

# Auckland Transport

## Key strategic priorities

Expectation	Discussion
<b>1. Improve the efficiency and effectiveness of the transport network</b>	
<ul style="list-style-type: none"> <li>Accelerate network optimisation including improvements to the attractiveness of public transport</li> </ul>	<p>Major transport projects take years to implement, meaning it is critical to also focus on the wide range of small-scale initiatives that can be implemented quickly to get more from our existing networks.</p> <p>This includes optimising traffic signals, active network monitoring and making small improvements to intersections or corridors to make them work better.</p> <p>Auckland Transport needs to accelerate the optimisation programme in a way that improves the attractiveness of public transport as a critical component of the agenda. This might include improved frequencies, more bus lanes with longer hours, bus priority at intersections, and ongoing service optimisation.</p> <p>It will be necessary to consider options to reallocate street space to more efficient uses (e.g. bus or transit lanes, freight priority lanes, and removing some on-street parking). It will be crucial for Auckland Transport to work closely with local boards and affected businesses and residents as part of this process. This work should be closely integrated with the network optimisation work that the New Zealand Transport Agency is leading, as changes on the local road network will impact on the operation of the state highway network and vice versa.</p>
<ul style="list-style-type: none"> <li>Increase the efficiency and attractiveness of active transport</li> </ul>	<p>Recent progress in developing a safe and attractive cycling network must also be maintained to realise the value of recent investment and increase the proportion of Aucklanders who regularly cycle. A strong focus will be required to work closely with key partners and stakeholders to build ongoing support for these improvements, and to unlock New Zealand Transport Agency and government funding for cycling.</p>
<b>2. Closer integration with central government transport planning and funding</b>	
<ul style="list-style-type: none"> <li>Aligning with central government on transport planning and funding</li> </ul>	<p>Auckland Transport has worked closely with New Zealand Transport Agency: the Auckland Transport Alignment Project illustrates the progress that can be achieved when the two agencies are aligned and working collaboratively.</p> <p>Auckland Transport should deepen this relationship over</p>

	<p>the coming years. It should actively identify its overlapping interests and activities with New Zealand Transport Agency, and engage with New Zealand Transport Agency in a discussion to explore how the strategy, planning and programme management resources of the two agencies can be harnessed in a way that avoids duplication and delivers the best value for Aucklanders. For example, the progression of light rail will be an important area that requires the two agencies to act in a joined-up way.</p> <p>In recent years, Auckland Transport's capital programme has not secured the maximum co-funding from the New Zealand Transport Agency that is theoretically available. For example in the 2017-18 year, New Zealand Transport Agency funding covers approximately 22 percent of the Auckland Transport capital programme. With government and council now much more aligned on transport funding priorities, Auckland Transport should work closely with New Zealand Transport Agency to acquire co-funding for a much greater share of its capital programme. Where this requires policy changes, Auckland Transport should work closely with the council to advance these changes.</p>
<p><b>3. Safety of the transport system</b></p>	
<ul style="list-style-type: none"> <li>Develop options to improve the safety of the transport system</li> </ul>	<p>As highlighted in Auckland Transport's most recent quarterly report, the road safety statistics for deaths and serious injury are tracking significantly above the same point in the last year. However, the annual targets have not been met for several years.</p> <p>Auckland Transport needs to undertake a robust analysis of the causes behind this trend, and come up with options to reverse it. This should:</p> <ul style="list-style-type: none"> <li>integrate with national safety initiatives</li> <li>draw on international evidence as to what works</li> <li>consider Vision Zero<sup>1</sup> principles</li> <li>comprehensively review all options to improve safety outcomes.</li> </ul> <p>Auckland Transport should engage with the council on the different options for improving safety and their implications, including financial impacts.</p>
<p><b>4. Integrated urban regeneration</b></p>	
<ul style="list-style-type: none"> <li>Actively participate in the integrated governance of urban regeneration</li> </ul>	<p>Panuku has a mandate from the council to facilitate urban regeneration and place-making activities of the Auckland Council group.</p>

<sup>1</sup> Vision Zero is an international approach to road safety which seeks to eliminate all traffic fatalities and severe injuries on the roads while increasing safe, healthy, equitable mobility.

	<p>Urban regeneration involves a mix of town centre redevelopment, transport projects, new housing, economic development, community facilities upgrades and three waters. It needs to create places which Aucklanders feel proud of.</p> <p>The successful implementation of urban regeneration projects requires close collaboration across all council business units, CCOs and local boards - each CCO has unique attributes to bring to the table through its specific capability, resources and mandate.</p> <p>In light of this, the council group needs to move to an integrated governance model for all of its urban development priority areas. All CCOs with a role in this need to actively participate in the development of fit-for-purpose governance models for each area. One of the practical implications of this new approach is that participating agencies will be expected to reallocate existing budgets to urban regeneration priorities.</p> <p>For Auckland Transport, this will provide opportunities to reach broad based agreement on how the Roads and Streets Framework will be implemented in each area. Auckland Transport should work closely with local boards to ensure that should guide streetscape designs, intersection re-designs, renewal programmes and better integration of walking and cycling elements into new projects and upgrades.</p>
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### **Additional priorities for Auckland Transport**

Separate from the SOI process, Auckland Transport needs to make significant progress on other immediate issues of importance, as set out below.

a) Implement actions from the Governance Framework Review:

Auckland Transport played an active role in the Governance Framework Review, which arrived at a number of recommendations for how Auckland Transport could better give effect to the governance role of local boards in local place-making. Auckland Transport will need to make sure it actively implements those recommendations, working closely with each of the 21 local boards and with council staff. Auckland Transport is required to report back to the Governing Body in February 2018 with its plan for implementation.

b) Disposal of surplus assets:

Auckland Transport should ensure that any assets it holds which are surplus to its core transport purpose are assessed for disposal by Panuku Development Auckland. Auckland Transport should not be disposing or redeveloping surplus assets; Panuku has been charged with disposing surplus assets across the group to provide additional revenue for the council group. In practice, this process has been challenging for Panuku, and it may be necessary to further consider the property disposal policy to consider how the different parties with an interest in disposals can be better incentivised to accelerate the rate of disposals.

c) Provide excellent customer service into the resource consenting process:

Auckland Transport also needs to make sure that it is providing excellent customer service into the resource consenting process. Auckland Council's performance in meeting its statutory timeframes depends on Auckland Transport's input into consent applications.

# Watercare Services Limited

## Key strategic priorities

Expectation	Discussion
<p><b>1. Active leadership and participation in implementing the three waters value for money (s17A) review</b></p>	
<ul style="list-style-type: none"> <li>Active leadership and participation in the preparation and subsequent implementation of a report on the feasibility and time frame for implementation of the review recommendations</li> </ul>	<p>The recent s17A value for money review identified that there needs to be further integration of water supply, wastewater and stormwater (the three waters) to deliver the best environmental, social, cultural and economic outcomes for Aucklanders.</p> <p>The Finance and Performance Committee endorsed the specific recommendations and requested Auckland Council's chief executive (in collaboration with council-controlled organisations) to report back to the Committee by 27 February 2018 on the feasibility and time frames for implementing them (FIN/2017/157).</p> <p>Watercare has an important leadership role to play in developing and implementing the recommendations arising from this work. This will need to be exercised in partnership with the council; a flexible approach will be required by all involved.</p> <p>The board will need to give careful consideration to the organisational culture changes that may be needed in Watercare to successfully implement the recommendations.</p>
<p><b>2. Participate in the integrated governance of urban regeneration priorities</b></p>	
<ul style="list-style-type: none"> <li>Actively participate in the integrated governance of urban regeneration priority areas</li> </ul>	<p>Panuku has a mandate from the council to facilitate urban regeneration and place-making activities of the Auckland Council group.</p> <p>Urban regeneration involves a mix of town centre redevelopment, transport projects, new housing, economic development, community facilities upgrades and three waters. It needs to create places which Aucklanders feel proud of.</p> <p>The successful implementation of urban regeneration projects requires close collaboration across all council business units, CCOs and local boards - each CCO has unique attributes to bring to the table through its specific capability, resources and mandate.</p> <p>In light of this, the council group needs to move to an integrated governance model for all of its urban</p>

	<p>development priority areas. All CCOs with a role in this need to actively participate in the development of fit-for-purpose decision-making models for each area. One of the practical implications of this new approach is that participating agencies will be expected to reallocate existing budgets to urban regeneration priorities.</p>
<p><b>3. The Western Isthmus Water Quality Improvement Programme</b></p>	
<ul style="list-style-type: none"> <li>Continue to collaborate on the optimal solution for the Western Isthmus Water Quality Programme (including consideration of a new entity to deliver it)</li> </ul>	<p>The joint agreement by the council and Watercare of a programme to address water quality issues in the western isthmus represents a significant milestone on a long-standing issue.</p> <p>Watercare will need to continue to work closely with the council to progress funding and governance arrangements (including consideration of a new entity) for the Western Isthmus Water Quality Programme through the development of the Long-term Plan 2018-2028.</p>
<p><b>4. New vehicles to develop infrastructure for growth</b></p>	
<ul style="list-style-type: none"> <li>Be flexible in the development of new entities to provide infrastructure for growth</li> </ul>	<p>The council is considering working with the government on funding new infrastructure through Crown Infrastructure Partners and other special purpose vehicles (SPVs).</p> <p>The current focus is the development of greenfield developments in the north and south, and in due course the Central Interceptor project may be assessed for inclusion in an SPV.</p> <p>Watercare should support the use of fit-for-purpose SPVs as a mechanism for financing infrastructure for growth. The board should ensure that its planning and procurement for the Central Interceptor can accommodate its inclusion in an SPV.</p>

**Additional priorities for Watercare**

Separate from the SOI process, Watercare needs to make significant progress on other immediate issues of importance, as set out below.

- a) Provide excellent customer service into the resource consenting process:

Watercare also needs to make sure that it is providing excellent customer service into the resource consenting process. Auckland Council’s performance in meeting its statutory timeframes depends on Watercare’s input into consent applications.

# Auckland Tourism Events and Economic Development Limited

## Key strategic priorities

Expectation	Discussion
<b>1. Review of ATEED’s focus areas to respond to Auckland’s economic challenges</b>	
<ul style="list-style-type: none"> <li>Continue to work closely with the council as part of a review of ATEED’s focus areas</li> </ul>	<p>ATEED should build on the work carried out so far on its first principles review. The Board has signalled this will prioritise activities that support the creation of more high quality employment opportunities that are accessible and more equally distributed across the region.</p> <p>Given the tight financial environment, ATEED needs to work closely with council to determine the areas that will require a reduction in funding or divestment in order to free up resources for higher priority activity.</p> <p>This will also require new measures to be developed to align with the new focus areas.</p>
<b>2. Leverage the council’s infrastructure and urban regeneration investments</b>	
<ul style="list-style-type: none"> <li>Actively participate in the integrated governance of urban regeneration priority areas</li> </ul>	<p>Panuku has a mandate from the council to facilitate urban regeneration and place-making activities of the Auckland Council group.</p> <p>Urban regeneration involves a mix of town centre redevelopment, transport projects, new housing, economic development, community facilities upgrades and three waters. It needs to create places which Aucklanders feel proud of.</p> <p>The successful implementation of urban regeneration projects requires close collaboration across all council business units, CCOs and local boards - each CCO has unique attributes to bring to the table through its specific capability, resources and mandate.</p> <p>In light of this, the council group needs to move to an integrated governance model for all of its urban development priority areas. All CCOs with a role in this need to actively participate in the development of fit-for-purpose governance models for each area. One of the practical implications of this new approach is that participating agencies will be expected to reallocate existing budgets to urban regeneration priorities.</p> <p>This will be an important area of focus for ATEED as it seeks to take a strong spatial focus across Auckland to identify the specific opportunities and challenges for</p>

	growing business and employment.
<p><b>3. Getting the most from major events in Auckland</b></p>	
<ul style="list-style-type: none"> <li>• Preparation for America's Cup and the Asia-Pacific Economic Conference in 2021</li> </ul>	<p>The Asia Pacific Economic Conference is expected to attract up to 22,000 international attendees to 12 events held throughout the year, while the America's Cup will bring a significant number of visitors to Auckland as well as a large global audience. Each event presents an opportunity to showcase Auckland, create long-lasting public amenities and bring about urban renewal in Auckland.</p> <p>Pending the confirmation of the America's Cup location, ATEED should continue to work proactively with the council, other CCOs and Team New Zealand to ensure that Auckland gets the most from staging such a large-scale global event. It should also think about how the event and the associated venue and facilities could bring enduring benefits to Aucklanders.</p> <p>The plans will need to be closely integrated with plans for the city centre and the waterfront, and promote excellent economic, environmental and cultural outcomes.</p>

# Panuku Development Auckland Limited

## Key strategic priorities

Expectation	Discussion
<b>1. Central government housing interventions</b>	
<ul style="list-style-type: none"> <li>Central government housing interventions and Panuku's programme of redevelopment</li> </ul>	<p>The new government has signalled it intends to significantly increase the supply of housing, including affordable housing. Urban development authorities with expanded powers could be used to facilitate an acceleration of housing supply.</p> <p>It is probable that any changes arising from the new government's policies will impact on Panuku in a material way, including activity within Panuku's regeneration priority areas. Panuku will need to be flexible and responsive in working with the council on clarifying its role. The statement of intent may need to be adjusted as the changes become clearer.</p>
<ul style="list-style-type: none"> <li>Actively participate in the integrated governance of urban regeneration priority areas</li> </ul>	<p>Panuku has a mandate from the council to facilitate urban regeneration and place-making activities of the Auckland Council group.</p> <p>Urban regeneration involves a mix of town centre redevelopment, transport projects, new housing, economic development, community facilities upgrades and three waters. It needs to create places which Aucklanders feel proud of.</p> <p>The successful implementation of urban regeneration projects requires close collaboration across all council business units, CCOs and local boards - each CCO has unique attributes to bring to the table through its specific capability, resources and mandate.</p> <p>In light of this, the council group needs to move to an integrated governance model for all of its urban development priority areas. All CCOs with a role in this need to actively participate in the development of fit-for-purpose governance models for each area. One of the practical implications of this new approach is that participating agencies will be expected to reallocate existing budgets to urban regeneration priorities.</p> <p>As part of this agenda, Panuku should work closely with each relevant local board in priority development areas in their roles as governors of local assets and services, and as representatives of local community</p>

	<p>preferences. This will need to be in a way which reflects Auckland Council’s shared governance structure.</p>
<p><b>2. Leveraging the benefits of major events</b></p>	
<ul style="list-style-type: none"> <li>• Preparation for America’s Cup and APEC in 2021</li> </ul>	<p>The Asia-Pacific Economic Conference is expected to attract up to 22,000 international attendees to 12 APEC-related events held throughout the year, while the America’s Cup will bring a significant number of visitors to Auckland as well as a large global audience. Each event presents an opportunity to showcase Auckland, create enduring public amenities and bring about urban renewal in Auckland.</p> <p>Pending the confirmation of the America’s Cup location, Panuku should continue to work proactively with the council, other CCOs and Team New Zealand to stage such a large-scale global event which will also provide an enduring benefit to Aucklanders. This should be closely integrated with plans for the city centre and the waterfront, and promote excellent economic, environmental and cultural outcomes.</p>

**Additional priorities for Panuku Development Auckland**

Separate from the SOI process, Panuku needs to make significant progress on other immediate issues of importance, as set out below.

- b) Ensure that the governance role of local boards is integrated into its strategic planning and operations:

The council wants integrated governance of its urban development priority areas. Panuku should work closely with each relevant local board in priority development areas in their roles as governors of local assets and services, and as representatives of local community preferences. Panuku is working with council staff to clarify the respective roles of local boards and Panuku in redevelopment areas, and this will need to be in a way which reflects Auckland Council’s shared governance structure.

# Regional Facilities Auckland Limited

## Key strategic priorities

Expectation	Discussion
<b>1. Consolidating RFA's business operations</b>	
<ul style="list-style-type: none"> <li>Consolidating operations</li> </ul>	<p>Given the constrained funding environment, and in particular limited capital funding for redevelopment of assets, RFA should focus on consolidating its operations, necessary renewals, and ensuring it continues to make the most from commercial operations.</p>
<ul style="list-style-type: none"> <li>Ensuring the art gallery can sustain its operations into the future</li> </ul>	<p>There has been public concern about the financial position of the Auckland Art Gallery. RFA should advise the council on options (including operational changes) to ensure the gallery continues to offer high-quality services to the Auckland public.</p>
<b>2. Regional stadia strategy</b>	
<ul style="list-style-type: none"> <li>No significant changes to stadia until the future of Eden Park and a national stadium proposal is clearer</li> </ul>	<p>RFA has made considerable progress to develop a stadia strategy for the region, but Auckland still does not have a fit for purpose, financial and operationally sustainable network of stadiums.</p> <p>The key considerations at present are the uncertainty over the future status of Eden Park and potential prospects for a national stadium in Auckland. The nature and timing of this work has yet to be determined. Given this, RFA should continue investigations towards an appropriate development plan, but not make moves towards implementing elements of a regional stadium strategy.</p>
<b>3. Support for the cultural heritage review</b>	
<ul style="list-style-type: none"> <li>Participate fully in the cultural heritage review, including the provision of information to the independent reviewer</li> <li>Recognise that the review may mean changes for RFA's business</li> </ul>	<p>In March this year the council approved the establishment of an independent review of Auckland's major cultural heritage institutions. The review will look at whether there is a case for changes to achieve greater value from the council's investment in the sector, the strategic priorities the council and the sector should pursue, and any governance model changes to achieve those priorities. RFA should participate fully in the review, and recognise that this could result in changes for its business. RFA will need to actively respond to the findings of the review, once it has been agreed to by the council.</p>

### **Additional priorities for Regional Facilities Auckland**

Separate from the SOI process, RFA needs to make significant progress on other immediate issues of importance, as set out below.

a) Individual reporting for each of RFA's business units:

While RFA has put a significant degree of effort into operating as 'one RFA', it is important for the shareholder and the public to understand the individual performance of each of RFA's business units. RFA's first quarter report for this financial year was the first to provide performance data on each of its business units, and it should continue to report in this way.

## Auckland Council Investments Limited

### Key strategic priorities

In light of the Mayoral proposal relating to ACIL and the decisions to be made on whether this will be consulted on 11 December, ACIL should ensure that it communicates proactively with the council on any issues that are likely to be of interest to it. Some specific priorities are listed in the table below.

Expectation	Discussion
<b>1. Portfolio management</b>	
<ul style="list-style-type: none"> <li>• Future of the port</li> </ul>	ACIL should ensure that Ports of Auckland cooperates, where that is required, into the process for further consideration of the recommendations of the Ports Future Study as agreed by the Planning Committee in September 2017 (PLA/2017/126). Should any central government strategy for ports be developed, ACIL would need to ensure Ports of Auckland's cooperation in this work.
<ul style="list-style-type: none"> <li>• Capital programmes of Ports of Auckland Limited</li> </ul>	ACIL should ensure that it has visibility over Ports of Auckland Limited's capital programme, and keep the council fully informed about this. Given that Ports of Auckland Limited (POAL) forms part of the group balance sheet, any planned capital investment that might affect the council's ability to stay within its debt limits will need to be carefully managed.
<ul style="list-style-type: none"> <li>• Auckland International Airport Limited</li> </ul>	ACIL should ensure that it keeps the council fully informed of Auckland International Airport Limited's intentions around capital raising. The council needs to be aware of any actions which might impact on the council's shareholding in AIAL.