

I hereby give notice that an ordinary meeting of the Transport and Infrastructure Committee will be held on:

**Date:** Thursday, 18 May 2023  
**Time:** 10.00am  
**Meeting Room:** Reception Lounge  
**Venue:** Auckland Town Hall  
301-305 Queen Street  
Auckland

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## Komiti mō ngā Tūnuku me ngā Rawa Tūāhanga / Transport and Infrastructure Committee

### OPEN AGENDA

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#### MEMBERSHIP

|                           |                            |                                 |
|---------------------------|----------------------------|---------------------------------|
| <b>Chairperson</b>        | Cr John Watson             |                                 |
| <b>Deputy Chairperson</b> | Cr Christine Fletcher, QSO |                                 |
| <b>Members</b>            | Cr Andrew Baker            | Cr Mike Lee                     |
|                           | Cr Josephine Bartley       | Cr Kerrin Leoni                 |
|                           | IMSB Member James Brown    | Cr Daniel Newman, JP            |
|                           | Mayor Wayne Brown          | IMSB Member Pongarauhine Renata |
|                           | Cr Angela Dalton           | Cr Greg Sayers                  |
|                           | Cr Chris Darby             | Deputy Mayor Desley Simpson, JP |
|                           | Cr Julie Fairey            | Cr Sharon Stewart, QSM          |
|                           | Cr Alf Filipaina, MNZM     | Cr Ken Turner                   |
|                           | Cr Lotu Fuli               | Cr Wayne Walker                 |
|                           | Cr Shane Henderson         | Cr Maurice Williamson           |
|                           | Cr Richard Hills           |                                 |

(Quorum 11 members)

**Duncan Glasgow**  
Kaitohutohu Mana Whakahaere Matua /  
Senior Governance Advisor

**15 May 2023**

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1 Ngā Tamōtanga | Apologies

2 Te Whakapuaki i te Whai Pānga | Declaration of Interest

3 Te Whakaū i ngā Āmiki | Confirmation of Minutes

Click the meeting date below to access the minutes.

That the Transport and Infrastructure Committee:

- a) confirm the ordinary minutes of its meeting, held on [Thursday, 20 April 2023](#), as a true and correct record.

4 Ngā Petihana | Petitions

5 Ngā Kōrero a te Marea | Public Input

5.1 Public Input: Niall Robertson - Train service to Huapai

**Te take mō te pūrongo**

**Purpose of the report**

1. Niall Robertson, Chair of the Public Transport Users Association, will address the committee regarding a train service to Huapai.

**Ngā tūtohunga**

**Recommendation/s**

That the Transport and Infrastructure Committee:

- a) whiwhi / receive the public input from Niall Robertson in relation to a train service to Huapai and whakamihi / thank him for attending the meeting.

5.2 Public Input: Peter Dunlop - Transportation to and from the Ports of Auckland

**Te take mō te pūrongo**

**Purpose of the report**

1. Peter Dunlop and Simon Jones will address the committee regarding transportation to and from the Ports of Auckland.

**Ngā tūtohunga**

**Recommendation/s**

That the Transport and Infrastructure Committee:

- a) whiwhi / receive the public input from Peter Dunlop and Simon Jones in relation to transportation to and from the Ports of Auckland and whakamihi / thank them for attending the meeting.

### 5.3 Public Input: Trevor Lawson - Devonport Town Centre Speed Management Plans

#### Te take mō te pūrongo

#### Purpose of the report

1. Trevor Lawson will address the committee regarding Devonport town centre speed management plans.

#### Ngā tūtohunga

#### Recommendation/s

That the Transport and Infrastructure Committee:

- a) whiwhi / receive the public input from Trevor Lawson in relation to Devonport Town Centre speed management plans and whakamihi / thank him for attending the meeting.

## 6 Ngā Kōrero a te Poari ā-Rohe Pātata | Local Board Input

## 7 Ngā Pakihi Autaia | Extraordinary Business

## KiwiRail Update - May 2023

File No.: CP2023/05777

### Te take mō te pūrongo Purpose of the report

1. To whiwhi / receive an update from KiwiRail on its Auckland Programme.

### Whakarāpopototanga matua Executive summary

2. The Transport and Infrastructure Committee has responsibility for the oversight of major transport and infrastructure matters that affect the Auckland region.
3. KiwiRail Holdings Limited trading as KiwiRail is a New Zealand state-owned enterprise responsible for rail operations in New Zealand.
4. KiwiRail's Chief Capital Development Officer, David Gordon, will provide an overview and update of KiwiRail's Auckland programme.
5. KiwiRail's General Manager Metros, Jon Knight, will provide an update of network operational performance.

### Ngā tūtohunga Recommendation

That the Transport and Infrastructure Committee:

- a) whiwhi / receive the update from KiwiRail.

### Ngā tāpirihanga Attachments

There are no attachments for this report.

### Ngā kaihaina Signatories

|            |   |
|------------|---|
| Author     | Mara Bebich - Executive Officer                                   |
| Authoriser | Barry Potter - Director Infrastructure and Environmental Services |





## Waka Kotahi Update - May 2023

File No.: CP2023/05450

### Te take mō te pūrongo Purpose of the report

1. To receive an update from Waka Kotahi NZ Transport Agency on its Auckland programme.

### Whakarāpopototanga matua Executive summary

2. The Transport and Infrastructure Committee has responsibility for the oversight of major transport and infrastructure matters that affect the region.
3. Waka Kotahi NZ Transport Agency is the Crown entity tasked with promoting and funding safe and functional transport by land, including the responsibility for driver and vehicle licensing, and administering the New Zealand state highway network.
4. Waka Kotahi's Auckland Programme is an important part of the regional transport delivery programme and staff from Waka Kotahi will provide an overview of transport and partnerships in Auckland and matters raised in previous meetings of the committee.

### Ngā tūtohunga Recommendations

That the Transport and Infrastructure Committee:

- a) whiwhi / receive the update from Waka Kotahi.

### Ngā tāpirihanga Attachments

There are no attachments for this report.

### Ngā kaihaina Signatories

|            |   |
|------------|---|
| Author     | Mara Bebich - Executive Officer                                   |
| Authoriser | Barry Potter - Director Infrastructure and Environmental Services |



## Watercare Infrastructure Update

File No.: CP2023/05314

### Te take mō te pūrongo Purpose of the report

1. To receive an update from Watercare Services on its capital programme and major infrastructure projects.

### Whakarāpopototanga matua Executive summary

2. The Transport and Infrastructure Committee has responsibility for the oversight of major transport and infrastructure matters that affect the region.
3. Watercare Services Limited (Watercare) is New Zealand's largest water utility supplying safe water to Auckland's communities and managing our wastewater network and treatment sites. Watercare is an infrastructure asset management council-controlled organisation wholly owned by Auckland Council.
4. Watercare's capital programme and major projects, such as the Central Interceptor, are an important part of the regional infrastructure delivery and management programmes.
5. Staff from Watercare will provide an overview of its major projects including work towards providing for growth and delivering value for money outcomes for Aucklanders.

### Ngā tūtohunga Recommendation

That the Transport and Infrastructure Committee:

- a) whiwhi / receive the update from Watercare.

### Ngā tāpirihanga Attachments

There are no attachments for this report.

### Ngā kaihaina Signatories

|            |   |
|------------|---|
| Author     | Mara Bebich - Executive Officer                                   |
| Authoriser | Barry Potter - Director Infrastructure and Environmental Services |



## Update on Eastern Busway Project

File No.: CP2023/06037

### Te take mō te pūrongo

#### Purpose of the report

1. To whiwhi / receive an update from Auckland Transport on the Eastern Busway project between Pakūranga and Botany.

### Whakarāpopototanga matua

#### Executive summary

2. The Eastern Busway will create separate lanes for new high-frequency bus services to connect people from Botany, Pakūranga and the surrounding suburbs with the rail network in Panmure. It will provide better connections and sustainable travel options for pedestrians, cyclists, motorists, bus and train customers.
3. Auckland Transport is working with four companies as the Eastern Busway Alliance to design, consent and build the Pakūranga to Botany section of the busway, alongside its mana whenua partners.
4. The project is jointly funded by the New Zealand Government, Auckland Council and the Regional Fuel Tax and has a confirmed budget of \$1.3bn. Funding has been confirmed for Stages 2 and 3 of the project between Pakūranga and Burswood. Auckland Transport has not yet made an application for Stage 4 funding from Burswood to Botany.
5. Work will progress in stages from Pakūranga towards Botany, and construction is due to be complete in 2027.
6. Jane Small, Auckland Transport's Group Manager PMO, Strategic Programmes and Property, will provide an overview and update on the Eastern Busway project between Pakūranga and Botany. There will also be an update on the project programme, staging, proposed safety and sustainability initiatives, and related community sentiment and funding of stage 4 of the project.

### Ngā tūtohunga

#### Recommendation/s

That the Transport and Infrastructure Committee:

- a) whiwhi / receive the update from Auckland Transport on the Eastern Busway Project.

### Ngā tāpirihanga

#### Attachments

There are no attachments for this report.

### Ngā kaihaina

#### Signatories

|             |   |
|-------------|---|
| Author      | Jane Small, Group Manager PMO, Strategic Programmes and Property  |
| Authorisers | Mark Laing, Acting Chief Executive Officer<br>Barry Potter - Director Infrastructure and Environmental Services |



## Approval of shareholder comments on Auckland Transport's draft Statement of Intent 2023 - 2026

File No.: CP2023/04972

Item 12

### Te take mō te pūrongo

#### Purpose of the report

1. To approve shareholder comments on Auckland Transport's draft Statement of Intent 2023-2026.

### Whakarāpopototanga matua

#### Executive summary

2. The Statement of Intent (SOI) is an annual requirement of council-controlled organisations (CCOs) specified in the Local Government Act 2002. The SOI set out the objectives and activities of Auckland Transport (AT) for the next three years, but as an annual document, it has a focus on the first of the three years.
3. The Statement of Intent process is a mix of legislative prescription and practices which have been adopted by council over time. SOIs reflect a combination of:
  - responses to the annual letter of expectation
  - agreed council plans and strategies
  - Long-term Plan priorities and annual budgets
  - the CCO view of the strategic outlook for its portfolio of activity.
4. This committee considered AT's draft SOI (Attachment A), along with comments from council staff and input from Independent Māori Statutory Board staff, at a workshop on 26 April 2023. This feedback has been collated and synthesised into the proposed shareholder comments recommended for approval in this report.
5. The key themes of proposed shareholder comments are provided below. In the final SOI we expect AT to:
  - prioritise the recovery of Auckland's public transport services to achieve pre-Covid 19 patronage levels, and then look to further significantly uplift passenger numbers for the duration of this term of council
  - implement a meaningful complaints process and measure that involves accurate capture, analysis and follow up to complaints
  - work with council staff to agree the measures and targets, including improved financial measures
  - state how collaboration will be undertaken between Auckland Council and Auckland Transport over formulation of the Regional Land Transport Plan
  - ensure communications with Aucklanders on public transport services and in community engagement generally will be improved
  - focus on making meaningful and timely progress towards meeting the Transport Emissions Reduction Plan's goals, taking advantage of lower cost, more quickly implementable actions
  - implement a works programme that delivers timely, lower cost interventions in the road corridor including but not limited to, enhancing traffic flow, mode share and project delivery.

- ensure the work programme has clear deliverables, with meaningful dates for project / programme implementation
  - reflect more innovation and project trialling in respect of project delivery in line with the Letter of Expectation's notion of delivering 'more with less'.
6. The agreed shareholder comments will be provided to AT in writing following agreement by this committee. Staff will also work with colleagues at AT to clarify any additional matters of detail or formatting. Once received, CCO Boards must consider shareholder comments before 1 June 2023 and provide council with final SOIs by 31 July 2023.

## Ngā tūtohunga Recommendations

That the Transport and Infrastructure Committee:

- a) whakaae / agree that the content of the shareholder comment letter to Auckland Transport be based on the feedback in this report, with any deletions or additions based on feedback at the meeting
- b) whakaae / agree that the Mayor and Chair of this committee be delegated the authority to finalise the shareholder feedback.

## Horopaki Context

7. The purpose of a SOI is:
  - i) to provide an opportunity for shareholders to influence the direction of the CCO
  - ii) for CCOs to outline intentions and activities for the forthcoming year
  - iii) to provide a basis for the accountability of CCO directors to the shareholders.
8. The requirements and timeframes for statements of intent are set out in Schedule 8 of the Local Government Act 2002 (LGA). SOIs are one element of council's overall strategic, planning, reporting and accountability documentation. Other documents include the statement of expectations, long-term plan and annual report.
9. The Governing Body in December 2022 agreed to approve a one-month extension of statutory deadlines for all CCO SOIs for 2023-2026 (GB/2022/137), as provided for in the Local Government Act Schedule 8, section 4.
10. Following receipt of AT's draft SOI by 1 April 2023, staff from the CCO Governance department and other relevant divisions reviewed the draft SOIs, considering statutory requirements, the letters of expectation, group strategy and policy and the draft 2023/24 annual budget. The draft SOI has been considered by staff at the Independent Māori Statutory Board. This committee considered the draft SOI at a workshop on the 26 April 2023. The feedback has been synthesised in this report.
11. If approved, the shareholder comments will be sent to the AT board chair. AT is required to consider the shareholder comments at a public board meeting before 1 June 2023, before submitting a final SOI to council by 31 July 2023.
12. Any matters relating to performance or operational issues will be communicated separately to AT, along with matters of specific detail and wording suggestions. Performance issues can be further followed up with AT through their monthly attendance and quarterly reporting to this committee.



## Tātaritanga me ngā tohutohu Analysis and advice

13. The Mayor's 2023/24 letters of expectation contained directives common to all CCOs and specific expectations to individual CCOs. Common directives were:
  - consistency with the relevant aspects of the mayoral proposal for the Annual Budget 2023/2024
  - concise SOIs with meaningful performance measures
  - be more transparent and accountable
  - implement shared services
14. As requested, AT's draft SOI generally reflects these expectations. The draft SOI is more concise and indicates at a high level that the changes expected of them are being taken on board. There are several areas, however where we recommend further clarity and detail is requested and these are discussed below.

### Alignment with annual budget

15. There are challenges in aligning the Annual Budget process with the SOI process. However, through the budget process, it should become clearer how AT will reduce costs and we expect this to be provided in the final SOI, including any impacts this may have on levels of service and performance.
16. Given the size of AT's capital programme we expect more information to be provided in the final SOI.
17. We recommend that in the final SOI Auckland Transport:
  - ensure that the financial statements are fully populated and the financial information is agreed with Financial Planning council staff to reflect decisions made in the finalisation of the Annual Budget 2023/2024
  - ensure that the financial statements provided a breakdown at activity level (bus, rail, ferry, parking and enforcement, roads and footpaths)
  - provide a summary table of capital expenditure for key capital projects.

### Meaningful performance measures, transparency and accountability

18. The SOI is a key accountability document. We note that AT have substantially modified their performance measures, with 11 of the 17 measures proposed being either new or refined. Nine of these measure have no targets or a baseline. This makes assessment of Auckland Transport's performance on a quarterly basis very challenging.
19. It is also difficult to assess AT's performance against a number of the deliverables/actions outlined in Part 2. We would expect to see in the final SOI milestones and implementation dates assigned to these deliverables. Progress towards implementing these actions should be reported on through the quarterly reporting process.
20. The CCO review recommended that CCO's regularly report on the nature of the complaints they received and how long they take to resolve them. AT's statement of intent should contain a key performance indicator dealing with these points. Greater transparency is required around AT's performance in this area to help restore customers confidence and to provide confidence to council that AT is responsive to complaints.
21. Another issue with the proposed performance measures is that despite a relatively comprehensive list of programmes and projects contributing to Māori outcomes, the draft SOI has no key performance indicators relating to them. This is an anomaly compared to other CCOs and we would expect to see a Māori outcomes measure in the final SOI.

22. It is positive that AT has included two financial measures, but these do not necessarily provide information on the effectiveness or efficiency of AT's services. Further refinement of the capital budget investment is recommended to address this.
23. We recommend that in the final SOI Auckland Transport
- work with council staff to better understand and agree the measures, methodology and targets
  - reinstates the previous SOI complaint measure and target (Percentage of formal complaints that are resolved within 20 working days) and include in the quarterly reporting detail on how the process for how these are being recorded and responded to.
  - includes the measure "adherence to the service level agreement with council (10 working days or agreed timeframe) for AT to provide specialist input into the resource consents"
  - includes a measure relating to the trialing of traffic management measures, and the reduction in road cones and compliance costs as a result
  - includes milestone, implementation or completion dates for actions and programmes
  - ensures Department of Internal Affairs and long-term plan measures are reported to council as part of the quarterly reporting.

### Specific shareholder comments for Auckland Transport

24. The following points summarises the specific expectations of AT in their letter of expectation:
- a) undertake a fundamental change in approach: deeply understand and respond to what matters most to Aucklanders
  - b) get the most out of the existing transport network
  - c) reduce AT's cost to council
  - d) deliver a better approach to traffic management: reduce developers' footprints on the road and fewer orange cones
  - e) take direction and oversight from council
  - f) support the development of a joined-up, comprehensive transport plan, written by Aucklanders
  - g) improve performance on resource consent, report delays and reduce the costs of development
25. AT have responded positively to these expectations in their draft SOI. Further clarity and refinement, however, is recommended for a number of these and proposed suggestions are provided below.

### Part 1 – Roles and responsibilities

26. AT's legislative purpose is to "contribute to an effective, efficient, and safe Auckland land transport system in the public interest." We would expect to see this addressed up front in this section. As currently worded, this section has no reference to safety.

### Part 1.3. Strategic Alignment

27. The forthcoming revised Future Development Strategy is a legislative requirement and impacts on all parts of the council group, whose activities relate to growth and development. It provides Auckland-wide direction and integration of the council's approach to growth and development and guides subsequent strategies, operational plans, programmes of work and investment decisions. AT has a key role in implementing the Future Development Strategy and we expect in the final SOI that the importance of AT's role and of collaborating with the council group to advance the strategy will be highlighted.

### Transport Emissions Reduction Plan

28. Te Tāruke-ā-Tāwhiri is a critical council strategy. The Transport Emissions Reduction Plan (TERP) was developed by Auckland Council and AT to deliver the required transport sector emissions reduction to achieve Te Tāruke-ā-Tāwhiri. TERP was jointly agreed to by the AT Board and council. TERP is a foundational document and 'getting the basics right' involves considerable alignment of all current and future expenditure within the emissions pathway. This is not evident in the AT's prioritisation framework mentioned on pages 5 and 20 of the draft SOI, and we would expect this to be included.
29. We would expect the strategic focus on reducing emissions to be reflected even more strongly in the final SOI provided to council, including reflecting the agreed mix of actions to achieve the goals of TERP. AT need to demonstrate that they are pivoting within the current budget settings and more confidence of this is sought in the final SOI. There are a number of actions that could be undertaken that have low or no capital cost, such as ensuring anchor institutions like North Shore Hospital have travel plans.
30. Agreed actions out of the TERP, especially but not exclusively those identified for immediate action, should be reflected in the final work programme, along with the early actions that were agreed by the Environment and Climate Change Committee in December 2021 (ECC/2021/45).
31. In 2020 AT adopted a greenhouse gases emissions target to halve FY2018 operational emission by FY2030. This is line with the group GHG emissions targets, which are reported as part of the Annual Plan. AT's commitment to these targets should be reflected in the draft SOI.
32. We recommend in the final SOI Auckland Transport:
  - a focus on making meaningful and timely progress towards meeting the Transport Emissions Reduction Plan's goals, taking advantage of lower cost, more quickly implementable actions.

### Regional Land Transport Plan

33. The Governing Body in 2020 [GB/2020/89] requested that the Chief Executives of Auckland Council and Auckland Transport work together to implement the CCO Review Panel's recommendation that "*Auckland Transport and council jointly prepare the RLTP, the draft of which the council endorses before going to the CCO's board for approval*". At the time, the process for developing the RLTP 2021-2031 was already well advanced and an interim approach was developed.
34. The next RLTP (2024-2034) will be developed over the forthcoming year. Currently, there is little commentary in the draft SOI about this work programme. To give effect to the Governing Body resolution, and enable council staff to better assess the document's alignment with key council priorities, it is important that members of the council's Transport Strategy Team play a more prominent role through the RLTP's development. Council and AT staff will need to work closely to facilitate this more active involvement. We expect the final SOI to include commentary on how this collaboration will work and recognise the co-development of the RLTP. This could require secondments and co-location to facilitate this collaboration.
35. We recommend in the final SOI Auckland Transport:
  - include a section on improving collaboration between Auckland Council and Auckland Transport over formulation of the Regional Land Transport Plan, including the sharing of information, collaborating with council staff, and joint engagement between the AT board and the Transport and Infrastructure committee.

## Part 2.2 Getting the basics right and fundamental change

36. The framework for prioritising AT's work programme and how this will be implemented and reported on needs further clarity. For example, it is unclear how principles for considering programme changes detailed in the Chair's Foreword (p 5) align with AT's operating principles and the reprioritisation statements made on page 20. Currently the frameworks proposed do not recognise safety or climate priorities.
37. Improving customer experience of the transport system and engagement should be a core component of AT's programme. It is critical to the successful delivery of transport services, infrastructure and information, and for maintaining positive and constructive relationships with all parties, including local boards, transport users, and the wider community. We expect AT to place the customer at the centre of their programme, especially the public transport service programme, and would like to see stronger emphasis on this in the final SOI.
38. Equally important is ensuring that communication to customers is timely and clear.
39. We are encouraged that AT will leverage the existing network to optimise the bus network, but we would like to see more detail on when dynamic lanes will be introduced and on what routes.
40. We recommend in the final SOI Auckland Transport:
  - simplifies the prioritisation framework and align with council's direction
  - prioritises the recovery of Auckland's public transport services with a view to initially getting back to pre-covid 19 levels, and then looking to further significantly uplift passenger numbers for the duration of this term of council.
  - improves communications with Aucklanders on public transport services and in community engagement generally
  - implements a works programme that delivers timely, lower cost interventions in the road corridor including but not limited to, enhancing traffic flow, mode share and project delivery
  - ensures deliverables have meaningful dates for project / programme implementation
  - encourages more innovation and project trialing in respect of project delivery in line with the Letter of Expectation's notion of delivering 'more with less'.

### Take direction from Auckland Council

41. Auckland Transport is requested to accelerate its contribution to the group shared services programme. The programme is important to deliver efficiencies across the group and AT's collaboration is essential to its success. We expect commitment to shared services to be highlighted in the final SOI.

### Tauākī whakaaweawe āhuarangi Climate impact statement

42. CCOs are responsible for demonstrating how their draft SOI aligns with Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan. This has been reviewed by staff as part of reviewing the AT's draft SOI. Comments relating to climate impacts are included in the shareholder comments recommended above.

### Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera Council group impacts and views

43. Staff have sought and incorporated feedback from various departments across the council.
44. Staff will work with AT on how best to incorporate the shareholder feedback.

## Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe Local impacts and local board views

45. The Transport and Infrastructure Committee is responsible for providing shareholder comments on the draft SOI. Due to legislative timing constraints formal feedback from local boards has not been sought. Local boards have been provided the draft SOI.

## Tauākī whakaaweawe Māori Māori impact statement

46. AT's activities have potential to improve Māori wellbeing and to influence the achievement of the Auckland Plan and Kia Ora Tāmaki Makaurau. The draft SOI was separately provided to the Independent Māori Statutory Board secretariat and council's Nga Mātārae team, and their comments have been reflected in this report. They have recommended that:
- AT should make explicit reference to its Achieving Māori Outcomes (AMO) plan, and note that this should inform the basis for quarterly reporting
  - further clarity is required to confirm if AT's AMO plan includes targets relating to procurement and/or satisfaction with mana whenu/matāwaka engagement, and these should be included in the final SOI
  - greater alignment to Kia Ora Tāmaki Makaurau outcomes. Specific wording suggestions will be provided to Auckland Transport
  - recognise the Independent Māori Statutory Board's Schedule of Issues of Significance, which identifies safe, equitable access to infrastructure as an important issue for Māori.

## Ngā ritenga ā-pūtea Financial implications

47. As noted in the comments above, the final SOI financial sections need to be aligned with the Annual Budget 2023/2024 decisions.



## Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

48. There are no direct risks associated with the proposed shareholder comments.
49. There is a risk that AT may not adequately reflect the shareholder comments. This can be mitigated by working closely with AT. Also, if the shareholder comments are not adequately reflected, the council can modify a SOI at any time.

## Ngā koringa ā-muri Next steps

50. If the committee agrees with the feedback contained in this report, staff will draft a shareholder letter based on this feedback and any other matters directed to be included by the committee. These will be sent by the Mayor and the Chair of the Transport and Infrastructure Committee to the chair of the AT board, as soon as possible after this meeting, so that AT can revise their SOIs accordingly and meet the deadline for final submission of 31 July 2023.

## Ngā tāpirihanga Attachments

| No.   | Title   | Page |
|---|---|------|
| A  | Auckland Transport letter to Mayor Brown on draft Statement of Intent |      |
| B  | Auckland Transport draft Statement of Intent 2023-2026                |      |

## Ngā kaihaina Signatories

|             |  |
|-------------|--|
| Author      | Claire Gomas - Principal Advisor   |
| Authorisers | Alastair Cameron - Manager - CCO Governance & External Partnerships<br>Barry Potter - Director Infrastructure and Environmental Services |

# Auckland Transport's Quarter Three Performance Report 2022-2023

File No.: CP2023/05222

Item 13

## Te take mō te pūrongo

### Purpose of the report

1. To receive a high-level summary of Auckland Transport (AT)'s quarter three performance report (the period 1 January 2023 to 31 March 2023).

## Whakarāpopototanga matua

### Executive summary

2. Auckland Transport's quarter three performance report is contained in Attachments A (cover letter) and B (report). The report provides measures against the 2021-2031 10-year Budget and the 2022-2025 Statements of Intent (SOI).
3. Auckland Transport's operations have been impacted by the 4-6 week response needed for the two significant weather events (Auckland Anniversary weekend) and Cyclone Gabrielle. These two events caused extensive disruption and damage to Auckland's transport network. AT played an important role in working with the council and in responding to community needs arising from the damage to roads, bridges and networks. The work in some affected areas is ongoing.
4. Operational expenditure is higher than budget by \$56 million, reflecting higher depreciation costs following the June 2022 roading revaluation.
5. Capital expenditure is \$579 million by end of March, which is tracking at 95 per cent of planned spend. AT note that any forecast underspend for this financial year will likely need to be reallocated to flood response activities.
6. Total operating revenue is favourable (\$13 million), due to higher than budgeted operating funding from Waka Kotahi. However, parking and enforcement revenue continues to be down.
7. The majority of AT's programmes are on track, with one exceeding programme milestones (the pedestrian programme). Two programmes are now delayed (rail network improvements) or partially delayed (Matakana Link Road, due to inclement weather).
8. Changes to and a reset of the 'Connected Communities' programme is impacting on the associated performance measures, with the number of measures on track to exceed or meet the target increasing from the last quarter. Fourteen are not on track to meet the target, with 11 being on target or exceeding target and six are yet to be reported on.
9. Positively, public transport patronage continues to be ahead of budgeted levels increasing to 81% of pre COVID-19 levels of March, the highest monthly patronage since prior to Covid-19 in March 2020. Ongoing service disruptions caused by driver and ferry crew shortages, and KiwiRail's rail network rebuild impacts on patronage continue to be of concern.
10. Deaths and serious injuries (DSIs), as noted last quarter, are not on track to meet the target, however the trends for DSIs on all Tāmaki Makaurau roads and vulnerable road users have begun to decrease in March. At the previous Transport and Infrastructure Committee meeting a request was made of AT to provide further information on the investment made in safety and the results from this investment.

## Ngā tūtohunga Recommendation/s

That the Transport and Infrastructure Committee:

- a) whiwhi / receive Auckland Transport's 2022/2023 quarter three performance report (Attachments A and B of the agenda report).

## Horopaki Context

11. Under the Local Government Act, CCOs are required to provide quarterly reports to the relevant committee. They are required to:
  - summarise the CCO's performance against the approved budget and agreed targets in the 10-year Budget and SOI
  - provide a forecast of the CCO's performance
  - identify the cause of major variances
  - highlight major achievements for the quarter
  - signal any potential or developing issues.

## Tātaringa me ngā tohutohu Analysis and advice

### Financial performance

12. Auckland Transport's financial performance is summarised on the first page of its report.
13. Compared to the previous reporting period, the operating results for March year-to-date (YTD) continue to be unfavourable, with a \$43 million adverse variance to budget. This is primarily due to higher-than-budgeted depreciation costs and lower parking and enforcement revenue.
14. The YTD operating revenue is \$13 million favourable, mainly due to higher Waka Kotahi funding for a few unbudgeted items below, the total of which more than offset the lower parking and enforcement revenue:
  - public transport (PT) funding top-up relating to the prior financial year
  - PT fare funding for the extension of the half price fares to end of June 2023
  - funding for the immediate response costs for recent weather events (at 91% funding assistance rate).
15. Operating expenditure is \$56 million unfavourable to budget, primarily driven by \$66 million higher-than-planned depreciation. The estimated full-year impact is around \$100 million adverse to budget, which will have a flow-on effect on future financial years. Higher depreciation forecasts have been incorporated in the draft budget for 2023/2024.
16. Operating expenditure, excluding depreciation costs, is approximately \$10 million lower than budgeted. This is primarily due to lower spend across various expenditure items, including PT contracts, track and ferry access charges, professional services, and IT costs.
17. Capital expenditure is tracking at 95% of March YTD budget and Waka Kotahi capital co-funding is \$35 million lower than budget due to lower fundable capital spend.



18. There are some discrepancies between the Regional Fuel Tax financial data provided in the Q3 and the previous Q2 report. This is due to changes in accounting codes and will be corrected in April.

### Non-financial performance and other issues

19. Auckland Transport has a total of 31 measures, 16 of which are also 10-year Budget measures.
20. This quarter, the number of measures on track to exceed or meet the target has worsened from last quarter. Fourteen are not on track to meet the target, with 11 being on target or exceeding target and six are yet to be reported on (refer Table 1). It is unclear what impact the recent weather events will have on AT's performance.
21. The measures which have changed from last quarter are:

#### Not on track

- Kilometres of safe cycling facilities added or upgraded that is located on the Cycle and Micro-mobility strategic network
- Percentage of customer service requests relating to roads and footpaths which receive a response within specified timeframes
- Proportion of the freight network operating at Level of Service C or better during the interpeak

#### On track

- Percentage of regional buses with Te Reo bilingual announcements – trajectory was available last quarter.

**Table 1: Summary of performance measures results by strategic transport priorities**

| Strategic transport priorities  | Target exceeded or met | Target not met | Not Reported | Total     |
|---|------------------------|----------------|--------------|-----------|
| Making Auckland's transport system safe by eliminating harm to people   | 1                      | 3              |              | 4         |
| Providing excellent customer experiences  | 3                      | 1              |              | 4         |
| Providing and accelerating better travel choices for Aucklanders  | 2                      | 5              | 2            | 9         |
| Better connecting people, places, goods and services  |                        | 2              |              | 2         |
| Improving the resilience and sustainability of the transport system and significantly reducing greenhouse gases | 1                      |                | 3            | 4         |
| Supporting Māori wellbeing outcomes, expectations and aspirations   | 1                      | 1              |              | 2         |
| Collaborating with funders, partners, stakeholders and communities  |                        |                | 1            | 1         |
| Our operating model is adaptive, financially sustainable and delivers value                                     | 3                      | 2              |              | 5         |
| <b>TOTAL</b>  | <b>11</b>              | <b>14</b>      | <b>6</b>     | <b>31</b> |

22. The majority of AT's programmes are on track, with one exceeding programme milestones (the pedestrian programme). Two programmes are now delayed (rail network improvements) or partially delayed (Matakana Link Road) due to inclement weather.
23. One programme is being reset (Connected Communities), reflecting inflationary pressures and the letter of expectations. A review of this programme is underway and is expected to be complete by June 2023 in time for the final statement of intent's work programme.

24. Reflecting the recent upward trend, public transport patronage continues to be ahead of budgeted levels increasing to 81% of pre COVID-19 levels of March. This is the highest monthly patronage since prior to Covid-19 in March 2020. Ongoing service disruptions caused by driver and ferry crew shortages, and KiwiRail's rail network rebuild impacts on patronage continue to be of concern and are an area of focus for AT and the new Chief Executive, Dean Kimpton.
25. Deaths and serious injuries (DSIs), as noted last quarter, are not on track to meet the target, however the trends for DSIs on all Tāmaki Makaurau roads and vulnerable road users have begun to decrease in March. At the previous Transport and Infrastructure Committee meeting a request was made of AT to provide further information on the investment made in safety and the results from this investment.
26. Of note, is AT's employee net promotor score results have dropped from +8.5% to -0.1%, reflecting the challenging environment for staff and a reduction in the number of people would consider AT as a great place to work.

### **Tauākī whakaaweawe āhuarangi** **Climate impact statement**

27. The Strategic Focus Area – 'Improving the resilience and sustainability of the transport system and significantly reducing greenhouse gas emissions' section highlights AT's activity in this area. AT are working with council on the Vehicle Kilometres Travelled (VKT) Reduction Plan EOI (due 31 March) and continuing the emissions reduction programme.

### **Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera** **Council group impacts and views**

28. Auckland Transport's quarterly report contains information on how they are contributing to the council's outcomes and objectives.

### **Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe** **Local impacts and local board views**

29. The governance of substantive CCOs is a responsibility delegated to the CCO Direction and Oversight Committee and the Transport and Infrastructure Committee. The views of local boards have not been sought. CCOs, including Auckland Transport, provide six-monthly progress and performance reports to local boards. The quarterly reports also provide a summary of the engagement that CCOs have carried out with local boards during the quarter.

### **Tauākī whakaaweawe Māori** **Māori impact statement**

30. There is a section in the performance report that discusses how AT are supporting Māori wellbeing outcomes and expectations. Highlights include \$12.3million procurement spend with Māori owned businesses, completion of Te Reo Māori translations for the AT website, radio advertising, wayfinding signage and shared pathways and the work to improve access and safety to the Whakatapa Marae.

### **Ngā ritenga ā-pūtea** **Financial implications**

31. AT's financial performance is summarised on page 1 and in the financial section of their performance report. Paragraphs 12 to 17 in this report summarise the financial implications.



## Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

32. The first page of AT's report contains information regarding their key risks and issues. Auckland Transport report separately to the Audit and Risk Committee.
33. Issues and risks largely reflect the trends in the performance measures and financial performance, and the recent storm related impacts on the roading network.

## Ngā koringa ā-muri Next steps

34. Auckland Transport's annual report and fourth will be reported to this committee later in the year.

## Ngā tāpirihanga Attachments

| No.   | Title   | Page |
|---|---|------|
| A  | Auckland Transport Q3 Cover Letter                            |      |
| B  | Auckland Transport Quarter Three Performance Reprot 2022-2023 |      |

## Ngā kaihaina Signatories

|             |  |
|-------------|--|
| Author      | Claire Gomas - Principal Advisor   |
| Authorisers | Alastair Cameron - Manager - CCO Governance & External Partnerships<br>Barry Potter - Director Infrastructure and Environmental Services |



## Auckland Transport Update - May 2023

File No.: CP2023/05449

### Te take mō te pūrongo Purpose of the report

1. To receive an update from Auckland Transport.

### Whakarāpopototanga matua Executive summary

2. The Transport and Infrastructure Committee has signaled that the monitoring of the ongoing Public Transport crisis is a top priority in 2023. Accordingly, the Transport and Infrastructure Committee will be provided with regular updates at each committee meeting.

### Ngā tūtohunga Recommendation/s

That the Transport and Infrastructure Committee:

- a) tuhi ā-taipitopito / note the updates provided by Auckland Transport and the relevant actions and plans to address issues identified.

### Ngā tāpirihanga Attachments

There are no attachments for this report.

### Ngā kaihaina Signatories

|            |   |
|------------|---|
| Author     | Duncan Glasgow - Kaitohutohu Mana Whakahaere / Governance Advisor |
| Authoriser | Barry Potter - Director Infrastructure and Environmental Services |



## Summary of Transport and Infrastructure Committee information memoranda, workshops and briefings (including the Forward Work Programme) - 18 May 2023

File No.: CP2023/05451

Item 15

### Te take mō te pūrongo Purpose of the report

1. To tuhi ā-taipitopito / note the progress on the forward work programme appended as Attachment A.
2. To whiwhi / receive a summary and provide a public record of memoranda or briefing papers that may have been distributed to the Transport and Infrastructure Committee.

### Whakarāpopototanga matua Executive summary

3. This is a regular information-only report which aims to provide greater visibility and openness and transparency of information circulated to Transport and Infrastructure Committee members via memoranda/briefings or other means, where no decisions are required.
4. There were no information items distributed.
5. The following workshops/briefings have taken place for the Transport and Infrastructure Committee:

| Date      | Subject   |
|-----------|---|
| 26/4/2023 | Shareholder feedback on Auckland Transport draft statement of intent. |

6. These documents can be found on the Auckland Council website, at the following link:  
<http://infocouncil.aucklandcouncil.govt.nz/>
  - o at the top left of the page, select meeting/te hui “Transport and Infrastructure” from the drop-down tab and click “View”;
  - o under ‘Attachments’, select either the HTML or PDF version of the document entitled ‘Extra Attachments’.
7. Note that, unlike an agenda report, **staff will not be present to answer questions about the items referred to in this summary.** Transport and Infrastructure Committee members should direct any questions to the authors.



### Ngā tūtohunga Recommendation/s

That the Transport and Infrastructure Committee:

- a) tuhi ā-taipitopito / note the progress on the forward work programme appended as Attachment A of the agenda report
- b) whiwhi / receive the Summary of Transport and Infrastructure Committee information memoranda and briefings – 18 May 2023.

## Ngā tāpirihanga Attachments

Item 15

| No.   | Title  | Page |
|---|--|------|
| A  | Forward Work Programme   |      |
| B  | Workshop Notes: Shareholder feedback on draft Statements of Intent |      |

## Ngā kaihaina Signatories

|            |   |
|------------|---|
| Author     | Duncan Glasgow - Kaitohutohu Mana Whakahaere / Governance Advisor |
| Authoriser | Barry Potter - Director Infrastructure and Environmental Services |