

# Auckland Transport Quarterly Report

Quarter ended 31 March 2017

CCO Governance and Monitoring Committee



*AT Park app - a parking meter in your hand*

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# 1.Executive summary

## Key Achievements for the Quarter

Auckland Transport (AT) has had a successful quarter with progress on a broad front and a number of significant milestones achieved. AT is well set up for delivery across the remainder of the year, despite a busy programme of work. Highlights for the third quarter were:

- Parnell Train Station is opened to the public. The station on Cheshire Street provides access to Parnell, and later to the Auckland Domain, the University of Auckland and AUT.
- AT Park app went live to the public. This app makes it easier for customers to pay for on-street parking. After registering with AT Park, customers can use their account to pay for parking directly from their phone without the need to visit a parking machine or display a ticket, and they pay only for the time they use.
- Warkworth Western Collector is opened to the public. The project includes the construction of a new bridge and intersection upgrade that supports commercial and residential development in the area.
- Thousands of extra spaces on buses and trains were created to support the increase in public transport patronage, especially in March where students return to school and tertiary study.
- Construction of the Mangere Town Centre bus station upgrade is completed.
- Overall satisfaction with public transport services (88%) for the 12 months to March 2017 is up 4% compared with the same period last year. Train has the biggest increase with 92.1% satisfaction (up 8.5% compared with last year). High performing attributes with strong influence in train's overall satisfaction increase include comfort and safety during trip, the ease of getting on/off the train, the vehicle overall and friendliness and helpfulness of the staff.
- Public transport patronage for the 12 months to March 2017 has increased by 6.8% compared with the same period last year.

## Financial Performance

Deficit from operations (excludes funding for capital items) was \$222.4 million, \$20.5 million favourable to budget. The year-end deficit is expected to be \$321.9 million, \$10.7 million or 3% favourable to budget. Full year revenue from public transport and infringements is expected to be behind budget by the end of the year. However, this will be offset by higher than budgeted NZ Transport Agency operating funding and revenue from other sources such as rental income.

Capital expenditure excluding vested assets was \$476.0 million against a budget of \$543.8 million. Forecasted full year capital spend is \$700 million, \$65 million lower than budget. This represents delivery of 92% of the funded programme. The major item within the budget shortfall relates to the Special Housing Areas programme which reported a \$30 million deferral due to delays with the Regional Growth Fund decisions.

Capital funding from both AC and the Transport Agency is below budget due to the year to date underspend in capital programmes. The net result is that ratepayers will not need to fund the full capital budget for the year but the core AT programme covering roads and public transport will be almost fully delivered.

## Non-Financial Performance

There are 34 non-financial performance measures covered by the Statement of Intent (SOI). Of the 34, nine are **on target to exceed** the performance measure, nine are **on target to meet** the performance measure, 11 are **not on target to meet** the performance measure, and five are annual measures.

Highlights in terms of performance are:

- 88% of customer service requests relating to roads and footpaths received a response within AT's specified timeframes (Target: 85%)
- The number of cycling trips in designated areas in Auckland from July 2016 to March 2017 has exceeded the full year target
- Arterial road productivity is above target (12 months rolling average of 59.8% compared with target of 55%)

Performance not on target to meet performance measures are:

- Residents satisfaction with the quality of roads and footpaths in the Auckland region. Residents satisfaction for the 12 months to March 2017 has decreased by 3% compared with same period last year. While technical measures of footpath condition are satisfactory, public perception is driven by other factors.

Lower resident satisfaction with the quality of roads is affected by the disruptions caused by some construction happening around Auckland (e.g. Watercare's Hunua 4 programme is causing disruptions around the One Tree Hill area and towards Mt Roskill, CRL project, works associated with SH20, Point Chevalier interchange and remodelling of SH16 near St Lukes).

Lower resident satisfaction with the quality of footpaths is impacted by the ultra-fast broadband project and general development works when footpaths are closed off or restricted. AT is actively monitoring and rectifying disruption on these sites and seeking alternative arrangements, in the case of footpaths where practical.

- Travel times on seven key routes are not on target to meet performance measures. The travel times were impacted by intersection signal loop faults (which have now been repaired) and congestion in the shoulder peaks. Signal optimisation has been undertaken and a local network review will also be conducted to investigate further improvements on the routes.
- Annual cycle movements in the Auckland city centre. Cycle movement growth is curtailed due to the delivery of the network being behind schedule. The closure of the Lightpath cycleway for seven days and significant rain events have impacted the number of cycling trips recorded in March.
- Change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number. There were 545 fatalities and serious injuries on the local road network in the 12 months to December 2016. The local road deaths have decreased by 12% (from 41 to 36) and local road serious injuries have increased by 2.4% (from 497 to 509). The SOI target is to reduce the number of deaths and serious injuries on the local road network to 528 during 2016/17. AT is working closely with NZ Police and other stakeholders to target safety infrastructure, training, and other interventions.

## Risk Management

Key risks are monitored and reported to AT's Board. No risks have been identified that are of a governance level that could impact on the well-being or reputation of the Auckland Council Group, other than macro issues such as 'congestion levels'. These will require a long term focus if measurable improvement is expected in this KPI. ATAP is a significant step in addressing this, once funded.

## 2. Strategic issues and focus areas

In line with our strategic themes, AT has progressed the following projects over the quarter to 31 March 2017:

Strategic themes:

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

- **CRL** –The project will be delivered via a special purpose vehicle known as “City Rail Link Limited” (CRL). AC and the Government have appointed Sir Brian Roche as the establishment chair of CRL. Work is on track to establish this entity from 1 July 2017.

Work is underway on the Precinct Downtown site and Albert Street. The new entrance way to Britomart Station was completed in January 2017 and civil works within the Central Post Office building has commenced. With regard to the remainder of the project, 2017 will significantly progress on the procurement of these works.

- **Electric Trains** – Good progress has been made on reviewing the ongoing growth in ridership and the necessity for an additional order of electric trains prior to the opening of the CRL, including the potential option for battery powered units between Papakura and Pukekohe.
- **AMETI** – The AMETI programme is progressing towards the revised target completion date of 2025 (busway fully operational). The busway component is now named Eastern Busway (EB) and split into four stages to reflect the delivery sequence: EB 1 (Panmure to Pakuranga), EB 2 (Pakuranga Bus Station/Reeves Road Flyover), EB 3 (Ti Rakau Busway), and EB 4 (Botany Bus Station).
- **Manukau Bus/Rail Interchange** – Most of the building foundations have been poured and the assembly/installation of structural steel has commenced. Design work for the Putney Road upgrade is near completion and the construction for this work will be delivered as part of the bus station project.
- **Ōtāhuhu Bus/Rail Interchange** – The new station is fully operational, with only minor works remaining. Enabling works for adding AT HOP ticket gates are underway. Patronage has exceeded forecasts.
- **Pukekohe Station Upgrade** – A new bus station adjacent to Pukekohe rail station. This will cater for the new bus network in South Auckland. It has the ability to cater for six bus services, an 87 space Park and Ride and a new pedestrian overbridge linking the bus shelter and rail platform. This overbridge will meet universal access requirements. As part of the scheme, the road intersection at Custom Street and Manukau Road will be upgraded and turned into a signalised intersection. The construction has been split into two stages with Stage 1 completed and Stage 2 commenced.
- **Wynyard Quarter – Integrated Road Programme** – Halsey Street north - Stormwater and sanitary sewer works are complete along with tram base, sleepers, rails and concrete infill and rain gardens.
- **Ponsonby Road Intersection Upgrades** – Construction work at the intersection of Ponsonby Road and Lincoln Street began in February and were substantially completed in March. The remainder of the works are expected to be completed April through to September at the Anglesea Street, Brown Street, Collingwood Street, Douglas Street, Mackelvie Street, Norfolk Street, and Pollen Street intersections.
- **Walking & Cycling Major Projects**
  - **Herne Bay to Westhaven Cycle Route** – The draft consultation summary report has been completed following completion of the public consultation. Further design is scheduled to start in April 2017 following meetings with key stakeholders to address concerns raised during consultation.

- **Parnell to Tamaki Cycle Route** – Combined cycleway and parking strategy. Public consultation was completed in December 2016, with the consultation report completed this month. The cycleway proposal along St Stephens and Gladstone Roads generated a number of submissions and the project team are meeting with key stakeholders to address concerns raised during consultation. The procurement for the combined investigation and design phase is underway.
- **Karangahape Road Cycle Route** – The public consultation report covering 1,700 submitters was completed in March. Procurement for the detailed design services is underway.
- **Waterview Shared Path** – The bridge piles for Alford, Soljak and Harbutt Bridges have been installed and 100m of shared path has been cast at Albie Turner Field.
- **Newmarket Laneways** – Physical works tender for Teed Street upgrade is out to market with contract award planned for early April 2017.
- **Tamaki Drive Cycle Route** – The construction of the Quay Street segment of the Tamaki Drive cycleway is planned to commence in April 2017, subject to resource consent. For the remaining two segments, The Strand to Solent and Solent to Ngapipi, procurement is underway to award the investigation and design phase with public consultation to commence in April 2017.
- **Nelson Street (Stage 2) Cycle Route** – Construction of Phase 2 of the Nelson Street cycleway north of Victoria Street to Market Place/Pakenham Street East and Pitt Street from Beresford Square to Hobson Street motorway on ramp is intended to start in May following the World Masters Games and finish late July/early August.
- **Waitemata Safe Routes** – The accelerated Greenways route physical works contract has been awarded and works are underway. Works have started at the Richmond Road side, with completion expected in May.

- **Travel planning initiatives**

- **Travelwise and Safer Communities** – The Travelwise programme involves lead teachers and students running travel mode and travel safety events in their school community. Workshops are run every year to support them. The primary school workshops were attended by 71 lead teachers and 349 students from across 68 schools. The intermediate schools workshops were attended by 18 lead teachers and 81 students from across 14 schools.
- **Rural schools** – This quarter has focused on promoting key messages to drivers about the 20km/hr speed limit when passing stationary buses. The Community Transport team delivered a rural schools workshop, both in the north and south, with a total of 15 schools, 15 lead teachers and 77 students attending.
- **Carpooling** – The new RideSHARK mobile based carpooling platform is in the process of being optimised for a soft launch in mid-April. The mobile application will be used nationally (as the current web-based Let's Carpool platform). The soft launch will be supported by a media and marketing campaign in June, coinciding with the Kiwi Carpool week.
- **Cycling Package** – In February, the Travel Demand team ran the Auckland Bike Challenge which encouraged people to cycle for their commute and other trips. The challenge met or exceeded all the targets set. There were 324 organisations who joined with 3,784 participants. There were 981 new riders and a total of 569,977 kilometres were cycled with 42,055 cycling trips. As a result of this, nine new organisations are engaging with AT to promote cycling to their staff.
- **Walking Challenge** – The Auckland Walking Challenge took place in March. There were 1,392 teams with 4,978 participants.

- **Route optimisation**

- Queenstown Road roundabout metering project was successfully commissioned in February. This help improved performance on the Auckland City Centre to airport route.
- Continuous active monitoring and reporting of performance of the city centre network took place over the quarter. Particular emphasis was given to balancing intensified utility-related works on the network and high pedestrian traffic from the cruise season over

January/February. Introduction of shared zones alongside the Britomart train station improved pedestrian interaction following the opening of the new station entrance towards Commerce Street.

- Good progress is being made on area-wide traffic signal optimisation/review undertaken by ATOC Smales. Amongst other key arterials, there has been a particular focus on the key freight routes during this quarter.
- The Whangaparaoa Road Dynamic Lane project is on track for implementation in 2017. Progress has been measured and deliberated as finer details of the trial are being worked through between NZ Transport Agency and AT. Preparation for detail design, procurement and consultation is in progress. Consultation is expected in the next quarter.

- **Health and Safety**

- **Critical risk programme** – Health and Safety (H&S) Hazard and Risk Management processes were reviewed and programme of work was developed to fulfil obligations under the Health and Safety at Work Act (HSWA). This work provides the necessary assurance to the Board, SLT and our workers that we know, understand and control our critical risks. HSWA has significantly increased the expectation that workers and their representatives are consulted and involved in aspects associated with health and safety in the workplace. The management of critical risks is no exception to this expectation and the use of reference groups for both determining the control plans and assessing effectiveness for controls is an important aspect of the process to be undertaken at AT. Progress is on track as per project timeline.
- **Supplier management review** – The purpose of the review is to ensure visibility of the H&S performance of our suppliers and their commitment to good H&S practice. The first stage of the review is to understand the current state of supplier management programme across AT in regards to H&S and identify gaps, areas of strength and recommendations. A first draft was delivered in March, however early feedback indicates a need to strengthen the involvement of H&S in the procurement process and the simplification of procedures to ensure contractors working on our assets have satisfactory H&S Standards (beyond Pre-Qualification).
- **Monitoring and measurement** – Development of a monitoring and measurement framework to deliver increased visibility to the organisation on our H&S obligations and standards, including meaningful performance indicators, for both the organisation and key suppliers. This includes enhanced Board and Senior Management reporting to include specific leading and lagging KPIs aligned to the strategic objectives, such as incidents; near misses; training; investigations; risks; audits; progress on implementation schedule; safety analytics and will also incorporate wellbeing and health measures.

- **Key People Deliverables**

- **Early careers graduate programme** – Recruiting for AT's new graduate programme began in March. The programme will recruit up to 30 students per year and aims to be the must have graduate journey for a career in transportation. It consists of five pipelines from school leavers to graduates in engineering and non-engineering roles. This forms part of our wider focus on strategic workforce planning.
- **Approach to Diversity and Inclusion** – AT's Diversity and Inclusion approach was launched at the senior leadership and staff forums in March. This is a two-year plan covering four focus areas – governance and awareness, diverse workforce, inclusive workforce and diverse leaders. AT has called for nominations for a Diversity and Inclusion Leadership team from a cross section of AT staff, who will validate, inform, govern and lead our strategy. As one of our priority areas we have commenced a diagnostic around our ageing workforce. Executive interviews and focus groups were held which are currently informing our ageing workforce strategy.
- **Refreshed AT Values** – AT has refreshed its Values as part of the new AT vision and mission statement. This includes a greater focus on our customers and a fifth value of Be Safe has been added to reflect the importance we place on the safety and wellbeing of people.

### 3. Highlights for the last quarter

- **Parnell Train Station** – The new station on Cheshire Street was opened on 13 March 2017. It provides access to Parnell, and later to Auckland Domain, the University of Auckland and AUT. The new \$12 million station will become a vital link for students and local residents.

To begin with the station is servicing all Southern Line trains. On the weekends and off-peak it will service the Western Line trains. The station currently has platforms, shelters, ticket and AT HOP card readers and an underpass to link the platforms.

- **Paying for Parking** – In March, Auckland Transport's AT Park went live to the public. Any customer can register for an account with AT Park and use it to pay for parking from their mobile device, without the need to visit a parking machine or to display a ticket. The predominant use of AT Park will be through the smartphone application. The app can be downloaded for use on Android and Apple mobile devices. The user simply enters the 'Area ID' number (that can be found on signs and stickers on machines) and their vehicle registration plate into the app to start their session. The parking cost is charged directly to the registered credit card and there are no transaction fees. Users can also use the web or the call centre to start a parking session. Other customer benefits include:
  - Only paying for the time you park
  - Reduced likelihood of receiving an infringement ticket
  - Optional text reminder advising of parking expiry
  - Cash free transactions
  - Parking map detailing parking locations and prices
  - Available parking transaction history
- **Public Transport** – Created thousands of extra spaces on buses and trains.
  - Daily bus capacity has increased by close to 5,400 spaces and timetable changes for trains from 12 March will mean an additional 1,200 spaces are available in the morning peak.
  - The operation of 76 double-deckers and the construction last year of an extra 26 kilometres of bus lanes has improved the speed and consistency of our service.
  - There are also staff at key locations around the network monitoring waiting times in real time and capturing the general mood of customers to give us a complete picture of what is happening on the ground and enabling targeted communication.
- **Warkworth Western Collector** – The Warkworth Western Collector (Stage 1) project was opened by the Minister of Transport and the Mayor on 3 March 2017. The \$6.4 million project includes the construction of a new bridge and intersection upgrade that supports commercial and residential development in the area.
- **East West Frequent Network (FN) 32 Bus Network** – The construction of the Mangere Town Centre bus station upgrade was completed in January 2017. The upgrade includes increasing the number of bus bays from five to seven with two new bus shelters, installation of an Exeloo toilet, a new bus layover, and landscaping works.

## 4. Future outlook

- **Waterview cycleway connection** – The opening of the first stage of the Waterview cycleway connection is planned for mid-May. The second stage will follow in June and the third and final stage is planned to open in July. A community celebration is proposed for the first and last stage openings.
- **Urban Cycleway Programme** – Public consultation feedback for the Point Chevalier to Westmere project commenced 27 March and continues until 23 April. The project proposes safe cycling facilities for Point Chevalier Road, Meola Road and Garnet Road. There will be layout changes to key intersections to improve safety and better manage traffic. Design progressing on the programme and construction started on stage Northcote Safe Cycle Route. Construction of Stage 2 of the Nelson Street to Quay Street cycleway is due to commence in May.
- **Rail Network** – Trials of the Customer Information LCD screens are continuing.
- **CRL** – The procurement process will continue for the remainder of the project works with a programme to have the project fully under contract in late 2018. The establishment of the City Rail Link Limited Special Purpose Vehicle to assume operational control of the project from 1 July.
- **AMETI** – Notice of Requirement (NoR) hearings will occur in August 2017 for the AMETI Eastern Busway 1 (Panmure to Pakuranga, formerly Stage 2A). Design, consenting and property acquisition activities for future stages will continue. Completion of scheme assessment updates for Stage 2B (Pakuranga to Botany including Reeves Road) and procurement of consultancy services for the following design and consenting stages.
- **Manukau Bus/Rail Interchange** – Continuation of construction to complete foundations and further structural steel to be erected. AT is anticipating the main works will be completed by the end February 2018, followed by fitout of the facility. The new station is expected to be open to the public in mid-2018.
- **Ōtāhuhu Bus Interchange** – Installation of electronic ticket gates within the new concourse of Auckland's newest transport centre at Ōtāhuhu Station will be complete by June 2017.
- **Public Transport Safety Security and Amenity** – Ticket gate installation at Henderson. Fabrication and installation of Canopy and perimeter fencing.
- **Pukekohe Station Upgrade Stage 1** – The final sign-off of completed work will be completed by June 2017.
- **Pukekohe Station Upgrade Stage 2** – The contract for the remaining works will be awarded by 30 June 2017
- **East West (FN32) Bus Network** – Stage 1 works on Avenue Road to be completed in April 2017. Detailed design for Stage 2 works on Walmsley Road and Atkinson Road are now complete, with the construction to begin in May 2017 and completed in early August 2017. Design for cycleways on Church Street and the Mt Wellington Highway are underway. The construction of separated cycle lanes on Thomas Road and Orly Avenue in the Mangere town centre is underway and will be completed by the end of June 2017.

## 5. Key deliverables

### Progress for Key Projects/Activities from Last Quarter

Key project/activity	Status	Comments
CRL	Ongoing	<ul style="list-style-type: none"> <li>Release of Expressions of Interest for Railway Systems contract</li> <li>Construction Commencing in CPO to establish CRL tunnels</li> </ul>
AMETI – Eastern Busway 1 (Stage 2A)	Ongoing	<ul style="list-style-type: none"> <li>Notice of Requirement notified February 2017, submission period closed, evidence preparation in progress</li> </ul>
AMETI – Eastern Busway 2 and 3 (Stage 2B)	Ongoing	<ul style="list-style-type: none"> <li>Procurement of design and consenting stages underway, tender to be advertised in the second quarter of 2017. SAR updates completed in draft.</li> </ul>
AMETI – Eastern Busway 4 (Botany Town Centre)	Ongoing	<ul style="list-style-type: none"> <li>Indicative Business Case process commenced</li> </ul>
Manukau Bus/Rail Interchange	Ongoing	<ul style="list-style-type: none"> <li>Construction underway and progressing to schedule</li> </ul>
Pukekohe Station Upgrade	Ongoing	<ul style="list-style-type: none"> <li>Completed piling for overbridge</li> <li>Issued Tender for remaining Stage 2 works</li> <li>Started evaluation for tender</li> <li>Received building consent for bus shelter and main interchange</li> </ul>
Double Decker Buses (Dominion Road)	Ongoing	<ul style="list-style-type: none"> <li>Design workshop with Dominion Road Upgrade Team and MRT Team completed</li> <li>Liaised with Dominion Road upgrade team on the bus stops rationalisation</li> <li>Confirmed bus routes with AT Metro</li> <li>Design work commenced for north and south of Dominion Road</li> <li>Design work commenced for Dominion Road.</li> </ul>
Double Decker Buses	Ongoing	<ul style="list-style-type: none"> <li>Finished mitigation measures for Onewa Road route and went live on 27 February 2017</li> <li>Issued contract for CBD portion of Great North Road route and investigation underway</li> <li>Confirmed scope for Karangahape Road / Grey Lynn for Great North Road route</li> <li>Lodged resource and building consents for Great North Road route</li> <li>Completed preliminary designs for mitigation measures for Great North Road route</li> </ul>
Seal Extension	Ongoing	<ul style="list-style-type: none"> <li>Takatu Road Stage 1 construction completed</li> <li>Takatu Stages 2 and 3 construction started November 2016 is on-going</li> <li>Monowai Road design 88% complete</li> </ul>

### Planned Progress on Key Projects/Activities for Next Quarter

Key project/activity	Comments
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CRL	<ul style="list-style-type: none"> <li>Request for tender released for the Railway Systems contract</li> <li>Expressions of Interest released for the Stations and Tunnels contract</li> <li>Commencement of excavation phase of the cut and cover works in Albert Street</li> </ul>
AMETI Eastern Busway 1 (Stage 2A)	<ul style="list-style-type: none"> <li>Notice of Requirement public hearing evidence preparation</li> </ul>
AMETI Eastern Busway 2 and 3 (Stage 2B)	<ul style="list-style-type: none"> <li>Approve scheme updates, tender contract for design and consenting stage</li> </ul>
AMETI Sylvia Park	<ul style="list-style-type: none"> <li>Continue investigating impacts of revised Sylvia Park development plans and the Transport Agency T2 lanes</li> </ul>
Manukau Bus/Rail Interchange	<ul style="list-style-type: none"> <li>Continuation of the construction of the building/structural elements</li> <li>Completion of the design of Putney Way upgrade</li> </ul>
Otahuhu Bus Interchange	<ul style="list-style-type: none"> <li>Installation of electronic AT HOP ticket gates within the station concourse on May 2017</li> </ul>
PT Safety Security and Amenity	<ul style="list-style-type: none"> <li>Installation of ticket gates at Henderson station. Installation of gating canopies at Manurewa and Middlemore stations. Enabling work at Manurewa and Middlemore stations.</li> </ul>
East West (FN32) Bus Network (Early work packages)	<ul style="list-style-type: none"> <li>Construction on Stage 2 Walmsley Road and Atkinson Avenue to begin in April 2017</li> <li>Remaining Stage 2 design to be completed in mid-2017</li> <li>Construction on Stage 2 cycleways on Church Street and Mt Wellington Highway to begin mid-2017</li> <li>Construction of Orly Avenue and Thomas Road cycle lanes planned to complete in May 2017</li> <li>Detailed design for Stage 3. Remaining works expected to begin mid-2017.</li> </ul>
Double Decker Buses (Dominion Road)	<ul style="list-style-type: none"> <li>Confirm the number of verandas impacted along Dominion Road</li> <li>Reinvestigate veranda conditions of along the route</li> <li>Transport funding application for Dominion Route</li> <li>Design work to be completed for Dominion Road, and to be discussed with Dominion Road Upgrade Team and MRT Team</li> <li>Design work to be completed for north and south of Dominion Road. Consent applications to follow if required, and arrange for physical work contracts.</li> </ul>
Double Decker Buses	<ul style="list-style-type: none"> <li>Complete detailed designs for Great North Road route</li> <li>Complete temporary and permanent physical works for Great North Road route</li> <li>Trial run for Great North Road route</li> </ul>
Seal Extension	<ul style="list-style-type: none"> <li>Continue the construction of Takatu Road Stages 2 and 3 programmed to be complete July 2017</li> <li>Complete detail design for Monowai Road by April 2017, construction planned to start October 2017</li> </ul>

## 6. Financial performance

The following criteria has been used to rate the financial performance for this report:

Key	Criteria
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	Target met or exceeded (100%+)
	Target substantially achieved (97.5%-99.9%)
	Target not achieved (0%-97.4%)

\$'m	Budget to date	Actual	Variance	Comment	Full year budget
<b><u>Operational</u></b>					
Revenue/External funding	377.1	380.9		<ul style="list-style-type: none"> <li>Higher Transport Agency operating funding due to a one-off \$2.7 million of unbudgeted revenue. This relates to FY 2015/16 admin subsidy, where AT was able to claim for administration and corporate overheads at a higher rate than planned.</li> <li>Higher than expected income from AT HOP card sales and rental income.</li> </ul>	510.7
AC funding	195.1	195.1			260.2
Expenditure excluding depreciation, amortisation	561.6	554.3		<ul style="list-style-type: none"> <li>Professional fees relating to major projects (e.g. Light Rail Transit, Security Fare and Enforcement, various asset management projects) lower than expected mainly due to project scope changes.</li> </ul>	765.5
Depreciation and amortisation	253.5	244.1			338.0
Gain (loss) on derivatives and disposal of assets	-	1.4			(0.8)
Income tax benefit	-	0.1			-

\$'m	Budget	Actual	Variance	Comment	Full year budget
<b><u>Capital</u></b>					
Expenditure excluding vested asset	543.8	476.0		<p>Underspend mainly due to:</p> <ul style="list-style-type: none"> <li>Special Housing Areas programme below budget as a result of delays of Regional Growth Fund decisions</li> <li>Local Board Initiatives projects as a result of delays in obtaining consents and change of project scope</li> </ul> <p>This underspend is partly offset by higher than budget spend in CRL and AMETI due to accelerated construction works and property acquisitions ahead of programme.</p>	764.6

Vested assets	76.1	152.7		Roading vested assets received from AC higher than expected.	101.5
AC funding – subsidy	394.6	340.8		Lower AC funding as a result of lower capital expenditure.	548.0
External funding	149.2	135.2		Lower Transport Agency funding as a result of lower capital expenditure.	216.6

## 7. Performance measures

The following criteria has been used to rate the performance for this report:

Key	Criteria
	On target to exceed performance measure (more than 2.5% above target)
	On target to meet performance measure (within +/- 2.5% of target)
	Not on target to meet performance measure (more than 2.5% below target)

Performance measure	SOI Target	On track	Last actual	Date of last measure
<b>Strategic Theme - Prioritise rapid, high frequency public transport</b>				
1. Total public transport boardings (millions)	88.97		86.99	March 2017
2. Total rail boardings (millions)	19.5		19.0	March 2017
3. Boardings on rapid or frequent network (rail, busway, Frequent Transit Network - bus)	Increase at faster rate than total boardings		10.8% growth compared with 6.8% total boarding growth	March 2017
<b>Strategic Theme - Transform and elevate customer focus and experience</b>				
4. Public transport punctuality (weighted average across all modes)	93%		YTD average: 95.6%	February 2017
5. Customer satisfaction index: Public transport	84%		March result: 88%	March 2017
6. Customer satisfaction index: Road quality	70%		March result: 65%	March 2017
7. Customer satisfaction index: Footpath quality	65%		March result: 60%	March 2017
8. Customer satisfaction index: Road safety	60-65%		March result: 62%	March 2017
9. Local road deaths and serious injuries per 100 million vehicle kilometres travelled <sup>1</sup>	5		Annual measure	
10. Change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number	Reduce by at least 9 (End of year target: 528)		12 month rolling total to December 2016: 545	December 2016

Performance measure	SOI Target	On track	Last actual	Date of last measure
11. Percentage of customer service requests relating to roads and footpaths which receive a response within specified time frames <sup>2</sup>	85%		12 month rolling average: 88%	March 2017
<b>Strategic Theme - Build network optimisation and resilience</b>				
12. Arterial road productivity <sup>3</sup>	55% of the ideal achieved		12 month rolling average: 59.8%	March 2017
<b>Travel times (in minutes) on key freight routes<sup>4</sup> (performance measures 13 to 22)</b>				
13. SEART (from Sylvia Park to East Tamaki) – East Bound	11		12	March 2017
14. SEART (from East Tamaki to Sylvia Park) – West Bound	12		11	March 2017
15. Wairau Road (from SH1 to SH18) - West Bound	8		9	March 2017
16. Wairau Road (from SH18 to SH1) - East Bound	8		9	March 2017
17. Harris Road (from East Tamaki to SH1 Highbrook interchange) – West Bound	10		11	March 2017
18. Harris Road (from SH1 Highbrook interchange to East Tamaki) – East Bound	11		12	March 2017
19. Kaka Street/James Fletcher Drive/Favona Road/Walmsley Road (SH20 to Walmsley) – East Bound	13		8	March 2017
20. Kaka Street/James Fletcher Drive/Favona Road/Walmsley Road (Walmsley to SH20) – West Bound	13		7	March 2017
21. Great South Road (SH1 Ellerslie Panmure Highway Interchange to Portage Road) – South Bound	11		12	March 2017
22. Great South Road (Portage Road to SH1 Ellerslie Panmure Highway Interchange) – North Bound	11		13	March 2017
23. New cycleways added to regional cycle network (km)	16.4 km		YTD completion: 5.3 km	March 2017

Performance measure	SOI Target	On track	Last actual	Date of last measure
24. Annual number of cycling trips in designated areas in Auckland (all day)	1.2 million		YTD completion: 1,299,292	March 2017
25. Annual cycle movements in the Auckland city centre	1,847,000		YTD completion: 1,131,424	March 2017
26. Road maintenance standards (ride quality) as measured by Smooth Travel Exposure (STE) for all <b>urban</b> roads	82%		87%	March 2017
27. Road maintenance standards (ride quality) as measured by Smooth Travel Exposure (STE) for all <b>rural</b> roads	92%		94%	March 2017
28. Percentage of the sealed local road network that is resurfaced	8%		Annual measure	
29. Percentage of footpaths in acceptable condition (as defined in AT's AMP)	99%		99.5%	March 2017
<b>Strategic Theme - Ensure a sustainable funding model</b>				
30. PT farebox recovery <sup>5</sup>	47-50%		47.9%	March 2017
<b>Strategic Theme - Develop creative, adaptive, innovative implementation</b>				
31. Parking occupancy rates (peak four-hour, on-street) <sup>6</sup>	70%-90%		February 2017 rolling average: 85.8%	February 2017
32. Number of car trips avoided through travel planning initiatives <sup>7</sup>	18,400		Annual measure	
33. Active and sustainable transport mode share at schools where the Travelwise programme is implemented	40%		Annual measure	
34. Active and sustainable transport mode share for morning peak commuters where the Commute programme is implemented	40%		Annual measure	

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

<sup>2</sup> As defined in AT's customer service standards: two days for incident investigation as a high priority; three days for an incident investigation as a normal priority; one-hour emergency response time.

<sup>3</sup> 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 Road)
- St Lukes to St Johns (via Balmoral/Greenlane West/Greenlane East/Remuera Road)
- Albany to Birkenhead (via Glenfield Road)
- Henderson to CBD (via Great North Road)
- SH1 to Ti Rakau Drive (via Te Irirangi Drive)
- SH20 to Portage Road (via Tiverton/Wolverton Road)

<sup>4</sup> Maintain travel times for the 85<sup>th</sup> percentile of trips along each route.

<sup>5</sup> 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 Transport Agency guidelines.

<sup>6</sup> Four-hour peak period is defined as the top four 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 three central city parking zone precincts: Shortland/High Streets, Karangahape Road and Wynyard Quarter.

<sup>7</sup> 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.

## 8. Contribution to Māori outcomes

AT is contributing to Te Toa Takitini AC's Māori transformational shift programme, designed to improve Māori wellbeing across Tāmaki Makaurau (Auckland). This includes giving effect to kaitiakitanga, marae development and papakainga development in Whai Tiaki (cultural wellbeing). Contributions are also being made to Whai Painga (social wellbeing) including the road safety programme and the Māori Wardens.

AT's SOI 2016/17-2018/19 demonstrates its commitment to Māori responsiveness. AT will continue to engage with mana whenua on major transport infrastructure projects using Te Aranga Māori urban design principles, including te reo Māori and signage, and utilising AT's Māori Engagement Framework (which includes Māori Value assessments (MVAs)) across the following activity classes.

Activity classes	Jul-Mar 2017 Spend \$	How it contributes to Māori outcomes / Progress
<b>Roads and footpaths</b>		
<b>AMETI</b>	139,100	<p>Unveiling of mana whenua signs at Te Waipuna a Rangiatea (Van Dammes Lagoon) in December. Stage 2A documentation prepared for geotechnical authority conditions in preparation for exploratory works. A cultural heritage and archaeological management plan is being prepared. Two mana whenua representatives involved in Stage 2B multi criteria assessment workshops. Cultural induction for Geotech contractors held and two Mana Whenua cultural monitors appointed for geotechnical testing. The project is introducing stage 2A Urban Landscape Design Framework facilitated workshops. Mana Whenua to agree on an overarching theme for the design works.</p>
<b>Roads and Footpaths (general)</b>	28,200	<p>Discussions commenced with Mana Whenua in late 2016 over Matakana Link Road. A site visit and workshop on the MCA and route options was recently held with Mana Whenua and technical experts.</p> <p>Mana Whenua have also been re-engaged on Dominion Road on new bus improvements. The Cultural Landscape Plan for Dominion Road, developed by Mana Whenua in partnership with AT and Boffa Miskell in 2013, is considered by Mana Whenua to be the benchmark for Te Aranga principle application for the route.</p> <p>Ōtāhuhu Streetscape upgrade has commenced, and a site visit undertaken with four mana whenua groups. Mana Whenua expressed theme consistency to reflect other projects in the Ōtāhuhu area. Recent discussions with Mana Whenua on the approval process for selecting iwi design input and artist/s. Contractor appointed to commence design works with input from Mana Whenua on integrated artworks.</p> <p>Pukekohe (Manukau Road). Opportunity for Te Aranga principles application explored and area identified with a Mana Whenua artist/designer agreed. Budget capability identified to install water sensitive design features and art work.</p> <p>Mana Whenua engagement has also occurred on other projects including Monowai and Takitu road seal extensions, Ormiston Town main street link, Gills Road and Tamahanga footpath.</p>
<b>Glenvar Ridge Road</b>	6,600	<p>Mana whenua suggested Māori names for the new road at Long Bay. This included Te Ara Piki Kaka Road, Maramatanga Road and Hiringa Huanui Road. Following assessment against the road naming criteria, and engagement with the community and the Hibiscus and Bays Local Board, Glenvar Ridge Road was</p>

Activity classes	Jul-Mar 2017 Spend \$	How it contributes to Māori outcomes / Progress
		chosen by the Board as the new road name. Ngāti Maru artist has been chosen to design the pou for the roundabout and retaining wall design. AT has confirmed the scope of work for Te Aranga application in detailed design and construction. Once procurement is complete, design work is to commence by the end of April.
<b>Walking &amp; Cycling</b>	23,500	<p>Regular hui are being held with Mana Whenua for Glen Innes to Tāmaki Drive. Discussions are continuing on options for Section 3 across Hobson Bay. Project has requested Māori Values Assessments from Mana Whenua and input into criteria assessment.</p> <p>Waterview shared path has commissioned four mahi toi (Māori artists) from Te Akitai Waiohua, Ngāti Whātua o Ōrākei, Te Kawerau a Maki and Ngāi Tai ki Tāmaki to provide an interpretation of mana whenua stories in the new bridge designs. These include pou whenua and integrated design on bridge piers.</p> <p>New Lynn to Waterview – a Māori arborist to be selected to assist in plant species selection.</p> <p>Ngāi Tai ki Tāmaki artist to develop content for the Whau River Shared Path Bridge interpretative signage. Nominations for interpretative signage including narrative on Waitakere Ranges and Māori names for the Whau River shared path to be considered by Mana Whenua collective.</p> <p>The walking and cycling programme was the subject of several hui with Mana whenua. Engagement on cycleway projects including Tāmaki Drive, Northcote, and Ian McKinnon Drive.</p>
<b>Public Transport/ Other Public Transport</b>		
<b>City Rail Link</b>	58,200	<p>Infrastructure Sustainability Council of Australia (ISCA) technical manual (Mahi Rauora Aratohu) produced. ISCA leading rating award for C1 (Britomart) sustainability and contribution to world leading rating for Mana Whenua involvement recognised with Mana Whenua attending.</p> <p>A social outcomes strategy (Waka Eke Noa) has been developed by the social development advisor that looks at sustainable employment opportunities for Mana Whenua, Māori, Pasifika and youth, in particular. Employment projections for the CRL indicate up to 1600 jobs at peak, almost a third of them general labour.</p> <p>Mana Whenua blessed the new Britomart Station entrance building and have continued to exercise kaitiakitanga through their input into ongoing consent conditions and the monitoring of worksites. They are also inputting into design including project hoardings.</p>

Activity classes	Jul-Mar 2017 Spend \$	How it contributes to Māori outcomes / Progress
<b>Ōtāhuhu Station</b>	12,500	Station opened in December with a dawn blessing led by mana whenua and attendance and participation at the official opening. Ōtāhuhu Station design was heavily influenced by mana whenua through Te Aranga Māori Design principles application. A video on the Māori design aspects of the station is being developed and will be shown on the screens at the station. The station design was recognised for its excellence in the Karanga ō te Tūi category at the New Zealand Institute of Landscape Architects.
<b>Māori Wardens</b>	389,000	Māori Wardens provide a customer service role on some train services particularly in the evenings, and for special events. This is met through a contract between AT and Transdev.
<b>Public Transport</b>	19,800	<p>Mana Whenua have been heavily involved in the design for the Half Moon Bay wharf. Stage 1 of wharf and gangway is open for operation in April. Mana Whenua leading karakia at a dawn ceremony.</p> <p>EOI process designed by project team and Mana Whenua for Newmarket Level Crossing. Two Mana Whenua artists from Ngāti Whātua o Orākei and Ngāti Tamaoho endorsed by the collective to represent them in thematic design and cultural narratives. Integrated design process to commence in April.</p> <p>A karakia led by Mana Whenua was held on 10 March prior to the opening of Parnell Station.</p> <p>Cultural support provided by Ngāti Te Ata and Ngāti Tamaoho for the sod turning at Pukekohe station.</p>
<b>Other</b>		
<b>Road Safety and Community Transport</b>	110,500	<p>Learner licence training courses for rangatahi (Māori youth) were held at Tahuna Pā (Waiuku), Hoani Waititi, Manurewa and Ōrākei marae. While the courses were well attended, the cost of sitting the licence remains a significant barrier. The Mentoring programme, which assists rangatahi Māori in obtaining their restricted licence, was completed at Ōrākei marae and in the South Kaipara. Mentors were from members of the local community, Police and the AA, with a sponsored car from Moyes Panmure. All eight participants in the South Kaipara programme passed their restricted licenses. Challenges for participants are time and commitment.</p> <p>Site visits were carried out at Umupuia marae for speed reduction and a 'Love Being a Local' education campaign. The Ōrākei community has also approached AT about excessive speed on Kupe Street. A meeting was recently held with residents to discuss next steps. A 'Love Being a Local' campaign will be run prior to the end of June with the community.</p> <p>Successful events to promote driver licensing were held at Te Herenga Waka festival and Polyfest. Many rangatahi signed up for AT's driver licensing courses held on marae or other locations. Te Kura Kaupapa Māori o Ngā Tapuwae in Māngere has also approached AT about licensing for their tauira (students) and discussions are underway to run learners and restricted license training for them.</p>

Activity classes	Jul-Mar 2017 Spend \$	How it contributes to Māori outcomes / Progress
<b>Marae turnout project</b>	40,000	<p>Design is complete for Kia Ora marae and the marae trustees have approved the final plans. Construction is to occur prior to the end of the financial year, with tender for construction closing in early April.</p> <p>Initial engagement has occurred with Umupuia marae on the design improvements for the turnout on to the main road at Maraetai. AT is engaging with marae representatives to identity a design response and once this is complete, timeframes/staging and costs for construction will be able to be identified. Design elements will be undertaken internally.</p>
<b>Communications</b>	34,100	<p>A draft Māori Responsiveness Project Plan was developed for AT. A Māori Responsiveness Programme Manager to lead the programme of work across AT has been appointed and will commence in April.</p> <p>A Māori Engagement video was developed that promotes best practice Māori engagement across AT. The video uses the engagement process with Mana Whenua for the design and construction of Ōtāhuhu Station and Glen Innes to Tāmaki Drive as exemplar models.</p> <p>Recent updates to the App Te rā ngahau mo te whānau i runga tereina/Whānau Fun Day on the Train were also completed.</p>
<b>Other</b>	12,200	<p>The Supporting Growth-Developing Transport Network Programme has been engaging on a regional basis with mana whenua since early 2016, to determine decision making criteria for mana whenua values and long and short list options in growth areas throughout Auckland. They recently re-engaged with Mana Whenua to outline next steps. Sites visits for Mana Whenua will be held shortly.</p> <p>High level discussions with mana whenua on AT's sustainability framework were undertaken late in 2016, and their feedback has been incorporated into the Sustainability Framework. The project team is now focused on key areas of interest to Mana Whenua in the next phase of work. Engagement and initial workshops were held with Mana Whenua on the draft Transport Design Manual. Feedback is now being incorporated into the draft.</p> <p>AT has been working with the 19 tribes of Tāmaki Makaurau on a regional signage project that celebrates mana whenua's cultural tradition and stories, including a regional tohu or logo Unaunahi (fish scales). The first regional sign for Ngāti Paoa was installed in Fanshawe Street in October, with Ngāti Manuhiri at Puhinui (Warkworth) in March, and Te Akitai Waiohua at Otuaataua Stonefields in April.</p>
<b>TOTAL</b>	<b>\$873,700</b>	

## 9. Key Local Board Issues

AT Director Mark Gilbert and senior staff presented at the regional Local Board induction session in February. In addition, AT presented its Quarterly Report (progress against Statement of Intent targets) to Local Board members from across the region. This is a new initiative where the results will be presented to Local Boards around the same time as they are delivered to the Governing Body. There was good attendance the first session and unanimous support their continuation.

Also at the governance level, AT has been involved in the Governance Framework Review with a particular focus on the possible delegations of transport activities to Local Boards. Recommendations are due to AC's Political Steering Group by June.

Most Local Boards have begun, on consultation with AT, developing a long list of projects (to be refined) for their Transport Capital Fund. The Howick Local Board's major project for the last term, the Half Moon Bay ferry facility was officially opened by the Mayor and Local Board Chair, David Collings. Customer feedback on the new wharf and pontoon, which provides extended wet weather shelter, has been extremely positive.

In Rodney, the Transport Agency has committed funding (\$2 million) to begin the investigation phase of improvements to the Hill Street intersection in Warkworth. The Local Board will be closely involved in developing designs and solutions. In the south, the Pukekohe Rail Station bus terminal and Park & Ride project is in the tender evaluation stage. The Franklin Local Board has once again been closely involved as the project has developed.

## 10. Risk Management

### Progress on current internal and external audit issues

#### Internal audit

In the third quarter of the 2016/2017 year, Risk & Assurance continued to work with senior management to implement the formal program to perform an in-depth analysis of each of the Top 12 risks over a 12 month rolling period. These keys risk are across a number of areas including strategy, finance, procurement, major project delivery, technology and cybersecurity and health & safety.

During the quarter under review, Risk & Assurance has continued to work with senior management to select the next three of the Top 12 risks and analyse in detail to provide the ELT Risk and the Finance and Risk Committees with further information relating to each risk and enable a better understanding, assessment and monitoring of these risks. Risk and control attestation statements have been prepared for the executive management with a plan to attest on a regular basis. Risk appetite statements are under development for the Top 12 risks of the organisation.

Risk and Assurance has delivered four Fraud and Corruption Awareness workshops this quarter and this programme is ongoing.

Risk & Assurance will undertake an update of AT's Risk Management Framework, a review of AT Policies and Charters and development and introduction of the Bowtie methodology for assessment of key risks.

Delivery of the 2016/2017 internal audit work plan is on track with several audits in key areas such as cyber security and health and safety nearing completion. A number of special investigations (i.e. unplanned work) are also in progress or have been completed.

Risk & Assurance also continued to provide probity audit and advisory services on high value procurements or those deemed to be high risk in line with AT's Procurement Strategy.

#### External audit

The 31 December 2016 half year review engagement and the reporting pack submitted to Auckland Council was signed off by Audit NZ with no significant issues. The audit team is currently completing the interim audit in preparation for the June 2017 year end final audit. The focus of the interim audit is to update their understanding of our internal control, which includes reviewing the control environment, risk assessment processes and relevant aspects of system controls. The results of this work will have an

impact to the level of testing involved in the final audit. No major concerns have been identified at this stage.

**Group financial impacts**

AT is unaware of any financial impacts that would affect the Auckland Council Group. No changes have been made in the quarter to the approaches taken to risk management, internal audit, or external audit.