

Auckland Transport Quarterly Report

Quarter ended 31 December 2017



Auckland Transport have partnered with MOTAT on a six-month long event beginning 9 December 2017, which celebrates two centuries of the bicycle.

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1. Executive Summary

Strategic Context

Auckland Transport (AT) has made significant progress in recent years, with major improvements in the public transport system, strong patronage growth, increasing customer satisfaction rating and investment in active modes of transport, particularly cycling facilities.

Significant growth in Auckland's population continues to fuel increases in the demand for travel, putting pressure on the transport network.

Key Achievements for the Quarter

Auckland Transport has had a successful quarter with progress on a broad front and a number of significant milestones achieved. Highlights for the second quarter were:

- Public transport patronage for the 12 months to December 2017 totalled 91.1 million boardings, an increase of 7.4 percent compared with the same period last year, and is currently on track to meet the 2017/2018 SOI target.
- Overall satisfaction with public transport services (91 percent) for the 12 months to December 2017 is up five percentage points compared with the same period last year. Bus had the biggest increase, and now has 91 percent satisfaction (up six percentage points compared to the December 2016 result).
- Arterial road productivity, which measures the efficiency of key arterial routes in moving people during the peak hour, continues to exceed the SOI target of 55 percent, with the 12 month rolling average result in December 2017 reaching 63.5 percent.
- Year to date travel times on all ten of the SOI key freight routes met or exceeded their targets.
- New Network for East Auckland. The benefits of the New Network include more services, especially from 7am to 7pm, 7 days a week and buses are more frequent, at least every 15 minutes, between Howick and Botany.

Financial Performance

AT's surplus before tax (this includes funding for capital items) for the six months ended 31 December 2017 was \$240.6 million. This is \$85.2 million higher than budget, mainly due to unbudgeted vested assets revenue of \$49.4 million.

Deficit from operations (this excludes funding for capital items) was \$149 million, \$18.6 million favourable to budget mainly due to \$15.1 million lower depreciation. The full year deficit from operations is expected to be favourable by \$38.9 million due to continuing lower depreciation as a result of the revised useful life of roading assets.

Two instances of rail industrial action were experienced during December 2017 with minimal financial impact. AT are maintaining open communication with the rail operator to minimise the financial impact of any potential further industrial action.

Capital expenditure excluding vested assets was \$295.6 million, \$19.4 million ahead of budget mainly due to property acquisition deferred from last year. The full year forecast spend is expected to be \$729 million, \$37 million lower than the original budget of \$766 million. The decrease in planned spend is mainly due to the likely deferral of the Light Rail Depot purchase into next year.

Given both the reduced capital spend and a likely small cash surplus from operations, the full year cash requirement from AC is likely to be \$50 million under budget.

Non-Financial Performance

There are 36 non-financial performance measures covered by the Statement of Intent (SOI). Of the 36, eleven **exceeded** the performance measure, eleven **met** the performance measure, seven **did not meet** the performance measure, and seven are annual measures.

Highlights in terms of performance are:

- Overall satisfaction with public transport services (91%) remains the same as the previous quarter and well above the SOI target of 85%
- Arterial road productivity exceeded the SOI target of 55%, with the 12 month rolling average result in December 2017 reaching 63.5%
- The number of cycling trips in specific designated areas and in the Auckland city centre continue to exceed year-to date SOI forecasts (currently running at 105% and 106% of their targets)
- Travel times on all ten key freight routes either met or exceeded their interpeak SOI travel time targets
- PT punctuality continues to exceed the SOI target with 96.6% of services on time in the year to date

Measures that did not meet their performance measures targets:

- In December 2017, resident satisfaction with the quality of roads in the Auckland region (62%) was up one percentage point compared with last quarter. Resident satisfaction with quality of footpaths in the Auckland region (56%) was down one percentage point compared with last quarter. These scores are below the SOI targets of 70% and 65% respectively.
- Local road deaths and serious injuries continue to trend upwards and are now significantly higher than the SOI target. A Speed Management Implementation Plan will be delivered in early 2018 to change speeds on 10% of the rural and urban network. An Auckland Safe Roads Strategy is also being finalised to direct combined AT, Police, NZ Transport Agency and ACC actions to improve road trauma. Combined infrastructure, education and enforcement activities continue to be delivered at high-risk locations and communities through three local Road Safety Action Plans.
- Satisfaction with AT's engagement with local boards improved slightly from the 2016 result, but remains below the SOI targets of 60%
 - Satisfaction with AT's reporting to local boards was 56% in the 2017 survey, an increase of one percentage point on the 2016 result
 - Satisfaction with AT's consultation with local boards was 42% in the 2017 survey, an increase of two percentage points on the 2016 result
 - AT's elected member relationship unit has a plan to improve the overall quality of reports to local boards which includes receiving monthly feedback, and are focused on providing advice to support local boards with their capital fund decisions
 - While not an SOI measure, satisfaction with AT's Elected Member Relationship Managers was 85% in the 2017 survey, an increase of seven percentage points on the 2016 result and an increase of ten percentage points on the 2015 result

- AT has an SOI target of resurfacing / rehabilitating 7.5% of the sealed local road network during 2017/18. Due to the need to prioritise funding to undertake urgent emergency repairs to our asset base including storm event generated renewals and the sea wall, the 2017/18 programme is not forecast to meet this target
- The total public transport farebox recovery ratio was 45.9% in December 2017, below the SOI target range of 47 to 50 percent. This reflects the impact of the introduction of Simpler Fares in August 2016, which reduced fares for the majority of users. A fare review was agreed by the AT Board in November and will take effect on 11 February 2018.

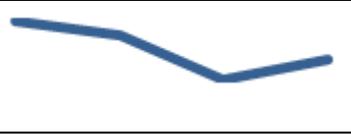
Risk Management

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.

2. Strategic Issues and Focus Areas

Strategic Context

Key external indicators continue to show increasing demand for transport in Auckland. The following table shows the most recent results for our key indicators, and the corresponding result three, six and 12 months ago. While still growing strongly, the table indicates that the rate of Auckland's growth may be beginning to slow from the levels experienced in recent years.

Auckland Regional Indicator	September 2016	March 2017	June 2017	September 2017	Growth Rate
Annual net international migration ¹	32,768	35,772	36,650	36,404*	
Annual increase in employment ²	68,400	60,000	35,600	46,800	
Annual number of housing consents ³	10,024	10,199	10,364	10,317	
Annual GDP increase ⁴	4.4%	4.1%	3.4%	2.6%	

*Latest figure for annual net international migration to Auckland for October is 36,357, an increase of 9.4% from the 12 months to October 2016

Consistent with the above external indicators, transport metrics continue to show growth in demand for travel in Auckland, although the rate of growth has reduced.

- Public transport boardings grew by 7.4 percent for the year to December 2017 compared with the year to December 2016
- The total number of cars registered in Auckland grew by one percent, an increase of 12,469 cars from 952,534 as at December 2016 to 965,030 cars as at December 2017
- Fuel sales continue to grow, increasing by 2.9 percent for the 12 months to November 2017 compared with the 12 months to November 2016
- A total of 19.3 million passenger movements were recorded through Auckland Airport in the 12 months to September 2017, up 8.5 percent compared with the 12 months to September 2016

¹ Calculation based on data from Statistics NZ, *International Travel and Migration: October 2017*

² Calculation based on data from Statistics NZ, *Household Labour Force Survey tables for September 2017 quarter*

³ Calculation based on data from Statistics NZ, *Building Consents Issued: September 2017*

⁴ Infometrics Quarterly Economic Monitor – September 2017

<https://ecoprofile.infometrics.co.nz/auckland/QuarterlyEconomicMonitor/Gdp>

Progress Update on Key Projects and Initiatives

To deliver Auckland Council's priorities and to support our strategic themes, AT has progressed the following projects over the December 2017 quarter:

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

- **Electric Trains** – The Transport Agency Board and AC have approved 15 EMUs. The contract was signed with CAF in the past quarter.
- **AMETI Eastern Busway** – The AMETI Eastern Busway programme is progressing towards the revised target completion date of year 2025 to be fully operational. The busway programme is to be delivered in four stages and will provide access for East Auckland suburbs to Auckland's Public Transport Network.
- **North West Transformation** – The Supporting Growth planning team is currently assessing options for new transport connections to support growth in the North West. This study, which is being carried out in three stages over five years, consists of the identification of possible options, the confirmation of preferred options and land designations to protect preferred routes. A planning Alliance is being formed between Auckland Transport, Transport Agency, legal consultants and planning and engineering consultants to route protect future transport networks across the four identified growth areas in Auckland. These growth areas comprise Warkworth, the North, the South and the North West. Preferred consultants have been identified and a formal Alliance Agreement between the parties is scheduled to be finalised by February 2018.
- **Mass Transit (Airport to City)** – There has been increased external focus on the project in the last quarter. The team has been working with the Transport Agency in providing material for briefing the incoming Ministers. The project is featured in the Mayoral Proposal for the Long Term Plan as light rail from the central city to the airport. The new Minister of Transport has initiated a further review of ATAP which is due to report back in March 2018 and will determine how Council and Government address the funding deficit.
- **Manukau Bus Station** – In conjunction with the launch of the new East bus network, scheduled services began operating from the Manukau Bus Station on 10 December 2017. The southern side of the site was completed early with shelters, lighting, security cameras and tree planting. The bus station building was substantially complete by the end of the quarter. Streetscape works adjacent the building on Putney Way, Davies Ave and Osterley Way will continue until the end of January when this area will be open for public use while Putney Way is upgraded. Project completion is scheduled for end March 2018.
- **Otahuhu Bus/Rail Interchange** – The new station is fully operational. Installation of the electronic ticketing gates is complete and operational, and early indications are that paper ticket sales are up significantly and fare evasion is reduced. Perimeter fencing is being increased in height following an observed increase in trespass as fare evaders attempt to circumvent the ticket gates.
- **Public Transport Safety Security & Amenity** – Gating of five stations is underway for Manurewa, Middlemore, Papatoetoe, Glen Innes and Papakura.
- **East West Frequent Bus Network** – The objectives of the project are to improve public transport, cycling and walking connections between Māngere Town Centre and Sylvia Park, via Ōtāhuhu. As part of the new south bus network, frequent network route 32 was

implemented on 30 October 2016, and there is a need to improve facilities and deliver bus lanes to support this route. These early works will be delivered ahead of the larger remaining works, which are planned to begin in year 2019, subject to funding. The project has been divided into three packages:

- *Stage 1 Early Works* – Extension of the bus interchange at Mangere Town Centre, and new bus stops in Ōtāhuhu Town Centre. Work includes streetscape upgrades and new passenger amenities.
 - *Stage 2 Early Works* – Transit/bus priority lanes along Walmsley Road, Atkinson Avenue and Mt Wellington Highway, and a cycle route from Ōtāhuhu to Sylvia Park, via Avenue Road, Church Street, Meadow Street, and Mt Wellington Highway
 - *Stage 3 Remaining Works* – Transit/Bus priority lanes and cycle lanes along Massey Road and Mangere Road. Cycle lanes along Thomas Road and Orly Avenue will connect to the Mangere Town Centre
- **Pukekohe Station Upgrade** – Physical works are underway for 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 & Ride and a new pedestrian overbridge linking the bus shelter and rail platform. 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.
 - **Warkworth Matakana Link** – The Matakana Link Road project is a new greenfields road which is proposed to link SH1 and Matakana Road in Warkworth to enable the Transport Agency to achieve the full benefits of the Puhoi to Warkworth (P2Wk) project and also to enable and cater for the planned growth in Warkworth. It forms part of the TFUG vision for Warkworth and links in with other local improvements such as the Western Collector and Sandspit Link Road. Auckland Transport and the Transport Agency have agreed to co-ordinate the P2Wk and Matakana Link Road (MLR) project so that the MLR project is completed on or before the opening of P2Wk.
 - **Newmarket Crossing** – Removal of the existing level crossing at Sarawia Street to improve rail operational efficiency and safety around Newmarket Station. A bridge is proposed to replace the road access to Laxon Terrace. In the last quarter, the construction phase of the contract was tendered and the contract awarded to CLL. The contractor mobilised on 11 December 2017. The Transport Agency funding application for construction was approved, as was the KiwiRail engineering review and the first part of the archaeological approval.
 - **Walking & Cycling Major Projects**
 - **Glen Innes to Tamaki Shared Path** – Section 2 (St Johns Road to Orakei Basin) preliminary design has been reviewed and cost savings have been achieved. The cost estimates however are still above budget. Section 3 (Orakei Basin boardwalk) construction is progressing to programme. Section 4 (Orakei Basin to Tamaki Drive) public consultation has now closed. Feedback was generally positive and the majority of submissions supported the new proposed route. The project team will be working closely with key stakeholders along the route (boatshed owners and local residents) during the design phase.
 - **Herne Bay to Westhaven Cycle Route** – During public consultation, the Herne Bay Residents Association (HBRAI) raised concerns regarding the traffic impacts of redirecting traffic from local streets onto Jervois Road and Curran Street. Additional traffic impact assessment work was completed and the issue closed out with HBRAI. Detailed design started in August 2017. Further project communications have been planned to keep stakeholders informed. Construction is subject to funding.

- **Parnell to Tamaki Cycle Route** – Gateway approval was achieved to proceed with investigation and design. From the reference group workshops and online forum, the project team and the group have developed options for the corridor. A multi criteria analysis (MCA) method will be used to assess the options and select a preferred option. The MCA compares the options against each other considering factors such as safety audits, budget, parking, utilities, as well as the agreed objectives of the project.
- **Waterview Shared Path** – The project opened with a dawn karakia and civic opening on 6 October 2017. This stage completes 3km of the 3.4km shared path. The project has been successful with usage 40% above the business case of 387 customers per day. Safety, mobility and non-motorised user audits have been completed.
- **Newmarket Laneways** – The Teed Street Upgrade project construction was successfully completed on 8 November 2017. The project team are working on the project close out process.
- **New Lynn / Avondale Cycle Route** – Detailed design of the full route continues with all design work to be completed by February 2018. The tender for construction closed on 20 October 2017 however, the tendered cost is well above expectations. The project is on hold pending a review of the overall programme funding.
- **Hobson/Nelson Street Upgrade** – The pre-concept study contract has been awarded. The initial traffic modelling results show that the current cycleway upgrade on Nelson Street restricts the potential to further reduce the number of traffic lanes and traffic capacity along the corridor. Traffic modelling on Hobson Street shows that queuing would increase due to the proposed lane reduction outside the NZ International Convention Centre block. The project team is working to review and refine the model, and to consider mitigation options.
- **Tamaki Drive Cycle Route** – The Tamaki Drive Cycle Route between The Strand and Ngapipi Road is at the end of preliminary design phase. The project team have met with Ports of Auckland (PoAL) to discuss options at the Solent Street intersection and are currently awaiting feedback. The project team have also presented the options to Mana Whenua, which was well received. The flooding treatment between Outboard Boating Club and Ngapipi Road was also included as part of the Cycleway project (the construction work will be funded separately). The treatments include raising two low points up to half a metre, increasing the sea wall by 300mm and installation of one-way valves.
- **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 commenced in June and was completed in November 2017.
- **Waitemata Safe Routes** – The contractor has completed works in the town centre. Some minor design issues were identified during construction, but the decision was made at the request of the business community to complete construction to be out of the town centre before the busy Christmas period. The contractor will re-mobilise to address these minor deficiencies in early January when the town centre is quieter. The proposed improvements will be discussed with immediately affected stakeholders. Stakeholder concerns continued as the town centre works progressed, but the amplitude of the complaints have decreased since construction has moved from the town centre. Meetings continue with key community members to help explain the design rationale and benefits of the works. Work is continuing north of the town centre on Richmond Road and also in Surrey Crescent and Old Mill Road.
- **Victoria Street Cycle Route (Beaumont to Hobson)** – Detailed Design commenced mid July 2017 with completion targeting February 2018.

- **Pt Chevalier to Herne Bay Cycle Route** – Detailed design has commenced with completion scheduled for March 2018. Internal Auckland Transport consultation is currently underway for the three key project intersections. Stage 1 construction work (Pt Chevalier Road, Meola Road and Garnet Road between Meola Road and West End Road) is planned to start in June/July 2018. Stage 2 (West End Road, between Garnet Road and Jervois Road) scheme design is underway. Public consultation and progressing the project's detailed design is subject to confirming this stage's cost estimate and budget availability.
- **Westhaven to CBD Cycle Route** – The Westhaven to City Cycle Route Section 1 works were completed in late November. Consultation on Nelson Street Phase 3 was completed in October 2017. Feedback is being analysed.
- **Williamson Avenue to Karangahape Road Cycle Route** – The detailed design is nearing completion. A Road Safety Audit and a peer review of designs has been completed. Parking design relies on approval of a sight line departure which is under way. Public consultation of the Bond St/Great North Road intersection was completed and feedback analysis is underway. Consultation was closed off in December 2017. Resource consents were lodged early October 2017. Construction is programmed for early 2018.
- **Ian McKinnon Cycle Route** – Resource Consent was lodged in October 2017. The construction tender closed on 29 November 2017. The contract was awarded in December.
- **Cycle Links to Glen Innes Train Station (Local Connections to Glen Innes)** – Scheme design has been finalised and public consultation is complete. Consultation feedback analysis is under way.
- **Northcote Safe Cycle Route** – Work is continuing on the Queen Street section.
- **Taharoto/Wairau Stage 3** – Preliminary design is underway. A section of missing cycle link on the West side of Wairau road (Westlake Girls High School) has been included. Completion of preliminary design will be in March 2018.
- **Road Safety Programmes**
 - Further promotion of Maori road safety videos has occurred on radio, TV and social media
 - Promotion of learner licencing programmes, pedestrian safety and walking and cycling at community events and schools. This included developing and delivering focused road safety messaging in Te Reo Maori for Mangere road safety community programme.
 - Resources covering interactive walking, cycling and school gate road safety messages have been developed in Te Reo and are now being used in a number of schools. Resources will continue to be developed to meet the needs of the schools and communities within the available funding.
 - Ongoing work with Kupe Street speed campaign, including developing postcards containing speed messaging and installing a temporary speed monitoring device
 - Four learner licence programmes were delivered to young people with 33 passing, and more students still to sit
- **Whangaparoa Dynamic Lanes** - The system switch-on is being staged to pre-condition drivers to the changing road environment. The first stage is a static lane mode, which was switched on 21 December 2017. The trial for dynamic lane operation formally commences on 24 January 2018.

- **Health, Safety & Wellbeing**

- **“Managing Safely”** As part of our commitment to making sure our project managers and operations managers have comfort they have the knowledge and competencies to support good Health & Safety management on their projects, AT has aligned with ‘The Learning Wave’ and the ‘Construction Safety Council’ to deliver the ‘Managing Safely’ programme. Based on the internationally recognised programme provided by the UK Institute of Occupational Safety (IOSH). The aim of the programme is to provide the foundation Health & Safety knowledge, increasingly required for the successful delivery of roles. Over 60 project managers have completed the training, a snapshot of our managers’ experience to date.
- **Health and Wellbeing-** AT has engaged with wellbeing provider, Vitality Works, to deliver annual staff health checks, flu vaccinations and our online wellbeing hub – Wellbeing AT Work. Our hub provides staff with the latest research on wellbeing, as well as personal challenges, webinars and access to personal advice from a range for New Zealand’s leading experts. The Wellbeing AT Work Hub launched with success; to date, 903 (55%) staff registered to use the resource. 659 staff took up the offer to complete a Health Check during November and December, which is a 51% increase on checks in 2016 (336). Staff were provided with key health metrics and individual advice.

- **Organisational Development/Talent**

- Diversity and Inclusion – Our Diversity and Inclusion Leadership team have finalised the vision, communications plan, policies and action plan for the next two years. A progress update was provided to staff in December. This also saw the launch of AT Connects (staff support networks) and our ageing workforce plan, and a pilot of an Unconscious Bias and Cultural Intelligence learning programme was also completed.

3. Highlights from the Last Quarter

- **Public Transport**

- Overall satisfaction with public transport services (91%) remains the same as the previous quarter and well above the SOI target of 85
- Overall public transport patronage totalled 91.1 million boardings for the 12 months to December 2017, an increase of 7.4 percent, or 6.3 million boardings, on the 12 months to December 2016
- Rail boardings totalled 20.4 million for the 12 months to December 2017, an increase of 12.3 percent, or 2.2 million boardings, on the 12 months to December 2016
- Bus boardings totalled 64.5 million for the 12 months to December 2017, an increase of 6.5 percent, or 3.9 million boardings, on the 12 months to December 2016
- Ferry boardings totalled 6.2 million for the 12 months to December 2017, an increase of 2.1 percent, or 100,000 boardings, on the 12 months to December 2016

- **Network Optimisation**

- Arterial road productivity remains above target at 63.5% for the 12 months to December 2017
- Travel times on all ten key freight routes maintain their baseline interpeak targets, with six of the ten routes exceeding targets year to date

- **Active Transport**

- 5.2 km of new cycleways have been added to the network since July 2017. The 2017/18 target is to complete 10 km by June 2018.
- Cycling counts in the Auckland city centre are currently running 4.7% ahead of year to date targets
- Cycling counts at designated locations around the Auckland region are currently running 6.2% ahead of year to date targets

- **New Network for East Auckland** – On 10 December 2017, AT launched a new bus network for East Auckland. The benefits of the New Network to East Auckland include:

- More services, especially from 7am to 7pm, 7 days a week
- Buses are more frequent, at least every 15 minutes, between Howick and Botany
- Connections to the Eastern Line can be made at Panmure Interchange which head towards the City Centre and Manukau
- Connections can also be made at Ōtāhuhu interchange which is serviced by Southern and Eastern lines
- The East New Network also provides access to Middlemore, Papatoetoe and Manukau train stations
- Trains on the Eastern and Southern Lines run every 10 minutes during peak times, every 20 minutes in the middle of the day, and every 30 minutes on evenings and weekends

4.Future Outlook

- **Rail Network** – Procurement process is underway to upgrade the on-board train passenger Wi-Fi to 4G. Installation and trial to upgrade on-board passenger Wi-Fi to 4G scheduled for January 2018.
- **AMETI - Eastern Busway (EB1) Notice of Requirement** – Decisions relating to Notice of Requirement hearings (completed in December 2017) are expected to be received in February 2018. Detailed design of the Panmure Busway Bridge is continuing with expected completion in June 2018. Work continues to progress Eastern Busway Stage 2 and 3 (Pakuranga to Botany including Reeves Road) with scheme of assessment updates due for completion in January 2018 and a professional service contract awarded to deliver the design and consenting phase during the next two years.
- **North West Transformation** – The upgrading of the Westgate shopping centre will be completed by December 2018. The Northside East project will now be delivered by the Transport Agency as part of their SH16 to SH18 Connections project. The Transport Agency are developing a design for the road and will consult with property owners and the public early in 2018.
- **Mass Transit (A2C)** – Project governance is being established, including overarching governance structures, Project Control Group (PCG) and Technical Advisory Group (TAG). AT is working with the Transport Agency to confirm the revised A2C project plan. The Light Rail reference design is being completed for the Isthmus to support route protection activity. AT will continue and broaden key stakeholder engagement and communications, including updating the website and collateral information.
- **Manukau Bus Station** – Completion of all building works, including retail fitouts, and all external works adjacent to the building. Engage a contractor and undertake the upgrade of Putney Way. Undertake training and operational fitout.
- **Otahuhu Bus/Rail Interchange** – All physical works are now complete. Final walkover with contractor is being arranged to complete the defect liability period.
- **Public Transport Safety Security & Amenity** – Manurewa ticket gating infrastructure will be in operation in January 2018. Papatoetoe station ticket gates will be in operation by March 2018. Middlemore enabling works have commenced. Design of Papakura station to be progressed and concepts to developed for a further three stations.
- **East West Frequent Bus Network** – Construction to begin in February 2018 on Avenue Road, Church Street, and Meadow Street cycleway, and on Mt Wellington Highway cycleway and T2 lanes. Detailed design for Stage 3 works is expected to begin in early year 2018, with construction expected to begin in year 2019.
- **Pukekohe Station Upgrade Stage 2** – Works commenced in July 2017 and will run until March 2018. The main bridge span will be lifted in a January Rail block of line. Bus shelters will be fitted out during January and February 2018. Opening of the station is planned for early April 2018 to align with Manukau Station opening.
- **Warkworth Matakana Link** – The detailed design phase is about to commence and will run in parallel with the detailed business case/NoR phases. Lodgement of the NoR and regional consents is planned for the end of February 2018. The intention is the run the detailed design phase during the processing and submission period to enable management plans to be prepared in an effort to obtain a decision from the NoR hearing to enable us to proceed to construction without an Outline Plan of Work.
- **Newmarket Crossing** – The construction phase is expected to completed in mid-May 2018, to allow KiwiRail to undertake the signalling changes Queens Birthday weekend in time for

the July 2018 timetable change. Further Community Liaison Group meeting will be held throughout construction.

- **Rail Pedestrian Crossing Separation** – Safety in design workshops have been held for the first two crossings to be upgraded, Metcalfe Road and Glenview Road, and detailed design has been completed. Procurement of a civil works contractor is underway, with the upgrades completed over the Christmas rail shutdown period. Upgrades of a further five western line pedestrian crossings will occur between February 2018 and June 2018, with four further western line crossings associated with the New Lynn to Avondale cycleway project completed in the second half of year 2018. The upgrade of the southern line crossings will also occur in the next financial year.
- **Penrose Platform 3 Extension** – Detailed design has been completed and procurement of the main works contractor is underway, along with direct procured precast concrete platform units and retaining wall units. The physical works are planned to start on 6 January 2018 at the end of the Christmas rail shutdown, and over Auckland Anniversary weekend in January 2018, with night works at other times. Completion is targeting March 2018, ahead of the three day Ed Sheeran concert at Mt Smart Stadium.
- **Takanini and Te Mahia Station Upgrades** – Design work continues, along with engagement with the Manurewa Local Board regarding their contribution towards the Te Mahia upgrade. The majority of shelter work will take place in the first half of year 2018. Upgrades of the level crossings will be undertaken in the second half of year 2018 as part of the Rail Pedestrian Crossing Separation project.
- **Parnell Station** – The Carlaw Park footpath is under Building Consent review.
- **Half Moon Bay Bus Turning Area** – Resource consent has been approved by Council. The design has been finalised, but the Stage 1 Contractor is unable to supply an acceptable price and programme for the Stage 2 works, and proposes a seven month programme. The Stage 2 works will now be tendered to the wider construction market, and works for Stage 2 are now anticipated to be complete in May 2018.
- **Dominion Road Bus Priority Upgrade** – Consultation for Phase A works (providing continuous bus lanes and rationalising bus stop locations) went out in late November 2017 to affected parties on Dominion Road. Phase B of the project (village centre upgrades and neighbourhood bus interchanges) has been affected by the new Government's preference to progress work on LRT on Dominion Road within the next three to five years. The project team are working with the LRT team to ensure co-ordination and design integration. The double decker veranda trimming works are to be delivered in parallel with the Phase A works, to reduce disruption to local shops.
- **Tamaki/Ngapiipi Intersection** – Work recommences on 8 January 2018 to complete the work adjacent to Ngapiipi Bridge, in particular at the southwest corner. To enable this, one of the city bound traffic lanes will be closed to accommodate a safe working space. The new road layout will be in place from 8 January 2018 (weather permitting) until 31 January 2018. During this period, existing traffic movements at the intersection will be maintained, however, the left turn traffic from Ngapiipi Road will need to give way to traffic on Tamaki Drive which differs from the current arrangement. A number of options to undertake the work adjacent to the bridge abutment were explored. There is inadequate space to accommodate two lanes of traffic towards the city and footpath; while maintaining a safe working area adjacent to the bridge. As a result, the city bound approach to the bridge will reduce to a single lane. For this to work, traffic turning out of Ngapiipi Road will need to operate under a give way control. This will only be for the month of January when traffic is at its lightest. The current road layout will resume on 1 February 2018 with two city bound traffic lanes and a free left turn from Ngapiipi Road.

5.Key Deliverables

Progress for Key Projects/Activities from Last Quarter

Key deliverable	Status	Comments
Newmarket Crossing	Ongoing	<ul style="list-style-type: none"> Awarded construction contract Construction commencing 11 December 2017
New Northern Busway Station and Park & Ride	Ongoing	<ul style="list-style-type: none"> The AT Board approved the delivery of Rosedale Busway Station as part of the extension of the Northern Busway. The Offer of Services from Aurecon for the design and NoR phase of the Rosedale Busway Station has been accepted. Media Announcement by the Minister of Transport was made on 8 December.
Bus Infrastructure Improvement Programme	Ongoing	<ul style="list-style-type: none"> Completed the New Network East Rollout on 10 December 2017. This required the implementation of 106 new stops. Some of the advance designed bus stops for New Networks Central and North have also been constructed early whilst physical resource was available.
Double Decker Buses (Dominion Road)	Ongoing	<ul style="list-style-type: none"> A major project review was being undertaken on the Dominion Road Upgrade Project due to the change in priority of the MRT project. As a result, the progress of veranda modification works on Dominion Road (SH20 to View Rd) was affected significantly. The intrusive inspections and property owner engagements were effectively put on hold. Prices were obtained from pre-qualified contractors for the streetlight column relocation, traffic signal modification, signage relocation and VPID relocation. The awards of these minor work packages are on hold subject to the decision from the project review. Investigation works for the service pole relocation (undertaken by Vector) for the entire bus route were completed and the design works are now in progress. However, Vector had expressed their concern regarding the pole relocation works on the Dominion Road section (SH20 – View Road) and may not proceed with the design dependent on the decision from the project review. The preliminary design for all tree and civil mitigation works south of SH20 for the Blockhouse Bay leg (Route 25a) and Lynfield leg (Route 25b) were completed. Consultations have commenced.
Double Decker Buses	Ongoing	<ul style="list-style-type: none"> Manukau Road route – Physical works that do not need consenting are being completed and resolutions and consents for tree and veranda works underway. Remuera Road route – RFQ for professional services was issued on 4 December 2017
Seal Extension	Ongoing	<ul style="list-style-type: none"> Takatu Road construction has been completed. Monowai Road design 95% complete and work on site began in December.

Progress for Key Projects/Activities from Next Quarter

Key Deliverables	Comments
New Northern Busway Station and Park & Ride	<ul style="list-style-type: none"> Public consultation to start in January or February 2018. Aurecon to continue with the design of the Rosedale Busway Station.
Park & Ride Silverdale – Stage 2	<ul style="list-style-type: none"> Car park was opened to the public during December 2017 and usage will be monitored. Bus Station and platforms - Separate procurement required for building construction. Tendering during January 2018 with award early March 2018.
Westgate Park & Ride	<ul style="list-style-type: none"> Potential available properties will be determined which will influence next steps and enable a property strategy to be prepared
Papakura Park & Ride	<ul style="list-style-type: none"> Complete draft business case and apply for Transport Agency funding allocation in order to progress detailed design and ultimately construction this calendar year
Bus Infrastructure Improvement Programme	<ul style="list-style-type: none"> Focus will be on the design, consultation and resolution of the stops required for New Network Central for the July rollout of this area, and New Network North in September as consultant resource becomes available.
Double Decker Buses (Dominion Road)	<ul style="list-style-type: none"> Confirm the scope of works for veranda modification and service pole relocation works on Dominion Road (SH20 to View Road). These are subject to change dependent on how the MRT project is going to proceed and whether the town centre upgrades (Phase B of Dominion Road Upgrade Project) are going to proceed as planned. Complete all service pole relocation design works (by Vector) Once the scope of works are confirmed, commence veranda inspections, engage all affected property owners. Target to complete veranda detailed designs and consent process in the second quarter of 2018. Once the decision is made to proceed, award and start the physical works for the streetlight column relocation, traffic signal modification, signage relocation and VPID relocation Complete the consultations and detailed design for mitigation works south of SH20. To lodge the tree consent for the southern section. Complete the preliminary design for CBD – View Road section and proceed with consultations Complete Transport Agency funding application. It has to be done jointly with Dominion Road Upgrade Project and possibly now with the MRT Project.
Double Decker Buses	<ul style="list-style-type: none"> Manukau Road route – Continue physical works and tree pruning Remuera Road route – Start professional services

6. Financial Performance

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)

\$'m	Budget to Date	Actual	Variance	Comment	Full Year Budget
<u>Operational</u>					
Revenue/External funding	266.0	273.4		External funding is higher than budget mainly due to additional revenue from rental, enforcement and petrol tax revenue	539.3
AC funding	137.5	137.5			275.2
Expenditure excluding depreciation, amortisation	397.9	401			808.4
Depreciation and amortisation	173.2	158.1		The variance is mainly due to revised useful life of roading assets following June 2017 revaluations	363.0
Gain (loss) on derivatives and disposal of assets	-	(3.2)		Unrealised foreign exchange contract losses relating to the purchase of additional electric trains.	-
Income Tax benefit	-	0.3			-
<u>Capital</u>					
Expenditure excluding vested assets	276.2	295.6		The variance is mainly due to accelerated property purchase for Mill Road and advanced construction for Pukekohe Station and rail crossing separation	765.9
Vested assets	46.8	96.2		Roading vested assets received from AC higher than expected	103.0
AC funding – subsidy	190.5	204.2		AC's capital funding is higher as a result of capital expenditure being above budget	591.9

\$'m	Budget to Date	Actual	Variance	Comment	Full Year Budget
External funding	85.7	91.4		Transport Agency capital funding is higher than budget as a result of capital expenditure being above budget	174.0

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	2017/18 Q2 Result	Last actual	Date of last measure
Strategic Theme - Prioritise rapid, high frequency public transport				
1. Total public transport boardings (millions)	93.01		12 month rolling total: 91.1 million	December 2017
2. Total rail boardings (millions)	21.06		12 month rolling total: 20.4 million	December 2017
3. Boardings on rapid or frequent network (rail, busway, Frequent Transit Network - bus)	Increase at faster rate than total boardings		13.7% growth in RTN + FTN vs 7.5% growth in total boardings	November 2017
Strategic Theme - Transform and elevate customer focus and experience				
4. Public transport punctuality (weighted average across all modes)	94%		YTD average: 96.6%	December 2017
5. Customer satisfaction index: Public transport	85%		91%	December 2017
6. Customer satisfaction index: Road quality	70%		62%	December 2017

Performance measure	SOI Target	2017/18 Q2 Result	Last actual	Date of last measure
7. Customer satisfaction index: Footpath quality	65%		56%	December 2017
8. Customer satisfaction index: Road safety	60-65%		61%	December 2017
9. Local road deaths and serious injuries per 100 million vehicle kilometres travelled ¹	4.9	N/A	N/A	Reported at the end of the financial year
10. Percentage of local board members satisfied with AT engagement	Reporting to local board: 60%		56%	October 2017
11. Percentage of local board members satisfied with AT engagement	Consultation with local board: 60%		42%	October 2017
12. 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 nine (2017 year-end target of 537)		12 month rolling total: 741	September 2017 (3-month delay)
13. Percentage of customer service requests relating to roads and footpaths which receive a response within specified time frames ²	85%		12 month rolling average: 85%	December 2017
Strategic Theme - Build network optimisation and resilience				
14. Arterial road productivity ³	55% of the ideal achieved		12 month rolling average: 63.5%	December 2017
Travel times (in minutes) on key freight routes⁴ (performance measures 15 to 24)				
15. SEART (from Sylvia Park to East Tamaki) – East Bound	12		YTD average: 12 mins	December 2017
16. SEART (from East Tamaki to Sylvia Park) – West Bound	12		YTD average: 11 mins	December 2017

Performance measure	SOI Target	2017/18 Q2 Result	Last actual	Date of last measure
17. Wairau Road (from SH1 to SH18) - West Bound	9		YTD average: 9 mins	December 2017
18. Wairau Road (from SH18 to SH1) - East Bound	10		YTD average: 9 mins	December 2017
19. Harris Road (from East Tamaki to SH1 Highbrook interchange) – West Bound	11		YTD average: 11 mins	December 2017
20. Harris Road (from SH1 Highbrook interchange to East Tamaki) – East Bound	13		YTD average: 13 mins	December 2017
21. Kaka Street/James Fletcher Drive/Favona Road/Walmsley Road (SH20 to Walmsley) – East Bound	11		YTD average: 9 mins	December 2017
22. Kaka Street/James Fletcher Drive/Favona Road/Walmsley Road (Walmsley to SH20) – West Bound	11		YTD average: 7 mins	December 2017
23. Great South Road (SH1 Ellerslie Panmure Highway Interchange to Portage Road) – South Bound	13		YTD average: 12 mins	December 2017
24. Great South Road (Portage Road to SH1 Ellerslie Panmure Highway Interchange) – North Bound	13		YTD average: 11 mins	December 2017
25. New cycleways added to regional cycle network (km)	10 km		YTD completed: 5.2 km	December 2017
26. Annual number of cycling trips in designated areas in Auckland (all day)	1.8 million		YTD count: 865,767	December 2017
27. Annual cycle movements in the Auckland city centre	1,863,000		YTD count: 877,915	December 2017

Performance measure	SOI Target	2017/18 Q2 Result	Last actual	Date of last measure
28. Road maintenance standards (ride quality) as measured by Smooth Travel Exposure (STE) for all urban roads	81%	N/A	Reported annually in March	Reported annually in March
29. Road maintenance standards (ride quality) as measured by Smooth Travel Exposure (STE) for all rural roads	91%	N/A	Reported annually in March	Reported annually in March
30. Percentage of the sealed local road network that is resurfaced	7.5%		YTD: 2.9%	December 2017
31. Percentage of footpaths in acceptable condition (as defined in AT's AMP)	99%	N/A	Reported annually in March	Reported annually in March
Strategic Theme - Ensure a sustainable funding model				
32. PT farebox recovery ⁵	47-50%		45.9%	December 2017
Strategic Theme - Develop creative, adaptive, innovative implementation				
33. Parking occupancy rates (peak four-hour, on-street) ⁶	70%-90%		August 2017 survey result: 89.4%	August 2017
34. Number of car trips avoided through travel planning initiatives ⁷	20,240	N/A	Reported at the end of the financial year	Reported at the end of the financial year
35. Active and sustainable transport mode share at schools where the Travelwise programme is implemented	40%	N/A	Reported at the end of the financial year	Reported at the end of the financial year
36. Active and sustainable transport mode share for morning peak commuters where the Commute programme is implemented	40%	N/A	Reported at the end of the financial year	Reported at the end of the financial year

¹ 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.

- ² 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.
- 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 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)
- ⁴ Maintain travel times for the 85th percentile of trips along each route.
- ⁵ 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.
- ⁶ 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 in three central city parking zone precincts: Shortland/High Streets, Karangahape Road and Wynyard Quarter.
- ⁷ 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 Maori Outcomes

Auckland Transport 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.

Auckland Transport's SOI 2016/17-2018/19 demonstrates its commitment to Māori responsiveness. Auckland Transport 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 Auckland Transport's Māori Engagement Framework (which includes Māori Value assessments (MVAs)) across the following activity classes.

Activity classes	Oct-Dec 2017 Spend \$	How it contributes to Māori outcomes / Progress
Roads and footpaths		
AMETI	180,700	Final report for Stage 1 Archelogy completed. Stage 2 Hearings in progress. Stage 2A AC consent and Heritage NZ authority issued for geotechnical investigations and site works management plan agreed with Mana Whenua. 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 design works.
Roads and Footpaths (general)	42,500	<p>Discussions commenced with Mana Whenua in late 2016 over Matakana Link Road. A site visit and workshop on the multi criteria analysis and route options was recently held with Mana Whenua and technical experts. A Historical land tenure report was commissioned and MVAs were requested from Mana Whenua. Ngati Manuhiri has submitted an MVA.</p> <p>Mana Whenua have also been re-engaged on Dominion Road bus improvements. The Cultural Landscape Plan for Dominion Road, developed by Mana Whenua in partnership with Auckland Transport 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 artists. 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</p>

Activity classes	Oct-Dec 2017 Spend \$	How it contributes to Māori outcomes / Progress
		including Monowai and Takatu road seal extensions, Ormiston Town main street link, Gills Road and Tamahunga footpath.
Glenvar Ridge Road	46,900	Mana Whenua suggested Māori names for the new road at Long Bay. Following assessment against the road naming criteria, and engagement with the community and the Hibiscus and Bays Local Board, Glenvar Ridge Road was chosen by the Board as the new road name. Through a Mana Whenua ROI, a Hauraki artist has been chosen to design two pakoko (male and female figures) a water feature and seating will be the project Te Aranga (mahi toi) response.
Walking & Cycling	93,900	<p>Regular monthly hui are being held with Mana Whenua for the Auckland Transport Walking & Cycling Programme.</p> <p>Te Ara ki uta ki tai / Glen Innes to Tāmaki Drive - Discussions are continuing on options for Section 3 across Hobson Bay. A historical land tenure report has been commissioned and legal work sought to clarify any Treaty Settlement rights regarding the use of the land. Māori Values Assessments have been sought from Mana Whenua and input sought regarding the multi criteria assessment.</p> <p>Waterview shared path - four mahi toi (Māori artists) have been commissioned to provide an interpretation of Mana Whenua stories in the new bridge designs, names of the bridges and the pathway itself. These include pou whenua and integrated design on bridge piers.</p> <p>New Lynn to Waterview – Mana Whenua to choose plant species. 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.</p>
Public Transport/ Other Public Transport		
City Rail Link	70,100	<p>Ongoing support is being provided to CRL. 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. Employment projections for the CRL indicate up to 1600 jobs, 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	Oct-Dec 2017 Spend \$	How it contributes to Māori outcomes / Progress
Ōtāhuhu Station	14,900	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 has been completed 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.
Māori Wardens	430,000	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 Auckland Transport and Transdev.
Public Transport	29,900	<p>Mana Whenua have been heavily involved in the design for the Half Moon Bay wharf. Stage 1 of wharf and gangway opened for operation in April. Mana Whenua lead the 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 commenced in April.</p> <p>Cultural support provided by Ngāti Te Ata and Ngāti Tamaoho for the sod turning at Pukekohe station.</p> <p>Manukau Bus Interchange - Mana Whenua artists (mahi toi) to develop common design element themes agreed by the grouping. Six mahi toi pieces have been commissioned, Kupenga (fishing net) glass façade, two large wall mounted features at entrance ramps, two hanging manu aute (Maori kites) in the concourse, impression concrete design on western exterior.</p>
Other		
Road Safety and Community Transport	344,200	Last quarter site visits were carried out at Umupuia marae for speed reduction and a 'Love Being a Local' education campaign. This has been put on hold until the new financial year. The Orākei community has also developed and delivered a local community speed campaign to highlight the risk of excessive speed on Kupe Street. The residents have fully supported this campaign by being the "faces" on the billboards and distributing promotional material. Development for a series of Māori Road Safety videos and resources for Te Kura Kaupapa Māori o Ngā Tapuwae in Māngere has been completed and will be distributed from July. These cover the themes of Speed, Restraint use, Alcohol impaired driving and Distraction. The material will be disseminated to the Rangatahi via social media. Planning is underway for the Te Ara Haepapa programme for 2017/18 financial year.
Marae turnout project	159,900	Construction of the Kia Ora marae entrance was completed during the last quarter. Initial engagement has occurred with Umupuia marae on the design improvements for the turnout on to the main road at Maraetai. Progress will be made in the new financial year.

Activity classes	Oct-Dec 2017 Spend \$	How it contributes to Māori outcomes / Progress
Communications	34,100	<p>A draft Māori Responsiveness Project Plan was developed for Auckland Transport. A Māori Responsiveness Programme Manager to lead the programme of work across Auckland Transport has been appointed and has commenced work.</p> <p>A Māori Engagement video was developed that promotes best practice Māori engagement across Auckland Transport. 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>
Other	15,900	<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. Three bus trips have recently been completed visiting the sites proposed for growth focussing on the North, Central West and South.</p> <p>High level discussions with Mana Whenua on Auckland Transport'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>Auckland Transport 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). Ngati Tamaoho has unveiled there sign at Patumahoe, Ngati Whatua Orakei at Te Rerenga ora iti (Pt Britomart) and Ngati Rehua and Ngati Maru are due for unveiling shortly.</p>
TOTAL	\$1,463,000	

9. Key Local Board Issues

On 11 December 2017, local boards received a presentation on Auckland Transport's Quarterly Report (progress against SOI targets). This quarterly update is aimed at providing local board members with the same information that is reported to the Governing Body on a quarterly basis. The well-attended session also included a presentation on Auckland Transport's parking strategy.

During this reporting period Auckland Transport continued to work with individual local boards on prioritising projects to utilise their Transport Capital Fund. Currently Auckland Transport has more than 70 projects in various stages of feasibility investigation. Auckland Transport staff also worked closely on developing business cases as part of the One Local Initiative programme of work being led by Council. The following identified major transport projects which they will now advocate to the Governing Body for through upcoming budget rounds:

- Orakei – Gowing Drive (Meadowbank) underpass
- Papakura – Papakura park and ride
- Devonport/Takapuna – Lake Road improvements

Auckland Transport began initial engagement (on un-prioritised capital projects) with local boards and feedback will be incorporated, where appropriate, into the Draft Regional Land Transport Plan (RLTP). The Draft RLTP will be the subject of cluster workshops with local boards in mid-February. The Draft Regional Public Transport Plan will also be workshopped with local boards before being publicly consulted on as part of the Long Term Plan.

Auckland Transport has begun work on a ferry strategy for the region. Local boards with interests in ferry strategies have received information relating to the scope and timelines for the review. They will be engaged with individually during February/March 2018.

One of the recommendations of the Governance Framework Review was an evaluation of the local board Transport Capital Fund with a view to possibly increasing the quantum and changing the allocation model. Options will be workshopped with local boards individually in February.

10. Risk Management

Progress on Current Internal Audit Issues

Internal Audit

In the second quarter of the 2017/18 year, Risk & Assurance continued to work with senior management to implement a formal program of key risk assessment and in-depth analysis of each of the 12 key risks over a 12 month rolling period. These key risks are across a number of Auckland Transport business areas including strategy, finance, procurement, major project delivery, asset management, technology and cybersecurity and health and safety.

During the quarter under review, the three key risks that were added after the previous quarter's refresh were selected for detailed analysis and assessment. Risk and control attestation statements were obtained from executive management and this will be continued on a quarterly basis. This quarter includes a half yearly regulatory compliance attestation. Risk and Assurance has been developing a risk appetite and tolerance dashboard for the key risks of the organisation.

Risk & Assurance has introduced a Fraud Risk Management Framework across the business. A fraud and corruption awareness training module is currently being loaded into the Auckland Transport online training tool, "Think Tank". This programme of work is ongoing.

Risk & Assurance is undertaking an update of AT's Risk Management Framework, a review of Auckland Transport Risk Management Policies and Charters, facilitating the review of the business unit risk registers and introducing the Bowtie methodology for assessment of key risks.

Delivery of the approved 2017/18 internal audit work plan is underway with audits in key areas such as business technology, conflicts of interest and procurement in progress. 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 potentially higher procurement risk in line with of Auckland Transport's Procurement Strategy. Auckland Transport recently completed two "alliance" procurements and the Risk & Assurance team worked collaboratively with auditors from Auckland Council and the Transport Agency to deliver probity audit and advisory services.

External Audit

Audit NZ's review engagement is being completed in January 2018 to support the reported results for the six months to 31 December 2017. The six month reporting pack will be submitted to Auckland Council on 26 January 2018. In addition, the audit team is also completing interim audit work for the year ending 30 June 2018. This involves testing key controls within the organisation, process walkthroughs and updating documentation. No significant issues have been identified at this time.

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.