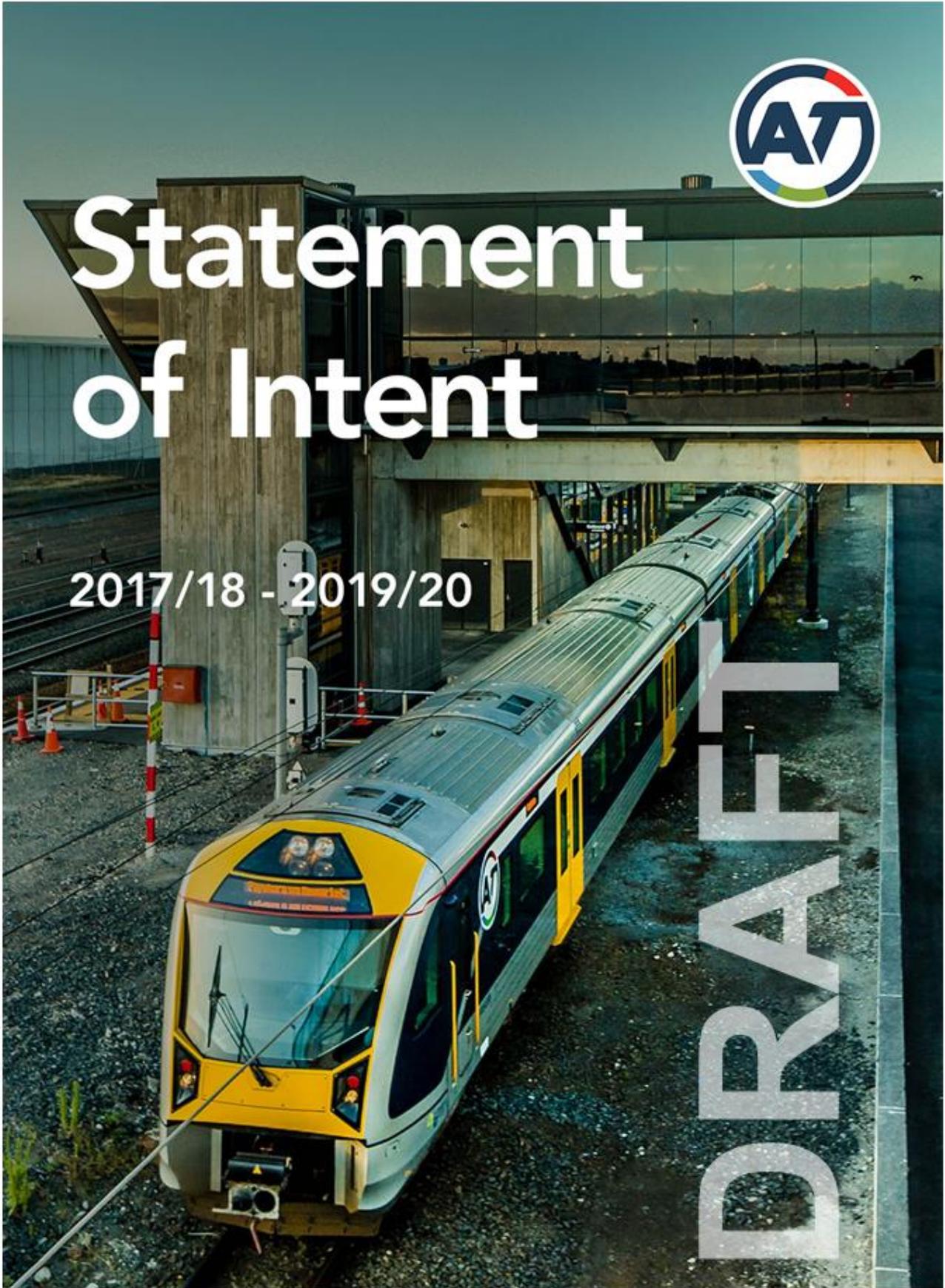




Statement of Intent

2017/18 - 2019/20

DRAFT



HE MIHI

E ngā iwi whānui ki ngā topito o Tāmaki Makaurau
He mihi manahau ki a koutou katoa

Topuni ki te Raki

Rakitu ki te Rāwhiti

Puketutu ki te Tonga

Oaia ki te Uru

Tāmaki herehere o ngā waka e!

Tihei Mauri ora ki te whai ao, ki te ao mārama

To the wider people to the ends of Auckland

A heartening greeting to you all

Topuni to the North

Rakitu to the East

Puketutu to the South

Oaia to the West

Tāmaki the meeting place of all canoes

Life essence to the world, to the world of light

CHAIR'S FOREWORD

This Statement of Intent (SOI) outlines the three year work plan (2017/18 to 2019/20) to continue delivering to the strategic direction for transport in Auckland, the key actions required for achievement and the consequential key performance measures.

This draft SOI reflects the final year of the three year funding package agreed as part of the Regional Land Transport Plan and Auckland Council's Long-term Plan 2015-25 (LTP). It also reflects the matters raised in the Letter of Expectations 2017/18 received from the Mayor on 21 December 2017.

Auckland Transport is committed to delivering on Council's objectives and expectations for the three years of this SOI. However, Auckland Transport will only be able to deliver if funding appropriately reflects those objectives and expectations.

The environment within which Auckland Transport operates is challenging, with these challenges only likely to intensify. Over the last three years in particular, Auckland has experienced rapid population growth, high levels of immigration and increasing vehicle ownership which have led to a significant increase in the demand for transport infrastructure and services.

While the Accelerated Transport Programme contained in the 2015-25 LTP has provided welcome additional funding to address these demands, the limits on funding in some areas has meant that the pace of change has not been as fast as is required to deal with both legacy infrastructure issues and current growth. And while growth in public transport patronage has more than kept pace with increasing population, the same cannot be said for private vehicle travel, with congestion increasing across the Auckland road network.

Together Council and Auckland Transport have made significant progress over the last year through the Auckland Transport Alignment Project (ATAP) and the City Rail Link (CRL). The signing in September 2016 of the Heads of Agreement (HOA) between Council and the Government to provide shared funding for the CRL was a major milestone for Transport in Auckland.

The release of the ATAP final report in September 2016 also provided a major step forward by setting out a clear direction for the development of Auckland's transport system over the next 30 years. The report set out an aligned strategic approach, an indicative package of transport investment over the next decades, and clear priorities for the next 10 years. ATAP also identified that an additional \$4 billion would be required over the next decade to implement the recommended strategic approach. Close scrutiny will need to be continually applied to ATAP's approach to timing of projects, in particular possible adjustments may be required to accelerate key strategic initiatives.

As recommended by ATAP, Auckland Transport is working to incorporate the agreed strategic approach into its key documents, in particular into the 2018-28 Regional Land Transport Plan (RLTP). However, Auckland Transport's ability to ensure that the RLTP delivers on the aligned strategic approach and key priorities will again be dependent on

adequate funding being secured.

The 2018-28 RLTP and 2018-28 Long-term Plan will need to provide a step change in the availability of funding if Auckland Transport is to continue to drive public transport patronage growth and make headway in tackling congestion.

Auckland Transport and Council will need work closely together to secure the funding required to enable Auckland to deliver on the aligned strategic approach for Auckland as well as the objectives of the refreshed Auckland Plan.

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1. PURPOSE OF STATEMENT OF INTENT

In accordance with the Local Government Act 2002, this annual Statement of Intent (SOI) publicly states the activities and intentions of Auckland Transport for the next three years, and the objectives that these activities will contribute to. This SOI takes shareholder comments into consideration and includes performance measures and targets as the basis of organisational accountability.

2. ABOUT AUCKLAND TRANSPORT

Established under section 38 of the Local Government (Auckland Council) Act 2009, Auckland Transport is responsible for the planning, development and management of all of the Auckland region's transport system (excluding the State highways and railway corridors) – including roads and footpaths, cycling and walking infrastructure, parking facilities, and public transport.

Auckland Transport undertakes a wide range of activities associated with the planning, development and management of the Auckland transport system. These activities include:

- Transport planning
- Investigation, design, and development of infrastructure
- Asset management
- Road corridor operations, access management and maintenance
- Public transport services and facilities management
- Parking management and enforcement
- Community transport activities
- Road safety.

3. AUCKLAND TRANSPORT'S CONTRIBUTION TO THE AUCKLAND PLAN

The Auckland Plan is the roadmap to deliver on Auckland's vision. It is a thirty year plan that is underpinned by a set of outcomes and transformational shifts to achieve this vision which help ensure we focus on the right things.

The Auckland Plan sets strategic direction and transformational shifts to achieve actions, targets and outcomes that are required to achieve the vision. Auckland Transport plays a critical part in delivering on these actions and targets. In particular, Auckland Transport actions which contribute to the transformational shifts are outlined in the table below:

Auckland Plan	Degree of contribution	How Auckland Transport contributes
Children & young people	Secondary	<ul style="list-style-type: none"> Public transport services including school transport and fares concessions School travel planning and road safety initiatives
Environmental action & green growth	Secondary	<ul style="list-style-type: none"> Contributing to the reduction of greenhouse gas emissions by: <ul style="list-style-type: none"> Providing effective and efficient transport alternatives to private vehicle use, such as public transport and cycle- and walk-ways; Completing the rollout of electric trains
Outstanding public transport	Primary	<ul style="list-style-type: none"> Providing reliable, efficient and safe rail, bus and ferry services, thereby increasing public transport patronage
Quality urban living	Primary	<ul style="list-style-type: none"> Contributing to a quality built environment through enhanced accessibility and well-planned and vibrant town centres that are walkable and have streetscapes that reflect local identity; and Providing an effective, efficient and safe transport system that supports growth, including geographic spatial priorities and special housing areas
Raised living standards	Secondary	<ul style="list-style-type: none"> Providing effective and efficient transport choices enabling Aucklanders to easily access economic, social and cultural opportunities
Māori cultural, social and economic transformational shifts	Secondary	<ul style="list-style-type: none"> Improving Māori economic, social and cultural opportunities through public transport network improvements and transport infrastructure projects Ensuring effective engagement with mana whenua on transport projects and developing a measure for mana whenua engagement

AUCKLAND PLAN REFRESH

Auckland Transport is aware that Council is progressing a refresh of the Auckland Plan which will guide the upcoming Regional Land Transport Plan and the Long-term Plan. Auckland Transport will continue to engage with Council to ensure that it understands the focus and scope of the refreshed Auckland Plan so that it can fully reflect Council's intentions.

4. STRATEGIC THEMES

This SOI covers the last year of the three year LTP and has been prepared using Auckland Transport's previous strategic themes and associated measures and targets. These strategic themes were developed by the Auckland Transport Board to guide its contribution towards the achievement of the vision in the existing Auckland Plan.

These themes are:

- Prioritise rapid, high frequency public transport;
- Transform and elevate customer experience;
- Build network optimisation and resilience;
- Ensure a sustainable funding model; and
- Develop creative, adaptive, innovative implementation.

Prioritise rapid, high frequency public transport

Prioritising rapid, frequent public transport will contribute to realising the Auckland Plan's vision by significantly enhancing transport choices, thereby improving transport accessibility in Auckland. The development of a rapid and frequent network will make public transport a more compelling choice for those that currently favour car travel, which is the larger number of Aucklanders. As more people use trains, buses and ferries, the transport system will be better able to cope with Auckland's significant growth, leading to better environmental and economic outcomes.

Giving priority to developing the public transport system, with a particular focus on those parts of the network that are able to provide the rapid and frequent services that are necessary to enable significant patronage growth, will also help to realise one of the Auckland Plan's transformational shifts – to move to outstanding public transport within one network.

To achieve this transformation Auckland Transport will continue to deliver initiatives that will expand and enhance the rapid and frequent public transport network over the period of this SOI. The roll-out of electric trains has been completed and has resulted in significant growth in rail patronage. The Simpler Fare system was implemented in August 2016 providing a zone based fare system across all bus and rail services. The first stage of the New Network was implemented for the South in October 2016 providing a simpler, more integrated network with improved levels of services particularly at weekends.

Transform and elevate customer experience

Auckland Transport is placing a strong emphasis on understanding what its customers want, and enhancing the customer experience by ensuring that customers are at the centre of everything we do. We are focused on making the transport system safer, simpler and easier to use, with services that meet our customers' demands.

For public transport, this includes: enhanced way-finding; innovative ways of providing information; improved station and transfer facilities, including enhanced security; integrated services, ticketing and fares; consistent branded services through the *AT Metro* brand; and programmes to recognise and encourage customer loyalty.

For the road network, it includes route optimisation to improve traffic flows, which increases the people and goods-moving capacity of the existing network, innovative traffic information and targeted road safety improvements.

The transformation and elevation of the transport customer experience will improve the accessibility and connectivity of Auckland's transport system.

Build network optimisation and resilience

An optimised and resilient transport network is critical for Auckland's economic productivity. Network optimisation and resilience enables the network to better respond to the needs of commercial transport and provides for positive road and public transport safety outcomes and enhances accessibility and connectivity.

To achieve such a transport network, Auckland Transport has worked in partnership with the New Zealand Transport Agency (NZTA) to develop a "one system" approach, which is designed to improve the connectivity and integration of the Auckland transport system. The "one system" approach ensures that:

- the networks of the different transport modes are connected and integrated;
- the State highway and regional arterial road networks are integrated to function as one system;
- modal services are integrated to provide a seamless transport experience; and
- the transport system operates at an optimal level of service, and provides customers with choices and network resilience.

Auckland Transport will also improve network optimisation and resilience by continuing to focus on route optimisation initiatives, which improve the productivity of major arterial routes – providing real time information and congestion management, focusing on safety improvements, and better integrating active transport into the wider network.

Ensure a sustainable funding model

Auckland Transport recognises the important funding relationships that exist with the Auckland Council and NZTA. By making informed decisions on how transport expenditure is prioritised, and ensuring that its programmes are efficient and deliver maximum value for money, Auckland Transport aims to deliver the best value for this funding investment over time.

The Integrated Transport Programme ensures that funding is directed towards those activities that will make the most cost-effective contribution to Auckland Plan outcomes, and the national transport objectives articulated through the Government Policy Statement on Land Transport (GPS). Effective coordination with NZTA will help to maximise the amount of funding available for investment in Auckland's transport system, and rigorous financial planning and forecasting will help to maximise the return on that investment.

Auckland Transport will continue to focus on making the best use of the existing transport system. This will be achieved by a proactive approach to asset management, ensuring a whole of life approach to investment, maintenance and renewals.

Auckland Transport will continue to focus on the important contribution that user revenues make to the transport system, through public transport fares, parking revenues and the like. It will also look to expand its funding to include new and innovative revenue sources, including commercial partnerships. It will also examine opportunities to divest surplus assets where appropriate, and will maintain a strong focus on cost minimisation, through improved procurement arrangements and business improvements.

Develop creative, adaptive, innovative implementation

A modern, prosperous, liveable, world-class city demands a transport system that implements creative, adaptive and innovative solutions to transport challenges. Auckland Transport will focus on identifying such solutions.

Auckland Transport will also continue to focus on:

- the use of new technologies, especially smart phones, real time information;
- providing better information to customers;
- the use of HOP data to better understand and respond to customer needs;
- partnerships with innovative partners: academic and commercial;
- supporting innovation hubs, and the use of new transport technologies;
- participation in the targeted and integrated spatial approach to development as part of the Council's spatial priority areas (SPAs) and special housing areas (SHAs).

REVISED STRATEGIC THEMES

The existing strategic themes have been reviewed and updated by the Auckland Transport Board to better reflect how Auckland Transport can contribute to the outcomes the Council is seeking to achieve to meet Auckland's future requirements.

These revised strategic themes have been adopted by the Auckland Transport Board and are:

- Prioritise rapid, high frequency public transport
- Continually transform and elevate customer experience
- Build network optimisation and resilience
- Enable quality urban growth to meet demand
- Fast track creative, innovative and efficient transport services.

Over the coming year, Auckland Transport will be developing measures and targets to support the revised strategic themes and will work with Council to incorporate them into the 2018/19 – 2020/2021 SOI.

5. THREE YEAR WORKPLAN TO DELIVER ON STRATEGIC DIRECTION

The following table details the key initiatives/projects to deliver on Auckland Transport's previous strategic themes together with achievements to date. The programme outlined below reflects the Accelerated Transport Programme in the Regional Land Transport Plan (RLTP) and the Auckland Council's Long-term Plan 2015-2025.

Key projects and initiatives	Description	Achievements to date	Contribution to strategic themes
New public transport network	Rail: improved punctuality and customer service	Achieved with further programme of improvement in journey times.	<ul style="list-style-type: none"> • Prioritise rapid, high frequency public transport • Transform and elevate customer experience
	Bus: improved customer service and logical, intuitive and integrated schedules with implementation of new network: <ul style="list-style-type: none"> • South New Network by 2016 • West, Isthmus, North Shore and East New Network by 2017 	South new network implemented in October 2016 West, Isthmus, North Shore and East New network by 2017/18.	
	Off-peak frequency improvements on Inner Harbour ferries by 2016.	Ferry frequency improvements introduced for Pine Harbour, Half Moon Bay and Gulf Harbour.	
Improvements to train travel times	Measures include signal and interlocking works, line speed improvements and level crossing pedestrian gates.	Improvements to travel times to be introduced as part of March 2017 timetable change with further improvements targeted for first half of 2018.	<ul style="list-style-type: none"> • Prioritise rapid, high frequency public transport • Transform and elevate customer experience
City centre public transport access	Continue investigations to address bus congestion in city centre, including investigations into light rail on selected arterial routes	Work underway with Council and NZTA to finalise plans for mass rapid transit to strengthen city centre access.	<ul style="list-style-type: none"> • Prioritise rapid, high frequency public transport • Develop creative, adaptive, innovative implementation
Real time public information system improvements	Ongoing improvements to accuracy and accessibility of real time information	Progress particularly via personal mobile devices.	<ul style="list-style-type: none"> • Prioritise rapid, high frequency public transport • Transform and elevate customer experience
Otahuhu Station	New high quality station by the end of September to enable implementation of the new bus network in the South.	New high quality station opened in October 2016 together with implementation of the new bus network in the South.	<ul style="list-style-type: none"> • Prioritise rapid, high frequency public transport • Transform and elevate customer experience
Manukau Station	Delivery of a new high quality station by the end of September 2017, including interim temporary bus stop measures, to enable implementation of the new network in the South.	Interim temporary bus stop measures to enable implementation of the new network in the South implemented October 2016. Delivery of a new high quality station by second quarter 2018. Construction commenced October 2016.	<ul style="list-style-type: none"> • Prioritise rapid, high frequency public transport • Transform and elevate customer experience
Westgate Bus Interchange (Part of NORSGA Plan Change 15)	On street works underway in 2016 and full implementation by 2022		<ul style="list-style-type: none"> • Prioritise rapid, high frequency public transport • Transform and elevate

Key projects and initiatives	Description	Achievements to date	Contribution to strategic themes
			customer experience
Integrated fares	Implementation of a simpler, integrated fare structure by Q2 2016.	Simpler fare system implemented in August 2016 providing a zone based system across all bus and rail services. Overall fare price reduction for 66% of HOP users and price levels retained for 33% of HOP users. Simpler Fares also offers greater value for multiple trip journeys using HOP card than previous single trip single fare journey fare system. Overall average fares have reduced by 6-7% in the 12 months to September 2016.	<ul style="list-style-type: none"> • Prioritise rapid, high frequency public transport • Transform and elevate customer experience
City Rail Link	Enabling works for City Rail Link (across Lower Queen Street and under Downtown building) progressed to meet timeframes agreed with Precinct Properties Ltd.	Construction of the City Rail Link formally commenced in June 2016. Works are underway to provide a new stormwater pipe under Albert Street and to provide the first section of tunnel between Britomart and Wyndham Street. The HOA between Government and Auckland Council agreeing 50:50 funding of the project was signed in September 2016. Procurement of the first package of main works commenced in January 2017.	<ul style="list-style-type: none"> • Prioritise rapid, high frequency public transport • Transform and elevate customer experience • Build network optimisation and resilience
Development of safe cycleways and walkways	Completion of Waterview Cycleway Connection (joint project with NZTA) by 2018 Extend the regional cycleway network Support greenways plans within the development of safe cycleways and walkways	Ongoing progress with cycleway implementation.	<ul style="list-style-type: none"> • Transform and elevate customer experience • Build network optimisation and resilience
Supporting growth enabled by Proposed Auckland Unitary Plan	Hobsonville Point Park and Ride complete by July 2017		<ul style="list-style-type: none"> • Transform and elevate customer experience • Build network optimisation and resilience • Prioritise rapid, high frequency public transport
	Massey North Town Centre substantially complete by July 2018		<ul style="list-style-type: none"> • Build network optimisation and resilience
	Establish the Local residential growth Fund and commit over \$100m towards transport infrastructure to enable growth and development in Auckland	Local Residential Growth Fund established and operating jointly with Council. Over \$30 million has been allocated to date.	<ul style="list-style-type: none"> • Ensure a sustainable funding model • Develop creative, adaptive, innovative implementation
	Glenvar Ridge Rd (Long Bay) construction complete 2018		<ul style="list-style-type: none"> • Transform and elevate customer experience • Build network optimisation and

Key projects and initiatives	Description	Achievements to date	Contribution to strategic themes
			resilience
Maximise value from existing assets	Review and assess maximising value from existing assets, and identification of surplus non-strategic assets for disposal		<ul style="list-style-type: none"> Ensure a sustainable funding model
Improved effectiveness of operating expenditure	Programme for achieving efficiency targets for operating expenditure while maintaining service delivery over the course of the SOI		<ul style="list-style-type: none"> Ensure a sustainable funding model
Improved value for money and sector performance for road construction, operations and renewals	Implement the recommendations of the national Road Efficiency Group, including One Network Road Classification		<ul style="list-style-type: none"> Ensure a sustainable funding model
New public transport contracts	Shift to new performance-based commercial and contractual framework for public transport services, based on Public Transport Operating Model (PTOM).	South bus PTOM contracts implemented with remaining to be executed over 2017 for implementation of services 2017/18 greater bus service levels have been achieved.	<ul style="list-style-type: none"> Ensure a sustainable funding model Transform and elevate customer experience
Competitive pricing and improved value for money	Ensure effective systems are in place to achieve competitive pricing and improved value for money from the new network		<ul style="list-style-type: none"> Ensure a sustainable funding model
Coordinate travel planning initiatives	Support schools, workplaces and tertiary institutions to identify and use transport options other than single occupancy private vehicles		<ul style="list-style-type: none"> Develop creative, adaptive, innovative implementation
Route optimisation	Progress route optimisation programme, which helps ease congestion on Auckland's road network		<ul style="list-style-type: none"> Build network optimisation and resilience Transform and elevate customer experience Develop creative, adaptive, innovative implementation

Achieving better outcomes for and with Māori

The following table sets out specific projects which will help to deliver on Māori responsiveness – contributing to Māori well-being, organisational effectiveness, and post-Treaty settlement opportunities.

Key projects and initiatives	Description	Contribution to achieving better outcomes for and with Māori
Mana whenua engagement	<p>Engagement with mana whenua on major transport infrastructure projects and walking and cycling projects utilising AT's Māori Engagement Framework.</p> <p>During 2015/2016, AT and mana whenua worked in partnership to develop a service measure for evaluating AT's performance in its mana whenua engagement processes and outcomes.</p> <p>Mana whenua identified that in evaluating engagement, Māori values/Te Ao Māori (the Māori World view) is a</p>	<p>Mana whenua input to transport infrastructure development and design, contributing to AT's Māori responsiveness (Whai Tika)</p> <ol style="list-style-type: none"> Qualitative measure for 'Achieving Mauri' in AT's engagement process; and Quantitative measures (1-5 scale):

Key projects and initiatives	Description	Contribution to achieving better outcomes for and with Māori
	<p>critical factor.</p> <p>A mauri (life force/essence) qualitative measure based on a model developed by Taina Whakaatere Pohatu (Te Wānanga o Aotearoa), was recommended which assesses whether Māori values/Te Ao Māori values are being upheld in AT's engagement process ('Achieving mauri').</p> <p>A series of quantitative measures is recommended to evaluate effectiveness of engagement processes and outcomes.</p> <p>During 2016/2017 the measurements will be used and refined where applicable in a range of projects.</p>	<ul style="list-style-type: none"> (a) Responsiveness - how well were mana whenua concerns and interests responded to in a project process; (b) Communication - consistent with, technical explanations explained clearly; (c) Timing - engage early, ensure engagement continued in timely manner to incorporate Māori values and outcomes at the right time; (d) Process - inclusive, were Māori values incorporated throughout the process and tikanga observed such as karakia (e) Outcomes - are Mana Whenua values and the use of tools such as Te Aranga Māori Design principles evident in the process and visible in the final project delivered?
Te Aranga Māori Design	<p>Te Aranga Māori Urban principles are incorporated into projects through AT's engagement framework, and other guiding documents such as AT's Māori Engagement Guide for Project Management.</p> <p>Te Aranga Māori Urban Design can be articulated for example in the application of Te Taiao (Environment) through planting choices, and Whakapapa (Genealogy) tribal cultural narratives are celebrated in infrastructure design.</p>	AT's engagement framework, contribution to Whai Tika
Road safety programmes – young Māori drivers and passengers	Delivery of road safety programme to increase road safety and graduated licenses and reduce Māori road fatalities. This programme of work is designed for mana whenua and mataawaka communities.	Contributing to Whai Painga (social)
Marae development and road safety	Design and construction of marae entry/exits (first project identified and engagement with marae has begun)	Contributing to Whai Tiaki (cultural)
Māori values and stormwater	Māori values such as mauri are considered in stormwater management in transport projects.	Contributing to Whai Tiaki (cultural)
Marae development and papakainga	Infrastructure support and technical advice on marae development and papakainga housing.	Contributing to Whai Tiaki (cultural)
Te Reo Māori Framework	<p>Auckland Council is currently developing a Te Reo Māori Framework which will guide future council and CCO dual language communication with the public.</p> <p>Auckland Transport will work with council on developing and implementing this framework with agreed actions.</p>	Contributing to Māori responsiveness, Whai Tika (Effectiveness for Māori)

In addition, although most Auckland Transport projects are not specifically tailored to Māori, many of them will directly benefit Māori by virtue of their nature and location. For example, the roll-out of the new public transport network will improve the range of destinations and service frequencies for public transport in areas with high concentrations of Māori, thereby improving Māori access to social and economic opportunities. Similarly, capital development projects in areas of high Māori population can also improve Māori access to social and economic opportunities.

2017/18 LETTER OF EXPECTATIONS

The tables below set out the key issues identified in the 2017/18 Letter of Expectation and Auckland Transport's response illustrating how each will be addressed.

Key Focus areas	Auckland Transport response
Close collaboration across the Council family including working with Council on the refreshed Auckland Plan and alignment to Council mandated strategies and policies.	Auckland Transport is currently assisting Council in the Auckland Plan refresh.
Enhancing engagement and partnerships with local boards, and supporting the development of Local Board Plans.	Auckland Transport will support the development of Local Board Plans, and engage with boards on projects in their respective areas.
<p>Extending Auckland Transport's role to include placemaking (in conjunction with local boards) and urban regenerators, and a major contributor to improving Auckland's environmental sustainability.</p> <p>Balancing movement and place and reallocating road space towards public transport and active modes.</p> <p>A stronger focus on effective communication, consultation and problem solving to manage potential conflicts between local needs and network priorities.</p>	<p>The Roads and Streets Framework has been developed which seeks to balance the needs of movement with those of place.</p> <p>Current city centre planning includes significant reallocation of road space from cars to public transport and active modes, in support of the City Centre masterplan. A further 15kms of traffic lanes within the city centre is planned to be allocated to public transport and 8kms to pedestrians and cyclists over the next 10 years.</p> <p>A joint approach with Council to managing conflicts between local needs and network priorities is supported.</p>
Improving the efficiency of the existing transport network through measures such as expanding bus lane networks, extending bus lane operating hours and removing or modifying on street parking.	<p>Significant improvements have been made to the bus lane network and its operating hours, including the expansion of bus lane operating hours in the city centre to reduce congestion and to speed up travel times.</p> <p>Work is underway to identify where the bus and high occupancy vehicle priority lanes can be extended.</p>
Operating in a no surprises manner.	Auckland Transport will comply with Council's no surprises policy.
Working with Council on strategic issues and giving effect to existing strategies, including city centre transport networks and greenfield growth areas.	Auckland Transport is working in partnership with Council (and the NZ Transport Agency) on the Transport for Growth project to identify the transport networks needed in greenfield growth areas.
Ensuring alignment between the refreshed Auckland Plan, the Long-term Plan and the upcoming Regional Land Transport Plan.	<p>Auckland Transport is currently assisting Council in the Auckland Plan refresh.</p> <p>Council is part of the process to develop and prioritise the draft 2018-28 capital programme which will form part of the Regional Land Transport Plan 2018-28 (RLTP).</p>
Working collaboratively with Council and other CCOs on the Housing Infrastructure Fund.	Auckland Transport is working with Council to prepare an application for funding from the Housing Infrastructure Fund.
Working with Council to implement and embed the strategic approach and recommendations of the Auckland Transport Alignment Project (ATAP) including addressing the funding gap, and providing technical advice on demand management options including higher vehicle occupancy and smarter transport pricing.	<p>The Integrated Transport Programme (ITP) capital project prioritisation process is being updated to incorporate ATAP priorities. The ITP calculator will be used to prioritise the capital programme for inclusion in the RLTP</p> <p>Auckland Transport is working with Council, the Ministry of Transport, and the NZ Transport Agency to establish a road pricing project.</p>
Providing greater transparency in relation to asset management, maintenance and renewals, including reaching agreement with the NZ Transport Agency on levels of service and funding requirements as part of the Long-term Plan.	Auckland Transport is working with the NZ Transport Agency to agree appropriate asset management levels of service and associated funding requirements and this will inform the Long-term Plan and RLTP. This work will be completed by mid 2017.
Aggressively pursuing strong growth in public transport patronage with refreshed targets, particularly through ensuring the new public transport network is successfully implemented with a strong customer focus.	<p>Patronage growth has been particularly strong in rail and the roll-out of the New Network is showing improvements for buses.</p> <p>Rail patronage targets for 2017/18 and 2018/19 have been increased as a result of higher than forecast growth to date.</p> <p>Auckland Transport will develop refreshed targets for patronage as part of</p>

Key Focus areas	Auckland Transport response
	the 2018/19 SOI process.
Ensuring the planning of the Rapid Transit Network is a key strategic priority, including the early delivery of lower cost interim options.	Auckland Transport is working with Council and NZTA to finalise the Rapid Transit Network, including how mass rapid transit can strengthen city centre access and improve access to Auckland Airport
Ensuring full value is obtained from rail electrification by reducing journey times, particularly through shorter dwell times at stations and more efficient rail operations.	<p>Dwell times at stations are one component of a complex mix of factors which determine train journey times. Improvements to dwell times and some reductions in overall journey times will be delivered in March 2017, with further improvements planned for March 2018.</p> <p>Further significant reductions in train journey times can only be delivered through improvements to the capacity of the Auckland rail network, including additional tracks and junction improvements e.g. Third Main, Westfield Junction, closure of level crossings.</p>
Ensuring good progress is maintained on delivering early works for the City Rail Link and preparation for the project's main works.	<p>Co-funding with Government has been agreed, surface property purchase has been completed, the first section of the tunnel and preparatory works in Albert Street are underway, and works packaging and procurement have been agreed and launched to industry. Procurement of the first package of main works commenced in January 2017.</p> <p>Auckland Transport is working with Council to support the establishment of City Rail Link Limited.</p>
Maintaining momentum on delivering the cycling programme, incorporating priority for cycling and walking into projects, and building the case for a continuation of central government's Urban Cycleways Fund beyond 2018.	<p>The Quay Street cycleway and the first stage of the Nelson Street cycleway have been completed and further projects will be delivered as part of the Urban Cycleway Fund programme through to 2018.</p> <p>A business case is being prepared to extend the Urban Cycle Fund programme beyond 2018.</p>
Continuing to work towards completion of AT's Maori Responsiveness Plan.	The Maori Responsiveness Plan has been completed and is in place.
Finance and Value for Money	Auckland Transport response
Driving great transparency in budgeting and reporting and including activities in the SOI in sufficient detail for the public to have a good understanding of Auckland transport's services, their cost and impact.	Section 7 of this SOI contains a breakdown of Auckland Transport's operating and capital expenditure by activity class.
Participating in the design and implementation of Group wide policies including business cases, group procurement, treasury, insurance and sensitive spending.	<p>Auckland Transport will actively participate in the design and implementation of Group wide policies as required by Council.</p> <p>Policies relating to business case development will need to recognise that Auckland Transport is subject to the NZ Transport Agency's business case process.</p>
<p>Promoting value for money by:</p> <ul style="list-style-type: none"> • Benchmarking frontline and back office expenditure including a commitment to regularly publishing the results on Auckland Transport's website • Holding administrative and corporate spending at or below 2016/17 levels • Collaborating with and, at times, leading, group shared services and procurement activity • Exploring alternative operating revenue streams wherever possible • Actively cooperating with any service delivery reviews (section 17A, LGA) relating to your organisation • Outlining the detail of efficiency programmes to drive down business costs. 	<p>Auckland Transport is driving value for money and will cooperate with any service delivery reviews.</p> <p>Auckland Transport will work with other members of the council group to improve integration of services, including maintenance of green spaces, footpaths and lighting.</p> <p>Auckland Transport will hold operating expenditure at the level required to deliver its work programme.</p>

6. PERFORMANCE OUTLOOK

Key performance measures

Auckland Transport has an agreed set of key performance measures and targets which form the basis for accountability to delivering on the Council's strategic direction, priorities and targets. These will be reported on a quarterly basis, in accordance with the CCO Governance Manual.

Auckland Transport is accountable for delivery against measures and targets reviewed annually under this SOI, plus a number of parallel items approved in June 2015 and listed in Auckland Council's 2015-2025 Long-term Plan (LTP). The following table includes measures and targets from both documents.

Strategic theme	Measure	2015/16 Actual	2016/17 Target	2017/18 Target	2018/19 Target	2019/20 Target
Prioritise rapid, high frequency public transport	Total public transport boardings (millions)	82.9	88.97	93.01	95.11	98.26
	Total rail boardings (millions)	17.2	19.5	21.06	21.91	22.80
	Boardings on rapid or frequent network (rail, busway, FTN bus)	9.9% growth compared with 4.6% total boarding growth	Increase at faster rate than total boardings			
Transform and elevate customer focus and experience	PT punctuality (weighted average across all modes)	95%	93%	94%	94.5%	95%
	Percentage of customers satisfied with their public transport service	84%	84%	85%	85%	85%
	Percentage of Aucklanders satisfied with the quality of roads in the Auckland region	69%	70%	70%	70%	70%
	Percentage of Aucklanders satisfied with the quality of footpaths in the Auckland region	65%	65%	65%	65%	65%
	Percentage of Aucklanders satisfied with road safety in the Auckland region	65%	60-65%	60-65%	60-65%	60-65%
	Local road deaths and serious injuries per 100 million vehicle kilometres travelled ¹		5	4.9	4.8	4.8

¹ The rate of local road deaths and serious injuries per 100 million vehicle kilometres travelled is an estimate of exposure to crash-risk on the local road network

Strategic theme	Measure	2015/16 Actual	2016/17 Target	2017/18 Target	2018/19 Target	2019/20 Target
Transform and elevate customer focus and experience	Percentage of local board members satisfied with AT engagement (two separate measures) ²		Survey not undertaken during 2016/17	AT reporting to local board 60% AT consultation with local board 60%	AT reporting to local board 70% AT consultation with local board 70%	AT reporting to local board 70% AT consultation with local board 70%
Build network optimisation and resilience	Arterial road productivity ³	60% of the ideal achieved	55% of the ideal achieved	55% of the ideal achieved	55% of the ideal achieved	55% of the ideal achieved

² Local board satisfaction results sourced from the Auckland Council Elected Members Survey. Results are not available every year as the survey is only undertaken every 18 months.

³ Road productivity is a measure of the efficiency of the road in moving people during the peak hour. It is measured as the product of number of vehicles, their average journey speed and average vehicular occupancy. Key arterial routes include:

- Airport to CBD (via Manukau Rd)
- St Lukes to St Johns (via Balmoral/Greenlane West/Greenlane East/Remuera Rd)
- Albany to Birkenhead (via Glenfield Rd)
- Henderson to CBD (via Great North Rd)
- SH1 to Ti Rakau Dr (via Te Irirangi Dr)
- SH20 to Portage Rd (via Tiverton/Wolverton Rd)

Strategic theme	Measure	2015/16 Actual	2016/17 Target	2017/18 Target	2018/19 Target	2019/20 Target
	Travel times on key freight routes (ten separate measures) ⁴					
	• SEART (from Sylvia Park to East Tamaki)	11 mins	11 mins	12 mins	13 mins	13 mins
	• SEART (from East Tamaki to Sylvia Park)	10 mins	12 mins	12 mins	12 mins	12 mins
	• Wairau Rd (from SH1 to SH18)	8 mins	8 mins	9 mins	9 mins	10 mins
	• Wairau Rd (from SH18 to SH1)	8 mins	8 mins	10 mins	10 mins	10 mins
	• Harris Rd (from East Tamaki to SH1 Highbrook interchange)	10 mins	10 mins	11 mins	11 mins	12 mins
	• Harris Rd (from SH1 Highbrook interchange to East Tamaki)	11 mins	11 mins	13 mins	13 mins	13 mins
	• Kaka St/James Fletcher Dr/Favona Rd/Walmsley Rd (SH20 to Walmsley)	8 mins	11 mins	11 mins	11 mins	11 mins
	• Kaka St/James Fletcher Dr/Favona Rd/Walmsley Rd (Walmsley to SH20)	7 mins	11 mins	11 mins	11 mins	11 mins
	• Great South Rd (SH1 Ellerslie Panmure Hwy Interchange to Portage Rd)	11 mins	11 mins	13 mins	13 mins	13 mins
	• Great South Rd (Portage Rd to SH1 Ellerslie Panmure Hwy Interchange)	12 mins	11 mins	13 mins	13 mins	13 mins
	New cycleways added to regional cycle network (km)	11.8km	16.4 km	28.8 km	2 km ⁵	2km
	Annual number of cycling trips in designated areas in Auckland (all day) ⁶	0.996 million	1.2 million	1.8 million ⁷	2.0 million	2.1 million
	Annual cycle movements in the Auckland city centre ⁸		1,847,000	2,015,000	2,184,000	2,200,000

⁴ Maintain travel times for the 85th percentile of trips along each route.

⁵ The 2019/20 target is an indicative and interim figure based on the 2018/19 target and will be updated on further development of the Cycling Programme Business Case and 2018-21 programme. There is likely to be further investment made in line with national and Auckland priorities.

⁶ City Centre and regional cycle trips – it is acknowledged that some trips may be recorded more than once across the cycle network e.g. many trips recorded on the NW cycleway at Kingsland would also have been recorded at Te Atatu. Cycle movements is the correct term for these targets and counters provide a basic snapshot of cycle movements across the Auckland region which, over time, record trends in cycling. There are a significant number of cycle movements made each day across the region which are not recorded.

⁷ Annual number of cycling trips in Auckland (all day). This is based on 14 counters across the region which reflect the trend in cycling trips in Auckland. The 14 counters reflect the original nine sites plus the additional five sites - Tamaki Drive (west side of the road), Mangere Bridge, SH20 Dominion Road, East Coast Road and Lagoon Drive.

⁸ This measure relates to the total number of cycle movements recorded using 13 counters situated around the Auckland city centre as follows: Curran Street, Te Wero Bridge, Quay Street, Beach Road, Grafton Gully, Grafton Road, Grafton Bridge, Symonds Street, Upper Queen Street, Canada Street (until Dec 2015)/Light Path (from Dec 2015), Karangahape Road, Hopetoun Street, Victoria Street West.

Strategic theme	Measure	2015/16 Actual	2016/17 Target	2017/18 Target	2018/19 Target	2019/20 Target
Ensure a sustainable funding model	PT farebox recovery ⁹	51.2%	47-50%	47%-50%	49%-52%	49%-52%
Develop creative, adaptive, innovative implementation	Parking occupancy rates (peak 4-hour, on street) ¹⁰	89.1%	70% - 90%	70% - 90%	70% - 90%	70%-90%
	No. of car trips avoided through travel planning initiatives ¹¹	24,227	18,400	20,240	AT suggests that this be replaced with the below in the 2018 LTP	AT suggests that this be replaced with the below in the 2018 LTP
	Active and sustainable transport mode share at schools where the Travelwise programme is implemented		40%	40%	40%	40%
	Active and sustainable transport mode share for morning peak commuters where the Commute programme is implemented		40%	40%	40%	40%

Performance Reporting

Auckland Transport will use the following guidelines to report on performance against the targets:

- where performance is within +/- 2.5% of a target, the target will be considered to be met;
- where performance is above a target by more than 2.5%, the target will be considered to be exceeded; and
- where performance is below a target by more than 2.5%, the target will be considered to be not met.

Secretary for Local Government Mandatory Performance Measures

In addition to the key performance measures outlined above, Auckland Transport is also required by the Secretary for Local Government to report against specified non-financial performance

⁹ Farebox recovery measures the contribution passenger fares make to the operating cost of providing public transport services. The measure calculates farebox recovery in accordance with NZTA guidelines. Price level changes of 6-7% average fare reduction in 12 months to September 2016 from HOP uptake and Simpler Fares HOP price reductions reflected in new targets.

¹⁰ 4-hour peak period is defined as the top 4 busiest hours of the day. These hours are not often coincidental and can vary depending on contributing factors. On-street parking occupancy is surveyed once a quarter in 3 central city parking zone precincts: Shortland/High Sts, K Road & Wynyard Qtr.

¹¹ This measure considers the results achieved by AT's Travelwise for schools and Commute programmes, and is calculated as follows:

- Travelwise - travel modes to school is tested among Travelwise schools annually via survey, and is compared to baseline results (excluding car/walk 400m+)
- Commute - calculation of the number of trips converted from drive-alone to other modes amongst Commute programme participants.

measures (as per the Non-financial Performance Measures Rules 2013). Those measures, and correlating targets, are set out below.

Strategic theme	Measure	2015/16 Actual	2016/17 Target	2017/18 Target	2018/19 Target	2019/20 Target
Transform and elevate customer focus and experience	Change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number	538 (compared with target of 390)	Reduce by at least 9			
	Percentage of customer service requests relating to roads and footpaths which receive a response within specified time frames ¹²	88%	85%	85%	85%	85%
Build network optimisation and resilience	Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all urban and rural roads (two separate measures)	Rural 93% Urban 83%	Rural 92% Urban 82%	Rural 91% Urban 81%	Rural 90% Urban 80%	Rural 90% Urban 80%
	Percentage of the sealed local road network that is resurfaced	8.1%	8%	8%	8%	8%
	Percentage of footpaths in acceptable condition (as defined in AT's AMP)	99.5%	99%	99%	99%	99%

¹² As defined in AT's customer service standards: 2 days for incident investigation as a high priority; 3 days for an incident investigation as a normal priority; 1 hour emergency response time.

7. SUMMARY OF FINANCIALS

The following summary of financials supports the delivery of the strategic deliverables and performance targets for Auckland Transport.

AUCKLAND TRANSPORT SOI FINANCIAL OVERVIEW

Operating budgets (\$million)	Annual Plan	Draft AP	Long Term Plan	
	2016/17	2017/18	2018/19	2019/20
Revenue				
Funding from Auckland Council	260	275	274	283
Fees and user charges	283	294	338	342
Subsidies and grants	243	252	252	253
Vested assets	102	103	105	106
Total Revenue¹	888	923	969	984
Expenditure				
Employee benefits	110	113	101	101
Depreciation and amortisation	338	397	361	359
Grants, contributions and sponsorship	0	0	0	0
Other operating expenses	641	672	726	739
Total expenditure¹	1,088	1,182	1,189	1,200
Finance income	0	0	0	0
Finance expense	31	29	31	30
Net Operating Surplus/(Deficit)	(231)	(289)	(251)	(247)
EMU principal repayments	5	6	6	7

Operating budgets (\$million)	Annual Plan	Draft AP	Long Term Plan	
	2016/17	2017/18	2018/19	2019/20
Operating Income				
Rail	56	56	56	60
Bus	98	109	155	155
Ferry	7	10	19	19
Other public transport	8	7	5	5
Parking	53	49	48	48
Enforcement	32	33	32	32
Roading and footpaths	14	15	14	14
Internal Support	15	15	8	8
NZTA subsidies	243	252	252	253
Auckland Council operating funding	260	275	274	283
Total operating income	786	821	864	878
Operating Expenditure				
Rail	171	171	173	173
Bus	250	282	337	346
Ferry	20	25	37	39
Other public transport	51	51	44	44
Parking	12	12	14	14
Enforcement	21	21	21	21
Roading and footpaths	128	132	135	139
Internal Support	126	121	97	95
Depreciation	338	397	361	359
Total Operating Expenditure	1,119	1,212	1,219	1,231
Surplus/(deficit) from Operations	(333)	(391)	(355)	(353)
EMU Principal Repayment	5	6	6	7
Surplus/(deficit) from Operation excl. Depreciation	0	0	0	-0

Capital budgets (\$million)	Annual Plan	Draft AP	Long Term Plan	
	2016/17	2017/18	2018/19	2019/20
Total capital expenditure	765	1,097	554	680
Comprised of:				
Growth	118	273	81	87
Improve level of services	408	560	239	333
Renewals	239	264	234	260
Total application of capital funding	765	1,097	554	680
Sources of capital funding:				
Subsidies and grants	217	175	335	248
Auckland Council	548	922	219	432
Total sources of capital funding	765	1,097	554	680
Shareholder equity ratio	96%	96%	96%	97%

Expenditure towards Māori outcomes

Expenditure on Māori outcomes is currently embedded in wider project budgets. Auckland Transport will continue to report on expenditure on Māori outcomes as part of its quarterly report to Council.

Other financial information

Current value of assets	The current value of Auckland Transport assets as at 31 December 2016 is \$17,500 million	
Shareholder equity ratio	The latest shareholder equity ratio for Auckland Transport as at 31 December 2016 is 96%	
Accounting Policies	Auckland Transport accounting policies are consistent with those of the Auckland Council group policies.	
Financial Reporting	Auckland Transport financial reporting will be in accordance with requirements of the CCO Governance Manual.	
Asset sales (\$ million)	2015/16 Actual	1
	2016/17 LTP	0
	2017/18 LTP	0
	2018/19 LTP	0

8. APPROACH TO GOVERNANCE

Auckland Council works in partnership with its CCOs and the agreed approach to governance is outlined within the CCO Governance Manual which sits alongside this SOI and also forms part of the annual binding agreement between council and Auckland Transport.

Auckland Transport is required to hold two public meetings a year (Local Government (Auckland Council) Act 2009), as follows:

Purpose	Date	Form of Public Notification
Consider performance against previous year SOI targets	August each year	Public notification in newspapers with a circulation across Auckland, and on the Auckland Transport website.
Consider shareholder comments on draft SOI	June each year	Public notification in newspapers with a circulation across Auckland, and on the Auckland Transport website.