Hon Stuart Nash and Hon Kieran McAnulty had agreed on amendments to finalise Terms of Reference for the MOP Committee (22-B-0747 refers). These will be included in the letter to Dr Turner.
4. Your letter to Dr Turner also comments on the Committee's recent progress update (including recent correspondence from Dr Turner on 24 February 2023), reinforcing the importance of the relationship with Ngāi Tahu. We propose that you ask that the MOP Unit develops robust policy advice concerning access, pricing, governance, and concessions by December 2023 and that other workstreams are not fully progressed until primary policy issues are addressed.
5. Current funding for the project ends on 30 June 2023. The Committee has requested an extension of existing funding to 30 June 2024. Permission will be required from the Minister of Finance to transfer uncommitted MOP funds from the 2022/23 financial year to the 2023/24 financial year.

We recommend that you ... (Ngā tohutohu)

		Decision
a)	<u>Note</u> that Dr Keith Turner, Chair, Milford Opportunities Project Establishment Ministerial Advisory Committee has resigned with effect from 31 March 2023	
b)	<u>Sign</u> the attached letter to Dr Turner	Yes / No
c)	<u>Agree</u> that the Ministerial Advisory Committee is directed to narrow the focus of the MOP Unit's work programme on: <ul style="list-style-type: none"> • developing policy options on access, charging international visitors, governance and concessions (supported by engagement and research) • cultural work with Ngāi Tahu. 	Yes / No
d)	<u>Agree</u> that other workstreams – namely infrastructure development, commercial revenue modelling and consideration of closing the aerodrome and banning cruise ships are not fully progressed until primary policy considerations have been addressed	Yes / No
e)	<u>Sign</u> the attached letter to the Minister of Finance	Yes / No
f)	<u>Note</u> finalised MOP Ministerial Advisory Committee Terms of Reference, for sending to the Milford Opportunities Project Establishment Ministerial Advisory Committee	



Date: / /

Richard Davies
**Policy Director, Tourism
Labour, Science and Enterprise,
Ministry of Business, Innovation and
Employment**



Date: / /

Jessica Ranger
**Manager, Placemaking and Urban
Development
Te Manatū Waka Ministry of Transport**



Date: / /

Tim Bamford
**Chief Advisor to the Deputy Director
General, Biodiversity, Heritage and
Visitors, Department of Conservation**

Date: / /

Hon Willow-Jean Prime
Minister of Conservation

Hon Peeni Henare
Minister of Tourism

Date: / /

Hon Kiritapu Allan
Associate Minister of Transport

Date: / /

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Purpose – Te aronga

1. This paper requests that you sign letters to the Chair of the Milford Opportunities Project (MOP) Ministerial Advisory Committee (the Committee) and the Minister of Finance. These concern the resignation of the Chair, finalised Terms of Reference (TOR) for the Committee, a recent progress update from the Committee, the MOP Unit's work priorities and funding for the project. You will be provided with a fuller briefing on MOP in coming weeks.

Background and context – Te horopaki

Overview of the Project

2. A record 870,000 visitors went to Milford Sound Piopiotahi in 2019 (the most recent figures before COVID-19), with tourism demand forecast to reach 1.1 million by 2050. Ongoing visitor pressure is likely to exacerbate congestion along the Milford Road corridor, reduce safety, threaten conservation values in the Fiordland National Park, and place significant pressure on ageing infrastructure.
3. The MOP Masterplan was finalised in May 2021 and aims to ensure that *'Milford Sound Piopiotahi maintains its status as a key Aotearoa New Zealand visitor icon and provides a world-class visitor experience that is accessible, upholds the World Heritage status, national park and conservation values and adds value to Southland and Aotearoa New Zealand Inc'*.
4. Key recommendations in the MOP Masterplan include introduction of a managed access and transport model¹, charging international visitors an access fee², establishing a new governance model³, developing new experiences along the corridor, improving infrastructure in Piopiotahi, prohibiting fixed wing aircraft, and replacing the aerodrome with a heliport, and banning cruise ships from Milford Sound.
5. In June 2021 Cabinet approved the creation of a Ministerial Advisory Committee and a Unit to undertake feasibility testing of Masterplan recommendations in Stage Three of the Project. It was expected that this would be undertaken over two years and completed by June 2023. Cabinet also agreed that a Ministerial Group, consisting of the Ministers of Conservation (lead), Tourism, and Transport, would be decision maker on Stage Three. The Ministerial Group makes decisions on the project based on consensus among the three ministers. Agency advice is provided to the Ministerial Group via joint briefings from the Department of Conservation (DOC); Ministry of Business, Innovation and Employment (MBIE), and Ministry of Transport (MOT). There are no regular meetings of the Ministerial Group. We will consult with your offices concerning the possibility of scheduling these.
6. The Committee and Unit were established in mid-2022. They are hosted by DOC and report to the MOP Ministerial Group. DOC, MBIE and MOT support the Committee and Unit and provide separate agency advice to the Ministerial Group.

¹ New Zealanders could travel to Milford Sound in private vehicles provided they obtain a permit for limited car parking spaces. Other visitors would travel on an express hop on/hop off park and ride service from Te Anau using zero emission (H2 or EV) buses.

² International visitors would pay an access fee to enter Fiordland National Park. Entry for New Zealand residents would be free.

³ Two proposed options are legislative action within existing frameworks, or creation of a new statutory entity that would deliver the purpose, objectives, role and principles of the Masterplan and replace the existing bodies' functions.

7. Stage Three of the project is supported by a \$15m budget from Covid-19 tourism recovery funding. This is spread over the 2020/21 and 2022/23 financial years and is administered by DOC.
8. You have been asked to report back to Cabinet on progress of the MOP Unit in March 2023. A draft Cabinet paper for your consideration will be provided in the next week.

Outstanding matters

9. Several matters remain outstanding at the time of your appointment to the Ministerial Group. These are:
 - Responding to the recent resignation of the Committee Chair, Dr Keith Turner
 - Finalising Terms of Reference (TOR) for the Committee
 - Providing feedback on a recent progress update from the Board, and
 - Considering a request from the Committee to extend the project to June 2024 (which will need Minister of Finance approval to transfer the related funding).

Resignation of MOP Committee Chair

10. Dr Keith Turner resigned as MOP Committee Chair on 16 January 2023. This will take effect from 31 March 2023. Dr Turner considers that the project is on a sound footing for Stage Three which is focussed on feasibility testing of recommendations in the MOP Masterplan. Attached for your consideration and signature is a letter to Dr Turner thanking him for his involvement in the project (Attachment 1).
11. There is likely to be local and media interest in Dr Turner's resignation. We propose that a note be put onto the MOP website acknowledging his resignation, and that a successor will be announced in due course. We will also provide your offices with key messages to support any reactive questions on Dr Turner's resignation and next steps.
12. We will brief you separately on potential successors to Dr Turner, and the process for appointing the new Chair. Dr Turner has offered to support this.

Finalised Terms of Reference

13. Draft TOR for the Committee had undergone several revisions in recent months. Former members of the MOP Ministerial Group, Hon Poto Williams, Hon Stuart Nash and Hon Kieran McNulty had agreed on final revisions to the TOR (22-B-0747 refers). These have not been communicated to the Committee. We propose that you include the TOR (Appendix 2) in your letter to Dr Turner. The finalised TOR:
 - Clarifies that recommendations in the MOP Masterplan will not be enabled prior to decisions from the Ministerial Group concerning their feasibility
 - Adds 'environment' and 'conservation' to the list of attributes for skill-based members of the Committee
 - Notes that agency representation at Committee meetings remains at ex-officio status regardless of who the attendee is, and
 - Notes that the project end date is subject to the availability of funding.

Feedback on Committee Progress Update and Forward Work Priorities for the MOP

14. The Committee provided a progress update to former members of the Ministerial Group in 2022. This included an outline of the MOP Unit's high level work programme.

Unfortunately, the Ministerial Group did not have an opportunity to give feedback on the progress update. Your letter to Dr Turner does so. Your letter also refers to correspondence from Dr Turner dated 24 February 2023 which welcomes you to your new roles and reiterates the focal areas of the MOP Unit's work programme.

15. The Committee and Unit should be commended for bringing some momentum to the process. However, agencies have continued to reinforce to the MOP Unit that Cabinet decisions are required on substantial first order policy issues before much of the detailed feasibility work can progress.
16. There are strong interdependencies across key recommendations and workstreams in the Masterplan. Given this, appropriate phasing of the MOP Unit's work programme is essential towards ensuring the overall success of the project. Agencies will continue to work with the MOP Unit to achieve this.
17. We propose that your letter to Dr Turner provides direction to the Ministerial Advisory Committee concerning the focus the MOP Unit's work programme over 2023. Given the already tight timeframes, officials recommend that the Ministerial Advisory Committee be directed to:
 - narrow its focus to policy feasibility testing that addresses access, pricing, governance and concessions (including associated engagement and research), and
 - cultural work with Ngāi Tahu.
18. Officials also recommend that the Ministerial Advisory Committee is asked to not fully progress work on infrastructure planning, aspects of commercial revenue modelling, and consideration of banning cruise ships into Milford Sound and closure of the aerodrome until primary policy considerations have been addressed. Focusing on the substantial first order policy issues before this detailed work will enable stakeholders to be better brought along the process and feed in appropriately as the feasibility testing progresses.

Letter to Minister of Finance

19. As noted in paragraph 6, the Committee and Unit were appointed approximately one year behind schedule in June 2022. This was due to complications in the recruitment process and a tight labour market. The Ministerial Group had provisionally agreed to extend the project to December 2023 on account of this. The Committee has subsequently requested an additional extension of the project to June 2024. This is to allow the Unit to have two years to complete its work programme, as envisaged by Cabinet in 2021.
20. Officials support extending the timeframe for the MOP Ministerial Advisory Committee and Unit to undertake Phase Three, on the condition that they appropriately phase the MOP Unit's work programme, aligned with direction from Ministers.
21. MOP funding currently ends on 30 June 2023. The previous Ministerial Group was briefed that permission will be required from the Minister of Finance to transfer uncommitted funding from the 2022/23 financial year to the 2023/24 financial year (noted in 22-B-0747). A letter concerning this has been drafted for your consideration and signature (Attachment 3).

Risk assessment – Aronga tūraru

22. An extension of existing funding beyond June 2023 will be required to ensure project viability.

Consultation – Kōrero whakawhiti

23. This paper including its attachments was jointly prepared by DOC, MBIE and MOT. The Treasury was also consulted.

Financial implications – Te hiraunga pūtea

24. These are noted in paragraph 21.

Legal implications – Te hiraunga a ture

25. The feasibility testing phase of the project will include analysis of legal pathways required to implement recommendations in the Masterplan. A decision by Cabinet to implement elements of the Masterplan would most likely require amendments to existing legislation such as the National Parks Act and relevant transport legislation, or bespoke legislation for Milford Sound.

Next steps – Ngā tāwhaitanga

26. You will be provided with a fuller joint agency advice on MOP, including preliminary analysis of recommendations in the Masterplan, in coming weeks.
27. Cabinet has requested a progress update on the project by the end of March 2023. This is being drafted by the MOP Unit in consultation with the Ministerial Advisory Committee and agencies.

ENDS

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Attachment 2 – Finalised Ministerial Advisory Committee Terms of Reference

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Ref: DOC: 22-B-0805
MBIE: 2223-220
MOT: OC230014

The Hon Grant Robertson
Minister of Finance
Parliament Buildings

Tēnā koe Minister Robertson

Milford Opportunities Project

We are writing to seek your approval to transfer unappropriated funds for the Milford Opportunities Project from the 2022/23 financial year to the 2023/24 financial year.

The Milford Opportunities Project (MOP) Masterplan was launched in July 2021. The Masterplan makes recommendations that aim to ensure:

Milford Sound Piopiotahi maintains its status as a key New Zealand visitor icon and provides a world-class visitor experience that is accessible, upholds the World Heritage status, national park and conservation values and adds value to Southland and New Zealand Inc.

On 23 June 2021 the Cabinet Economic Development Committee (DEV) agreed to the formation of a dedicated Unit and Establishment Board by July 2021, so that the detailed planning and feasibility testing of the Masterplan's recommendations could commence (DEV-21-MIN-0135 refers). The Board and Unit would provide advice to a decision-making Ministerial Group consisting of the Ministers of Conservation, Tourism and Associate Minister of Transport. DEV had earlier approved funding of \$15 million from 2020/21 to 2022/23, to 'fund the next phase of the fundamental redevelopment of Milford Sound...' (DEV-21-MIN-0067 refers).

The Establishment Board and Unit has been appointed approximately 12 months behind schedule. This was due to complications in the recruitment process and an acute skills shortage in the labour market. Whilst the intention was to complete the feasibility testing phase of the project by June 2023, we consider a more realistic timeframe for doing so is now June 2024. The proposed extended timeline is consistent with Cabinet's intent that the Establishment Board and Unit would have two years to complete its work.

Given the abovementioned considerations, we request your approval to transfer any uncommitted funding for the MOP from the 2022/23 financial year to the 2023/24 financial year. This transfer will be included in the March Baseline Update. Our expectation is that the Establishment Board and Unit will have demonstrated significant progress in their work programme by June 2023. This includes policy advice to the Ministerial Group and Cabinet on the feasibility of implementing key recommendations in the Masterplan, particularly in relation to controlling access to Piopiotahi, pricing and concessions. The Department of Conservation is

responsible for the funding and will ensure stringent management of expenditure in consultation with the Board, Unit and other agencies.

We look forward to your consideration of this matter in due course.

Nāku noa nā

Hon Willow-Jean Prime
Minister of Conservation

Hon Peeni Henare
Minister of Tourism

Hon Kiritapu Allan
Associate Minister of Transport

cc:

Tim Bamford, Chief Advisor to the Deputy Director-General, Biodiversity, Heritage and Visitors,
Department of Conservation

Heather Kirkham, General Manager, Tourism, Ministry of Business, Innovation and
Employment

Jessica Ranger, Manager, Placemaking and Urban Development, Ministry of Transport

Meeting Memo

Meeting with Dr Keith Turner, Board Chair, Milford Opportunities Project

To	Minister of Conservation	Date submitted	7 March 2023
GS tracking #	23-M-0009	DocCM	DOC-7283806
Security Level	In Confidence		


Meeting date/time	08 March 2023, 3.30pm
Meeting location	Office of the Minister of Tourism, 4.3 Beehive
Attachments	None

Key contacts			
Name	Organisation	Role	Cell phone
Keith Turner	Milford Opportunities Project	Chair	s9(2)(a)
Stephanie Rowe	DOC	Deputy Director General, Biodiversity, Heritage and Visitors	s9(2)(a)

Context & purpose

1. The Hon Peeni Henare, Hon Kiritapu Allan and you will meet with Dr Keith Turner, Chair of the Milford Opportunities Project (MOP) Board at 3.30pm on 8 March 2023 in Minister Henare's office. We understand that this will be a courtesy call prior to Dr Turner's resignation from the Board, which will take effect from 31 March 2023. We will brief you separately concerning a possible successor to him. Dr Turner is a passionate advocate for the MOP Masterplan. He is likely to encourage you to support implementation or rapid progression of recommendations in the Masterplan.
2. Your meeting with Dr Turner coincides with a joint MOP Ministerial Group briefing sent to your office for approval last week (22-B-0805 refers). This includes background on the MOP and a draft letter from the Ministerial Group to Dr Turner thanking him for his service to the Board. It also addresses outstanding matters, namely:
 - Finalisation of the MOP Board Terms of Reference,
 - Progression of the MOP Unit's work programme, and
 - A request to the Minister of Finance to transfer uncommitted MOP funds from the 2022/23 financial year to the 2023/24 financial year.

Strategic objectives

3. The purpose of the current stage of the project is to stringently test the feasibility of recommendations in the Masterplan. Your meeting with Dr Turner is an opportunity to:
 - State your support for the MOP
 - Reinforce key messages in the draft letter from the Ministerial Group to Dr Turner concerning the MOP Unit's forward work programme.
4. Primary policy issues concern:
 - How access to Milford Sound can be better managed
 - The viability of charging international visitors a fee to enter Fiordland National Park
 - The potential impact of proposals in the Masterplan on holders of concessions in Milford Sound, and
 - Governance arrangements.
5. The draft letter from the Ministerial Group notes that other workstreams, such as infrastructure development, commercial revenue modelling and consideration of closing the aerodrome and banning cruise ships should be deferred until after primary policy considerations as stated above have been addressed. Dr Turner has indicated to officials that he is comfortable with this proposed approach.
6. s9(2)(g)(i)

7. At the time of writing, the MOP Board and Unit had drafted a project update cabinet paper for the Ministerial Group to present to the Environment, Energy and Climate Committee, tentatively on 6 April. Agencies are considering whether the draft cabinet paper requires further detail concerning specified deliverables and their timing. This may require the paper to be deferred to a later date.
8. Minister Henere (as Minister of Tourism) met with the MOP Unit Director in Te Anau last week. Dr Turner may raise this with you. The MOP Unit Director advised us that Minister Henare said he was keen to help remove any barriers in the project in consultation with his ministerial colleagues. He also encouraged the Unit to aim for 'quick wins', consistent with the vision and purpose of the Masterplan (and work programme). This would help to gain momentum in the project.

Proposed talking points


9. We propose that you draw upon the following points in your discussion with Dr Turner:
 - Thank you for your hard work and determination in taking the Milford Opportunities Project to this point. Your experience and expertise have been an invaluable asset to the project.
 - My colleagues the Hon Peeni Henare, Hon Kiritapu Allan and I will send a letter to you soon that reiterates our thanks for your service and deals with several outstanding matters. These include finalisation of the Board Terms of Reference and comment on the MOP Unit's work programme.
 - Regarding the latter, I consider that key policy issues must be fully addressed before much of the detailed feasibility work can progress. These concern access to Milford Sound, charging international visitors an access fee, concession arrangements and governance.

- I consider that it would be premature to consider other recommendations in the Masterplan such as proposed closure of the aerodrome, banning of cruise ships and development of infrastructure until first order policy issues have been addressed.
- The MOP Board and Unit have a challenging and complex work programme before them. I am confident they will develop objective and sound advice that can stand up to scrutiny. It would be very helpful for the Board and Unit to 'think outside the box' when identifying options for addressing critical issues such as managing congestion along the Milford Road Corridor.
- What do you consider to be the main challenges in moving the MOP forward?
- What is the appetite for change in Milford Sound based on your most recent engagement with Ngai Tahu, and local stakeholder and community interests?
- I have been told that Minister Henare recently had a productive visit to Te Anau. I look forward to discussing this with him and how the Ministerial Group, including Minister Allan, can help empower the Board and Unit in their work.
- I understand that the MOP Unit has been working closely with agencies in preparing an update on the project for the Ministerial Group to present to the Environment, Energy and Climate Committee. I and my colleagues look forward to reviewing this in due course.
- I understand I am about to receive advice around options for your replacement. Thank you for feeding into this.
- Thank you again for your hard work. I wish you all the best in your future endeavours.

Risks & implications

10. Implementation of several recommendations in the Masterplan would require amendments to existing legislation or new legislation. This will not be determined prior to the completion of feasibility testing of recommendations in the Masterplan by June 2024.

Key attendees

Photo	Name	Organisation	Bio highlights
	Dr Keith Turner	Milford Opportunities Project Board Chair	<p>Keith Turner has over 39 years in executive experience in the power industry, and for the latter 25 years, has held senior executive positions.</p> <p>He has extensive experience in working with the major economic and environmental policy departments of government. Keith has been Chair of the previous stages of the Milford Opportunities Project since 2017.</p>

MEMO ENDS



Briefing: Finalisation of Milford Opportunities Project Establishment Board Terms of Reference and project update

To	Minister of Conservation Minister of Tourism Associate Minister of Transport	Date submitted	27 April 2023
Risk Assessment	Medium Finalisation of TOR is necessary to ensure that the MOP Board and Unit have a clear understanding of the roles and expectations of the Ministerial Group.	Priority	High
Reference	23-B-0176		docCM: 7324701 MBIE: 2223-3252 MOT: OC230350
Security Level	In Confidence		
Action sought	<u>Sign</u> the attached letter to Mr Bill Day <u>Agree</u> to extend the project to June 2024 <u>Agree</u> to meet with members of the MOP Board and Unit in May 2023, pending your diary commitments	Timeframe	5 May 2023
Attachments	Attachment 1 – Letter to Bill Day Attachment 2 – Finalised Milford Opportunities Establishment Board Terms of Reference		

Contacts	
Name and position	Cell phone
Richard Davies, Policy Director, Tourism, Labour, Science and Enterprise - Ministry of Business, Innovation and Employment	<div style="background-color: black; color: red; padding: 5px;">s9(2)(a)</div>
Bryn Gandy, Deputy Chief Executive, System, Strategy & Investment – Te Manatū Waka Ministry of Transport	
Jessica Ranger, Manager, Placemaking and Urban Development - Te Manatū Waka Ministry of Transport	
Tim Bamford, Chief Advisor to the Deputy Director-General Biodiversity, Heritage and Visitors - Department of Conservation	
John Arathimos, Principal Advisor (Policy) Milford Opportunities Project - Department of Conservation	

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Executive summary – Whakarāpopoto ā kaiwhakahaere

1. The Milford Opportunities Project (MOP) Establishment Board (the Board) is now led by interim Chair Mr Bill Day. Attached for your approval is a letter to Mr Day that attaches finalised Terms of Reference for the Board and provides guidance concerning the focus of the Board and MOP Unit's work programme over the next six months.
2. MOP funding is in place to support the project to June 2024 via the March Baseline Update. The project is due to end in December 2023, but the Board requested that it run to June 2024. Officials support this.
3. A key priority for MOP to June 2023 is to prepare a Cabinet paper. You will receive a draft by 18 May 2023. The paper will include options analysis concerning the feasibility of implementing recommendations in the MOP Masterplan. Members of the Board and Unit are keen to discuss the paper with you in May if possible. Officials are also identifying a new Board Chair and replacement of Board tourism representatives.

We recommend that you ... (Ngā tohutohu)

		Decision
a)	<u>Sign</u> the attached letter to Mr Bill Day, which includes finalised Terms of Reference for the MOP Board	Yes / No
b)	<u>Note</u> that the Minister of Finance has approved a shift of approximately \$9 million in MOP funding to the 2023/24 financial year via the March Baseline Update (MBU)	
c)	<u>Agree</u> to extend the project completion date to 30 June 2024	Yes / No
d)	Note that you will receive a draft Cabinet paper concerning MOP by 18 May 2023	
e)	<u>Agree</u> to meet with members of the MOP Board and Unit in May to discuss the work programme, pending your availability	Yes / No
f)	<u>Note</u> that officials are identifying potential replacements for the Chair and tourism representatives on the Board	



Date: 27 / 04 / 23

Richard Davies
**Policy Director, Tourism
 Labour, Science and Enterprise,
 Ministry of Business, Innovation and
 Employment**



Date: 27 / 04 / 23

Jessica Ranger
**Manager, Placemaking and Urban
 Development
 Te Manatū Waka Ministry of
 Transport**



Date: 27 / 04 /23

Tim Bamford
Chief Advisor to the Deputy Director
General, Biodiversity, Heritage and
Visitors, Department of Conservation

Date: / /

Hon Willow-Jean Prime
Minister of Conservation

Date: / /

Hon Peeni Henare
Minister of Tourism

Date: / /

Hon Kiritapu Allan
Associate Minister of Transport

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Purpose – Te aronga

1. This paper requests that you:
 - approve finalised Terms of Reference (TOR) for the Milford Opportunities Project (MOP) Establishment Board (the Board)
 - sign a letter to the Interim Chair of the Board, Mr Bill Day, concerning the TOR and MOP Unit's work programme, and
 - note current developments and next steps for the project.

Background and context – Te horopaki

2. You were recently asked to approve TOR for the MOP Board and letters to the former Chair of the Board (Dr Keith Turner) and Minister of Finance (22-B-0805). These concerned the TOR, MOP Unit's work programme and funding arrangements for the project. Recent developments have necessitated minor revisions to the earlier advice sent to you.

Outstanding matters

Your letter finalising the TOR is now addressed to the interim Chair

3. Dr Keith Turner resigned as Chair of the Board on 31 March 2023. Mr Bill Day is interim Chair. A previous draft letter from you to Dr Turner (22-B-0805) is now addressed to Mr Day and is attached for your approval (Attachment 1). The letter attaches finalised TOR for the Board (Attachment 2). It asks that the Committee and Unit focus their work programme on developing policy options concerning managed access to Milford Sound, charging international visitors, governance, and concessions by December 2023. The letter also requests that any decisions or progress concerning the Unit's work programme do not predetermine outcomes of decisions by the Ministerial Group.

A letter to the Minister of Finance seeking an extension of MOP funding is no longer required

4. We previously recommended that you seek approval from the Minister of Finance to shift uncommitted MOP funds from the 2022/23 financial year to the 2023/24 financial year (22-B-0805). Since then, approximately \$9 million in MOP funding has been shifted to the 2023/24 financial year via the March Baseline Update (MBU). This was approved by the Minister of Finance. Given this, it is no longer necessary for the Ministerial Group to ask the Minister of Finance to approve an extension of MOP funding beyond the 2022/23 financial year.

We propose that you agree to extend the end date for the project to June 2024

5. The previous Ministerial Group had agreed to extend the MOP from June 2023 to December 2023. The former Chair of the Board, Dr Keith Turner, subsequently requested that the project end date is further extended to June 2024. This would give the MOP Board and Unit two years to complete their work from when they were established in June 2022 (one year behind schedule). A two-year timeframe to complete feasibility testing of recommendations in the MOP Masterplan is broadly consistent with Cabinet expectations.

Current developments

A paper is being prepared for consideration by Cabinet in June

6. The MOP Board and Unit, in consultation with agencies, is drafting a paper from you to the Cabinet Environment, Energy and Climate Committee (ENV). This provides a progress update on the project, and options analysis concerning critical policy areas as stated in your letter to Mr Day. A draft paper will be sent to you by 18 May 2023. Subject to your approval, we intend for the paper to be considered by ENV on 22 June 2023.

Members of the MOP Board and Unit have asked to meet with you

7. Members of the MOP Board and Unit have requested a meeting with you in May to discuss the MOP work programme. They are particularly keen to gain further insights from you concerning the depth of feasibility testing and implementation of recommendations in the MOP Masterplan. We understand that the MOP Board will also write to you concerning this and provide 'deep dive' options analysis.
8. We consider that a meeting with the Board and Unit would be an opportunity for you to outline your expectations concerning key deliverables for the project. Should a meeting not be possible, officials will reinforce focal work areas for the project as proposed in your letter to Mr Bill Day.

A process is underway to select new Board members

9. You have agreed to officials approaching potential replacements for the Chair and tourism representatives in the Board (23-B-0085). We will provide a further update on the outcome of this process in due course.

Risk assessment – Aronga tūraru

10. Finalisation of TOR is necessary to ensure that the MOP Board and Unit have a clear understanding of their roles and expectations of the Ministerial Group.

Consultation – Kōrero whakawhiti

11. This paper including its attachments was jointly prepared by the Department of Conservation; Ministry of Business, Innovation and Employment; and Ministry of Transport.

Financial implications – Te hīraunga pūtea

12. These are noted in paragraph 4.

Legal implications – Te hīraunga a ture

13. The feasibility testing phase of the project will include analysis of legal pathways required to implement recommendations in the Masterplan. A decision by Cabinet to implement elements of the Masterplan would most likely require amendments to existing legislation such as the National Parks Act and relevant transport legislation, or bespoke legislation for Milford Sound. These could take several years to implement.

Next steps – Ngā tāwhaitanga

14. Pending your approval, finalised TOR and guidance on the MOP work programme will be sent under a covering letter from you to the interim Board Chair.

ENDS

Ref: DOC: 23-B-0176

MBIE: 2223-3252

MOT: C2303504

Bill Day
Interim Chair
Milford Opportunities Project Ministerial Advisory Committee

s9(2)(a)

Tēnā koe Bill

Finalised MOP Committee Terms of Reference and feedback on progress update

Thank you for stepping in as interim Milford Opportunities Project (MOP) Advisory Committee Chair.

We would like to take this opportunity to address several outstanding matters raised in earlier correspondence from the MOP Chair to the Ministerial Group. These are suggested amendments to the Terms of Reference (TOR) for the MOP Establishment Committee and the Committee's progress update.

We appreciate feedback on the earlier draft of the TOR. The Ministerial Group is comfortable with your proposed edits and has finalised the TOR with three minor revisions:

- Paragraph 14 - Clarification that the development of enabling components concerning recommendations in the Masterplan is subject to prior approval from the Ministerial Group that assessments identify recommendations as feasible to progress.
- Paragraph 24 – The addition of environment and conservation to the list of required attributes for skills-based members of the Committee.
- Paragraph 53 – Clarification that agency representation at Committee meetings will be in an ex-officio capacity, regardless of who the attendee is. We appreciate the importance of continuity at Board meetings. Any change to agency representation at Board meetings would only result from unavoidable circumstances.

Please forward the finalised TOR to your Committee colleagues. Please also ensure that the TOR is made publicly available through the Milford Opportunities Project website.

Thank you for the Committee's recent progress update. It is good to see an outline of the MOP Unit's work programme, particularly in relation to the importance of developing the relationship with Ngāi Tahu and progressing critical policy issues.

It has become apparent to Ministers that Cabinet decisions are required on substantial first order policy issues before much of the detailed feasibility work can progress. There are strong

interdependencies across key recommendations and workstreams in the Masterplan. Given this, appropriate phasing of the MOP Unit's work programme is essential towards ensuring the overall success of the project. It is also important to ensure that any decisions or progress concerning the Unit's work programme do not predetermine outcomes of decisions by the Ministerial Group.

We consider progress on the critical policy issues is key to maintaining momentum on the feasibility testing and ascertaining the scale and pace of the changes in Milford Sound Piopiotahi. For this reason, we request the Committee focuses the MOP Unit's work programme on developing policy options on access, charging international visitors, governance, and concessions by December 2023. These policy options will be informed by evidence and engagement. We are pleased that this suggested approach is consistent with priority work areas identified in your most recent letter to us.

Other workstreams, such as infrastructure development, commercial revenue modelling and consideration of closing the aerodrome and banning cruise ships should be deferred until after primary policy considerations as stated above have been addressed.

Pending our diary commitments, we would like to meet with you in the coming month to discuss the forward work programme of the unit, key areas of focus and the June Cabinet paper. We consider that the upcoming Cabinet paper should cover detailed options analysis in relation to access, charging, concessions, and governance issues as noted above.

Completion of the high-level work programme is an exciting and significant milestone, and we look forward to further progress over the coming months.

Nāku noa nā

Hon Willow-Jean Prime
Minister of Conservation

Hon Peeni Henare
Minister of Tourism

Hon Kiritapu Allan
Associate Minister of Transport

cc:

Tim Bamford, Chief Advisor, Biodiversity, Heritage and Visitors - Department of Conservation
Heather Kirkham, General Manager, Tourism - Ministry of Business, Innovation and Employment

Jessica Ranger, Manager, Placemaking and Urban Development - Ministry of Transport

Read	
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Meeting Memo



Department of Conservation
Te Papa Atawhai

In Confidence

GS ref: 22-M-0206
DOCCM: 7178381

To: Minister of Conservation
From: Andy Roberts, Director Heritage and Visitors s9(2)(a)

Date: 19 October 2022

Subject: Meeting with Tourism Industry Aotearoa CE Rebecca Ingram

Contact (organiser) – N/A
Contact (cultural support) – N/A
Contact (local DOC staff) – N/A

Meeting purpose & context

1. This memo supports your meeting with Rebecca Ingram, CE Tourism Industry Aotearoa.

Out of scope

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Released under the Official Information Act 1982

Out of scope

Out of scope

Milford Opportunities Project (MOP)

The Milford Opportunities Project (MOP) is a key priority for the Government and there is consensus that unmitigated growth is not sustainable or beneficial.

The Project's Masterplan outlines innovative, aspirational and challenging recommendations for overcoming visitor pressures, improving the tourism experience and better honouring the area's significant natural and cultural heritage.

A MOP Board and Unit were recently established to undertake stringent feasibility testing of recommendations in the Masterplan over the next 18 months. This will include targeted stakeholder engagement and working with government agencies.

Ministers Nash, McAnulty and I will consider advice and recommendations put forward following feasibility testing.

Out of scope

Read

Meeting Memo**Meeting with Federated Mountain Clubs (FMC)**

Department of
Conservation
Te Papa Atawhai

In Confidence

GS ref: 22-M-0208

DOCCM: 7195222

To: Minister of Conservation**Date:** 9 November 2022**Event name:** Meeting with Federated Mountain Clubs (FMC), 15/11/2022, 4:45pm

Key contacts			
Name	Organisation	Role	Cellphone
Tim Bamford	DOC	Support	s9(2)(a)

Context & purpose

1. This memo is to support your meeting with Federated Mountain Clubs (FMC) President Robin McNeill.

Out of scope

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Out of scope

Out of scope

Milford Opportunities Project (MOP)

25. Robin McNeill has identified himself as the key contact leading the MOP engagement on behalf of FMC. He is working closely with the MOP Unit and DOC representing FMC interests. FMC worked closely with the MOP planning team during Stage 2, development of Masterplan.

(b) (5) - DPP

[REDACTED]

[REDACTED]

s9(2)(ba)(i)

27. DOC also received an Official Information Act request from Rob Mitchell (former FMC President and current member of the FMC Executive) in late August, asking a range of questions about DOC's management of the MOP including concerns around the NZ public's right of free access to National Parks. Chris Goddard (Programme Director Milford Opportunities) responded to his list of questions (see [Appendix C](#)).
28. The purpose of Phase Three of the MOP is to ensure that the recommendations of the masterplan are thoroughly tested, including the matters FMC are raising. FMC's input and perspective into the process is valued, and officials (DOC and the MOP Unit) will continue to engage with FMC as the work progresses.

Out of scope

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Policy work programme and key initiatives

Supplementary memo for the incoming Minister of Conservation | 8 February 2023

Purpose

This memo provides an overview of key elements of the conservation policy work programme and key initiatives/issues underway. Officials would like to meet with you to discuss your policy objectives for the remainder of this term, to update you on the work underway as it progresses, and to support your engagement with other Ministers. We will brief you further on these matters as and when required.

Your opportunity to deliver important changes within the conservation portfolio

The Government is making good progress on an ambitious programme of conservation policy work.

Out of scope

The most pressing Government priorities for the conservation portfolio during this term have been:

Out of scope

- Progressing the Milford Opportunities Project to better manage visitor pressures.

Out of scope

Conservation policy work programme and key initiatives/issues

The remainder of this briefing provides an overview of each of the key policy workstreams, as well as key current regulatory decisions and live issues within the conservation portfolio and our cross-agency work.

Each overview provides a summary of the work, information on your role, and the next steps.

These summaries do not provide detailed advice on these matters, nor is this an exhaustive list of our ongoing work. We will provide further advice on these, and other workstreams, as required.

Summaries of key work programmes and initiatives/issues

Out of scope

- Milford Opportunities Project 5

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Minister of Conservation, Minister of Conservation's office, and Department of Conservation eyes only.

Pages 3-4 and 6-21 of this document are out of scope of your request and have not been provided

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Milford Opportunities Project

Summary of issue

- A record 870,000 visitors went to Milford Sound Piopiotahi in 2019 (the most recent figures before COVID-19), with tourism demand forecast to reach 1.1 million by 2050.
- Ongoing visitor pressure is likely to exacerbate congestion along the Milford Road Corridor, reduce safety, threaten conservation values in the Fiordland National Park, and place significant pressure on ageing infrastructure.
- Iwi, stakeholders, and the public generally agree that the management approach to Milford Sound Piopiotahi needs to change. However, there is a range of views on the right approach.
- The Milford Opportunities Project (MOP) Masterplan was launched in July 2021 and aims to ensure that *'Milford Sound Piopiotahi maintains its status as a key Aotearoa New Zealand visitor icon and provides a world-class visitor experience that is accessible, upholds the World Heritage status, national park and conservation values and adds value to Southland and Aotearoa New Zealand Inc'*.

Key facts and context

- The MOP is an opportunity to think about the integration between visitors, the environment and the economy in a different and innovative way that drives better outcomes for conservation, the region, and visitors.
- Key recommendations in the MOP Masterplan include rebranding the area as the epitome of 21st Century visitor experience including regenerative tourism, adding the cultural voice, decarbonizing the journey, introduction of a managed access and transport model, charging international visitors an access fee, establishing a new governance model, developing new experiences along the corridor, improving infrastructure in Piopiotahi, removing the Aerodrome, and banning cruise ships from Milford Sound.
- In 2022, the MOP Establishment Board and Unit was created by Cabinet to undertake feasibility testing of Masterplan recommendations to June 2024.
- The Board and Unit are hosted by DOC and report to the MOP Ministerial Group consisting of Minister of Conservation (lead), Minister of Tourism and Associate Minister of Transport. DOC, MBIE and MOT support the Board and Unit and provide separate agency advice to the Ministerial Group.
- The current stage of the project is supported by a \$15m budget from COVID-19 tourism recovery funding. The budget is administered by DOC.
- The MOP is a complex, sensitive, high-profile project, with significantly diverging positions among key stakeholders. Risks are being managed through regular stakeholder engagement and clear communication of progress and next steps.

Next steps and options

- The Department of Prime Minister and Cabinet has requested that the MOP Ministerial Group, which you lead, provide a progress report to Cabinet in March 2023.