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Tier one policies – Procurement, COVID-19 Recovery and Privacy Policy

For decision: For noting:

Te tūhanga / Recommendation

That the Auckland Transport Board (board):

- a) Approves the updated Procurement Policy (Attachment 1) for adoption and implementation at Auckland Transport (AT).
- b) Approves the COVID-19 Response Policy (Attachment 2) for adoption and implementation at AT.
 - i. Approves the shift of the COVID-19 Response Policy to a tier 2 policy for any future amendments.
- c) Approves the Privacy Policy proposed Privacy policy, with the Customer Privacy Policy removed as an appendix (Attachment 3), for adoption and implementation at AT,
- d) Approves the shift of the Customer Privacy Policy to a tier 2 policy for any future amendments.
- e) Notes the proposed updates to the Customer Privacy Policy (Attachment 4) and the AT Customer Data Opportunities paper (Attachment 5).

Te whakarāpopototanga matua / Executive summary

1. The Procurement Policy and COVID-19 Response Policies have been updated as part of their normal review cycle under AT's Policy Development Framework. Changes were made to the policies to align them to changes in AT's operations, legislation, and external guidance and standards.
2. We are proposing that the COVID-19 Response Policy is shifted from being a tier 1 policy (requiring approval by the board) to a tier 2 policy (requiring approval from the Chief Executive), given that COVID-19 is now endemic in the community and is no longer a key risk for AT nor a matter of strategic importance.
3. The Customer Privacy Policy (CPP), which is currently an appendix to the Privacy Policy, has been updated. We are proposing that the CPP is removed as an appendix to the Privacy Policy and is instead treated as a separate tier 2 policy that can be approved by the Chief Executive.

Ngā tuinga ō mua / Previous deliberations

4. The board last reviewed the Procurement Policy in August 2022, the COVID-19 Response Policy in May 2022, and the Privacy Policy in February 2022.

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Date	Report Title	Key Outcomes
August 2023 Finance and Assurance Committee (committee)	Tier 1 Policies <ul style="list-style-type: none"> • Procurement Policy • COVID-19 Response Policy • Privacy Policy 	The committee endorsed the Procurement Policy, COVID-19 Response Policy and Privacy Policy for approval by the board. The committee endorsed the shift of the COVID-19 Response Policy to a Tier 2 policy. The committee endorsed the shift of the Customer Privacy Policy (previously an appendix to the Privacy Policy) to a separate Tier 2 policy.

5. The FAC requested that an additional paper be provided along with the Privacy Policy which provides additional clarity around AT’s principles and approach to the capture and use of customer data. This can be found at Attachment 5. This paper also includes additional information regarding the proposed changes to the CPP for the board’s consideration.

Te horopaki me te tīaroaro rautaki / Context and strategic alignment

6. AT regularly reviews and updates its policies to ensure that they reflect leading practice, address key risk areas in the organisation and align to Auckland Council direction. Policies that are strategic in nature, have reputational impact or provide direction on important operational activities have been classified as Tier One policies. Tier One policies are approved by the Board.
7. The proposed shift of the COVID-19 Response policy to a tier 2 policy is consistent with the decision of the Committee at the 8 August 2023 FAC meeting to remove COVID-19 from AT’s key risks.

Ngā matapakinga me ngā tātaritanga / Discussion and analysis

8. Below is a summary of the key changes made to the Procurement Policy, COVID-19 Response Policy and the Privacy Policy, since they were last approved by the board:
- a. **Procurement Policy**
 - i. Minor changes have been made to policy wording, to refer to AT’s “Procurement Strategy” instead of “Procurement Framework”.
 - ii. Updated and refreshed hyperlinks in the policy
 - iii. Updated the non-compliance section of the policy to refer to AT’s Speak Up programme and clarify consequences of non-compliance.

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b. COVID-19 Response Policy

- i. We have removed a section of the policy on the “six fundamentals to AT’s COVID-19 response” (being vaccination, ventilation, separation, hygiene, PPE, and awareness & communication). This is because COVID-19 is now endemic in the community and those COVID-19 response measures are no longer as significant or relevant as they were previously.
- ii. Updated commentary in the policy relating to government mandates and the COVID protection framework, given these are no longer in place. The policy continues to accommodate for any potential change in this situation by referring to potential future mandates.
- iii. As noted above, we propose that the COVID-19 Response policy is shifted to a tier 2 policy, with approval by the Chief Executive, as COVID-19 is no longer a significant risk that requires the policy to remain as tier 1. Should circumstances change, it is possible to re-escalate the policy back to a tier 1.

c. Privacy Policy

- i. **Attachment 3** refers to the Privacy Policy that we are requesting the board approves. This version has the CPP removed from the appendix to the policy.
- ii. There have been no substantive changes to the Privacy Policy that the board previously approved in February 2022, apart from minor formatting adjustments and the inclusion of hyperlinks.
- iii. Our recommendation is that the CPP is removed as an appendix to the Privacy Policy and is instead treated as a standalone tier 2 policy (with approval by the Chief Executive). The reasons for this are:
 1. The CPP needs to be reviewed regularly to align with new products, campaigns, initiatives and projects that the business is pursuing. This may mean that we intend to use data in a new way, or share data with a new partner or vendor, and update the CPP to inform customers of this.
 2. There are future AT projects that may require the CPP to be changed – such as Open Loop/National Ticketing and Identity Management.
 3. It can be difficult to make timely changes to tier 1 policies, due to the need to follow the appropriate process.
 4. The CPP will still be treated as a tier 2 policy, with endorsement required by AT’s Privacy Officer (currently AT’s General Counsel) before approval from the Chief Executive.
- iv. We have included at Attachment 4 the proposed updated CPP, for noting. The proposed changes to the CPP are discussed below.

d. Customer Privacy Policy – proposed updates

- i. The current CPP restricts AT’s use of customer data and Cookies solely to the purpose of website analytics.

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- ii. The proposed CPP has been amended to notify customers that AT intends to use Cookies for advertising purposes also. This will enable more optimised and cost-efficient marketing initiatives by AT.
- iii. The key benefits to doing this are:
 - 1. cost efficiencies – irrelevant audiences will be able to be excluded from marketing;
 - 2. optimisation – enabling the use of insights to ensure customers have an improved digital experience;
 - 3. remarketing – getting in touch with customers with relevant information when they're showing interest; and
 - 4. brand perception – AT's brand shows up in a meaningful way for each individual.
- iv. The proposed changes to the CPP will enable work that AT has committed to as part of its Customer Experience Blueprint, particularly with respect to improvements in our end-to-end customer experiences. It will also assist with our Statement of Intent key measures, such as the 2023/24 target of 83.4m annual PT trips.
- v. The use of cookies for advertising purposes is considered standard practice across many industries. We note that Auckland Council, Tataki Auckland Unlimited, Christchurch City Council and Waka Kotahi have these practices in place already.
- vi. The proposed updated CPP can be found in Attachment 4. The proposed changes are highlighted in blue and have been reviewed by AT's Legal Services. They include:
 - 1. A new clause that covers using customer information for advertising;
 - 2. Clarification that data is anonymised, and individuals cannot be identified.
 - 3. Updates to the Cookies Policy, including more information on the types of Cookies and how they are used.
- vii. Pending approval by the board of the shift of the CPP to a Tier 2 policy, the updated CPP will be published on AT's website and communicated to customers.

Ngā tūraru matua / Key risks and mitigations

- 9. The three policies referred to in this Report will help AT to manage and mitigate its key risks of safety, people, community/stakeholder expectations, revenue recovery/growth, procurement, and reputation/trust and confidence.

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10. With respect to the removal of the CPP as an appendix to the Privacy Policy, we note the following key risks and mitigations:

Key risk	Mitigation
Customers are not informed of future changes to the CPP.	The Customer Experience Design (Marketing Team) will own and implement a communications plan to update customers on any changes to the CPP. This would involve direct communications via email, and a notification to customers when visiting the website.
Future changes to the CPP are not consistent with AT’s Privacy policy or NZ Privacy Laws.	<p>As part of the approval process for the CPP, AT’s Privacy Officer (General Counsel) will be required to endorse any changes to the CPP, in addition to the standard tier 2 approval process (which requires endorsement from the Responsible Executive, Executive Leadership Team, and approval from the Chief Executive.</p> <p>AT’s Privacy Officer is the Policy Contact for the Privacy Policy. This means that they will also be familiar with AT’s Privacy Policy and will ensure both documents are consistent.</p>

Ngā ritenga-ā-pūtea me ngā rauemi / Financial and resource impacts

11. Not applicable.

Ngā whaiwhakaaro ō te taiao me te panonitanga o te āhuarangi / Environment and climate change considerations

12. Not applicable.

Ngā whakaaweawe me ngā whakaaro / Impacts and perspectives

Mana whenua

13. Considered, where applicable.

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Ngā mema pōti / Elected members

14. Considered, where applicable.

Ngā rōpū kei raro i te Kaunihera / Council Controlled Organisations

15. Considered, where applicable.

Ngā kiritaki / Customers

16. Considered, where applicable.

Ngā whaiwhakaaro haumarū me ngā whaiwhakaaro hauora / Health, safety and wellbeing considerations

17. Considered, as applicable.

Ā muri ake nei / Next steps

18. If approved by the board, the Procurement, COVID-19 Response and Privacy policies will be published on AT's intranet and communicated to AT staff through internal communications channels.

Ngā whakapiringa / Attachments

Attachment number	Description
1	Procurement Policy (draft)
2	COVID-19 Response Policy (draft)
3	Privacy Policy (draft – with Customer Privacy Policy removed)
4	AT Customer Privacy Policy (draft)
5	AT Customer Data Opportunities – discussion paper

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Te pou whenua tuhinga / Document ownership

Submitted by	Ryan Marshall Manager Compliance 
Recommended for submission	Rodger Murphy Executive General Manager Risk & Assurance 
Approved for submission	Dean Kimpton Chief Executive 