

Date: Tuesday 12 May 2015
Time: 9.30am
Meeting Room: Level 26
Venue: 135 Albert Street
Auckland

Council Controlled Organisations Governance and Monitoring Committee

OPEN MINUTE ITEM ATTACHMENTS

ITEM	TABLE OF CONTENTS	PAGE
5.1	Public Input - Penny Bright - Information about Awarded Contracts by Auckland Council CCOs	
A.	12 May 2015, CCO Governance and Monitoring Committee, Item 5.1 - Penny Bright Tabled Information	3

Subject:

FW: 'Open Letter' /OIA request to the CEO of Auckland Transport Dr David Warburton, from 2016 Auckland Mayoral candidate - Penny Bright

12 May 2015

'Open Letter' /OIA request to the CEO of Auckland Transport Dr David Warburton

Dear David,

BACKGROUND INFORMATION:

Please be reminded of the underpinning legislation which established the purpose and operating principles of Auckland Transport - the Local Government (Auckland Council) Amendment Act 2010:

<http://www.legislation.govt.nz/act/public/2010/0036/latest/DLM3016073.html>

“38 Establishment of Auckland Transport

- “(1) This section establishes Auckland Transport.
- “(2) Auckland Transport is—
 - “(a) a body corporate with perpetual succession; and
 - “(b) a council-controlled organisation of the Auckland Council.
- “(3) For the purposes of the Local Government Act 2002, the Auckland Council must be treated as if it were the sole shareholder of Auckland Transport.

“39 Purpose of Auckland Transport

- The purpose of Auckland Transport is to contribute to an effective and efficient land transport system to support Auckland's social, economic, environmental, and cultural well-being.

“40 Operating principles

- In meeting its principal objective (as a council-controlled organisation) under section 59 of the Local Government Act 2002, and in performing its functions, Auckland Transport must—
 - - “(a) establish and maintain processes for Māori to contribute to its decision-making processes; and
 - “(b) operate in a financially responsible manner and, for this purpose, prudently manage its assets and liabilities and endeavour to ensure—
 - “(i) its long-term financial viability; and
 - “(ii) that it acts as a successful going concern; and
 - “(c) use its revenue efficiently and effectively, and in a manner that seeks value for money; and
 - “(d) ensure that its revenue and expenditure are accounted for in a transparent manner; and

- In the Auckland region, the FACT is that 'public' transport is actually privately-owned and/or operated 'passenger transport'.
-
- Bus companies, ferries and the operation and management of Auckland rail services, are currently all in the hands of private 'passenger' transport companies, as follows:
-
- **A) BUS SERVICES:**

1) AT Airporter

- a) Company description on website:

<https://www.aucklandairport.co.nz/Corporate/NewsAndMedia/AllMediaReleases/Convenient-new-bus-service.aspx>

- b) NZ Companies Office record (Shareholders):

<http://www.aucklandnz.com/transport/listing/pacific-tourways-auckland-ltd>

<http://www.business.govt.nz/companies/app/ui/pages/companies/1351223/shareholdings?backurl=%2Fcompanies%2Fapp%2Fui%2Fpages%2Fcompanies%2Fsearch%3Fmode%3Dstandard%26type%3Dentities%26q%3DPacific%2520Tourways%2520Ltd>

2) Bayes Coachlines Ltd

- a) Company description on website:

<http://www.bayescoachlines.co.nz/>

- b) NZ Companies Office record: (Shareholders):

<http://www.business.govt.nz/companies/app/ui/pages/companies/80689/shareholdings?backurl=%2Fcompanies%2Fapp%2Fui%2Fpages%2Fcompanies%2Fsearch%3Fmode%3Dstandard%26type%3Dentities%26q%3DBayes%2520Coachlines%2520Ltd>

3) Birkenhead Transport Ltd

- a) Company description on website:

<http://www.birkenheadtransport.co.nz/>

- b) NZ Companies Office record: (Shareholders):

<http://www.business.govt.nz/companies/app/ui/pages/companies/42630/shareholdings?backurl=%2Fcompanies%2Fapp%2Fui%2Fpages%2Fcompanies%2Fsearch%3Fq%3DBirkenhead%2520Transport%2520Ltd%26mode%3Dstandard%26advancedPanel%3Dtrue>

4) Howick and Eastern Buses Ltd

- a) Company description on website:

<http://www.howbus.co.nz/>

b) NZ Companies Office record: (Shareholders):

<http://www.business.govt.nz/companies/app/ui/pages/companies/49108/shareholdings?backurl=%2Fcompanies%2Fapp%2Fui%2Fpages%2Fcompanies%2Fsearch%3Fq%3DHowick%2Band%2BEastern%2BBus%2B%26entityTypes%3DALL%26entityStatusGroups%3DALL%26incorpFrom%3D%26incorpTo%3D%26addressTypes%3DALL%26addressKeyword%3D%26start%3D0%26limit%3D15%26sf%3D%26sd%3D%26advancedPanel%3Dfalse%26mode%3Dstandard>

5) Murphy Buses

a) Company description on website:

<http://www.murphybuses.co.nz/>

b) NZ Companies Office record: (Shareholders):

<http://www.business.govt.nz/companies/app/ui/pages/companies/181993/shareholdings?backurl=%2Fcompanies%2Fapp%2Fui%2Fpages%2Fcompanies%2Fsearch%3Fmode%3Dstandard%26type%3Dentities%26q%3DMurphy%2520Buses%2520Ltd>

6) NZ Bus

a) Company description on website:

<http://www.nzbus.co.nz/>

b) NZ Companies Office record: (Shareholders):

<http://www.business.govt.nz/companies/app/ui/pages/companies/565179/shareholdings?backurl=%2Fcompanies%2Fapp%2Fui%2Fpages%2Fcompanies%2Fsearch%3Fq%3DNZ%2520Bus%2520Ltd%26mode%3Dstandard%26advancedPanel%3Dtrue>

7) Party Bus

a) Company description on website:

<http://www.partybus.co.nz/>

b) NZ Companies Office record: (Shareholders):

<http://www.business.govt.nz/companies/app/ui/pages/companies/1927358/shareholdings?backurl=%2Fcompanies%2Fapp%2Fui%2Fpages%2Fcompanies%2Fsearch%3Fq%3DParty%2520Bus%2520Ltd%26mode%3Dstandard%26advancedPanel%3Dtrue>

8) Ritchie Transport Holdings

a) Company description on website:

<http://www.ritchies.co.nz/>

b) NZ Companies Office record: (Shareholders):

<http://www.business.govt.nz/companies/app/ui/pages/companies/133634/shareholdings?backurl=%2Fcompanies%2Fapp%2Fui%2Fpages%2Fcompanies%2Fsearch%3Fmode%3Dstandard%26type%3Dentities%26q%3DRitchies%2520Transport%2520Holdings%2520Ltd>

9) Urban Express

a) Company description on website:

http://www.urbanexpress.co.nz/About_Us.wse

b) NZ Companies Office record: (Shareholders):

<http://www.business.govt.nz/companies/app/ui/pages/companies/49612/shareholdings?backurl=%2Fcompanies%2Fapp%2Fui%2Fpages%2Fcompanies%2Fsearch%3Fq%3DPavlovich%2BCoachlines%2BLtd%26entityTypes%3DALL%26entityStatusGroups%3DALL%26incorpFrom%3D%26incorpTo%3D%26addressTypes%3DALL%26addressKeyword%3D%26start%3D0%26limit%3D15%26sf%3D%26sd%3D%26advancedPanel%3Dfalse%26mode%3Dstandard>

10) Waiheke Bus Company

a) Company description on website:

http://www.fullers.co.nz/tickets-fares/waiheke-island-buses.php?gclid=CjwKEAajwpsGqBRCioKet--bp_QcSJADctsbMk34m9fdwGSR927VuZrOEUZoaUH_PhTeEHSXXVq1xoCbw_w_wcB

b) NZ Companies Office record: (Shareholders):

100% owners of Waiheke Bus Company

<http://www.fullers.co.nz/about-us/Aboutus.php>

<http://www.business.govt.nz/companies/app/ui/pages/companies/58988/shareholdings?backurl=%2Fcompanies%2Fapp%2Fui%2Fpages%2Fcompanies%2Fsearch%3Fmode%3Dstandard%26type%3Dentities%26q%3DFullers%2520Group%2520Ltd>

• B) FERRY SERVICES:

<https://at.govt.nz/bus-train-ferry/fares-discounts/ferry-fares/>

1) Fullers Group Ltd

a) Company description on website:

<http://www.fullers.co.nz/saveaseat.php>

b) NZ Companies Office record: (Shareholders):

<http://www.business.govt.nz/companies/app/ui/pages/companies/58988/shareholdings?backurl=%2Fcompanies%2Fapp%2Fui%2Fpages%2Fcompanies%2Fsearch%3Fq%3DFullers%2520Ferries%2520Ltd%26mode%3Dstandard%26advancedPanel%3Dtrue>

Fullers Group Ltd provide the following ferry services to:

- (i) Bayswater
- (ii) Birkenhead
- (iii) Devonport
- (iv) Halfmoon Bay
- (v) Rangitoto
- (vi) Stanley Bay
- (vii) Waiheke

2) 360 Discovery Services Ltd

a) Company description on website:

https://www.google.co.nz/search?site=&source=hp&ei=FVRVePkBMHRmAW6qICw&q=360+Discovery+Ferry&aq=360+Discovery+Ferry&gs_l=mobile-gws-hp..015.3709.22596.0.24809.21.20.1.6.6.1.2826.8421.3-1j2j1j2j9-2.8.0.msedr...0...1c.1.64.mobile-gws-hp..10.11.5924.3.mSsUMqsaVFM

b) No record found on NZ Companies Office website.

360 Discovery Ferry provide the following ferry services to:

- (i) Hobsonville and Beach Haven
- (ii) Gulf Harbour

4) Pine Harbour Ferry

a) Company description on website:

<http://www.pineharbour.co.nz/ferries/>

b) Record on NZ Companies Office website.

<http://www.sealink.co.nz/>

<https://www.sealinktravelgroup.com.au/investor-centre/view-your-shareholding/>

5) Belaire Ferries Ltd

a) Company description on website:

<http://www.belaire.co.nz/index.php>

b) Record on NZ Companies Office website.

<http://www.business.govt.nz/companies/app/ui/pages/companies/1642137/shareholdings?backurl=%2Fcompanies%2Fapp%2Fui%2Fpages%2Fcompanies%2Fsearch%3Fq%3DBelaire%2520Ferries%2520Ltd%26mode%3Dstandard%26advancedPanel%3Dtrue>

360 Discovery Ferry provide the following ferry services to:

- (i) Rakino
- (ii) West Harbour

• **C) TRAIN SERVICES:**

<http://www.transport.govt.nz/rail/metro-rail/>

Auckland Metro Rail

Rail plays an important role in Auckland's transport system, particularly in providing for travel to and from the CBD. Since Britomart (Auckland's downtown station) opened in 2003, Auckland's rail patronage has increased rapidly from 2.5 million trips per year to 11 million trips per year in 2014.

Key players in Auckland metro rail

- [Auckland Transport \(external link\)](#), a Council Controlled Organisation of Auckland Council, is responsible for planning and funding Auckland's local roads and planning, funding and contracting Auckland's public transport. www.at.govt.nz (external link)
- [Transdev Auckland \(external link\)](#) (formerly Veolia Transport Auckland) operates the Auckland passenger rail network on behalf of Auckland Transport, with a contract that runs until June 2016. www.transdev.co.nz (external link)
- [KiwiRail \(external link\)](#) owns and operates the track network. www.kiwirail.co.nz

<http://www.transdev.co.nz/work-with-us/transdev-auckland-facts/>

International information about Transdev:

<http://www.transdev.com.au/about-veolia-transdev/history-growth/>

Years of service to public and private sector clients

Transdev was formed in March 2011 from a merger between two world-leading passenger transport providers – Veolia Transport and Transdev.

Veolia Transport

Before merging, Veolia Transport had been present in Australasia since 1997, when it won the contract to operate a bus operation in Western Australia. The company subsequently grew to encompass passenger transport services across Australasia, including buses in New South Wales, Queensland and Western Australia; rail in Auckland, New Zealand; and light rail and monorail in Sydney.

Transdev

Before merging, Transdev had been present in Australia since 1999, operating a ferry business in Brisbane and an extensive bus network in North Sydney. Transdev won the Brisbane CityCats and CityFerries operations in 2003 and successfully retendered, winning the contract for a further ten years, extending until 2020. Transdev took over the Sydney Shorelink business in 2001 operating bus services in Sydney's North Shore.

Subsequent to the merger in 2011, Veolia Transdev (now Transdev) won the franchise for Sydney Ferries and operates this business (Harbour City Ferries) with its JV partner Transfield Services. It also won industrial contracts in Central Queensland and, with its JV partner Buslink, won the Ichthys project in Darwin. In early 2013 Transdev won the Melbourne bus tender and Transdev Melbourne will run this franchise from August 2013.

Find out more about Transdev's shareholders, [Caisse des Depots](#) and [Veolia Environnement](#).

Please provide the following information:

1) Since Auckland Transport was established on 1 November 2010, on a yearly basis, please provide a detailed breakdown, which shows exactly how much public subsidy has been received by each and every private passenger provider for:

- a) Buses
- b) Ferries
- c) Trains

2) Given the statutory requirements under the above-mentioned Local Government (Auckland Council) Amendment Act 2010, (s.40), for Auckland Transport to:

(c) use its revenue efficiently and effectively, and in a manner that seeks value for money; and

- *(d) ensure that its revenue and expenditure are accounted for in a transparent manner; and*

please provide copies of ALL/ANY 'cost-benefit' analyses, produced by Auckland Transport, consultant or contractor, or ALL/ ANY other party/parties, which prove that public subsidy of private passenger transport services, is more 'cost-effective' than 'in-house' public service provision.

3) Please provide copies of ALL/ANY requests received by Auckland Transport from the Auckland Council Governing Body, or any Committee of Auckland Council for ANY 'cost-benefit' analyses, produced by Auckland Transport, to ensure that public subsidy of private passenger transport services, is more 'cost-effective' than 'in-house' public service provision.

- 4) Please provide copies of ALL/ANY requests received by Auckland Transport from the Board of Auckland Transport for ANY 'cost-benefit' analyses, which prove that public subsidy of private passenger transport services, is more 'cost-effective' than 'in-house' public service provision.
- 5) Please provide the information / 'organisational flow chart', which shows whom exactly from Auckland Transport is responsible for awarding contracts for private passenger transport services.
- 6) Please provide the information which clearly explains the tendering process for Auckland Transport contracts for private passenger transport services.
- 7) Please provide the information which shows the 'corruption risk' processes and procedures in place, in order to minimise potential 'conflicts of interest' in the awarding of contracts for private passenger transport services.
- 8) Please provide the information which shows how Auckland Transport 'corruption risk' processes and procedures, are audited by:

- a) Auckland Council
- b) External auditors eg: the OAG

REGARDING THE PROPOSED AUCKLAND COUNCIL 'TRANSPORT LEVY':

- 9) Please provide ALL/ANY information which proves that Auckland Transport provided to Auckland Council, alternative recommendations to fuel taxes / road tolls / rate increases.

Yours sincerely,

Penny Bright

Ph: 021 211 4 127

'Anti-corruption / anti-privatisation Public Watchdog'

2009 Attendee Australian Public Sector Anti-Corruption Conference

2010 Attendee Transparency International Anti-Corruption Conference

2013 Attendee Australian Public Sector Anti-Corruption Conference

2014 Attendee G20 Anti-Corruption Conference

2013 Auckland Mayoral candidate (polled 4th with 11,723 votes)

2016 Auckland Mayoral candidate