

Quarter 1 Performance Report

For the period ending 30 September 2019

This report outlines the key performance of Auckland Transport which includes public transport, parking & enforcement, roads & footpaths related activities and investments

Auckland Transport Q1 summary

Highlights, issues & risks for the quarter

Highlights:

- Auckland Transport adopted a Vision Zero strategy. Under Vision Zero, there's a goal of no deaths or serious injuries on our transport network by 2050.
- A cross functional Incident Management Team successfully managed the integrated network impact from the September Westfield Newmarket launch and are now planning for the full November 2019 launch which will see between 30,000 – 60,000 people per day visit the Newmarket Precinct.
- For the 12 months to September 2019, Auckland public transport boardings totalled 102.4 million an increase of 8.9% on the previous year.
- Rowandale Avenue, Manurewa pedestrian crossing safety improvement projects completed.
- Construction has commenced for three projects in the Downtown Programme - piling works for both the Quay Street Strengthening project and Ferry Basin Redevelopment project and initiation of the southern side works of the Quay Street Enhancement project starting in Q3.
- Eastern Busway 1 construction continues on programme. Network performance is better than expected due to a successful disruption mitigation campaign.

Issues/Risks:

- NZTA funding for new capital projects is lower than expected mainly due to the assumption that Auckland Transport's annual programme would be funded 50/50 from Auckland Council and NZTA rather than 50/50 over the 10 year period of ATAP.
- Meeting public transport capacity demands due to the strong uplift in patronage post the bus new network implementation and funding requirements.
- High levels of construction activity could cause resource constraints with our suppliers and affect the speed of capital project delivery. The increasing level of disruption caused by both private and public sector construction may lead to increased levels of frustration from communities and businesses alike.

Financials (\$million)	YTD	YTD budget	Actual vs Budget
Capital delivery	153	162	↓ (9)
Operating revenue	235	230	↑ 5
Operating expenditure	317	314	↑ (3)
Net operating surplus (deficit)	(82)	(84)	↓ 2
NZTA capital co-investment	60	85	↓ (25)

Financial Commentary

- **Capital delivery:** YTD capital is \$9 million lower than budget mainly due to phasing of the Downtown Infrastructure Development Programme and delays in corridor improvements projects.
- **Operating revenue:** YTD is \$5 million higher than budget mainly due to higher public transport patronage and infringement revenue.
- **Operating expenditure:** YTD is \$3 million higher than budget mainly due to a lower capitalised personnel cost.
- **Net operating deficit** is \$2 million favourable to budget mainly due to higher than expected infringement revenue, partly offset by lower than budgeted capitalised personnel costs.
- **NZTA capital co-investment** is \$25 million below budget due to the assumption in the budget that Auckland Transport's programme would be funded 48%/52% from Auckland Council and NZTA respectively. Actual NZTA funding received was 39%.

Key performance indicators <i>(Refer to pg. 12 for complete list)</i>	Previous Year	FY 20 Quarter 1		Status	Commentary
		Actual	Full Year Target		
Total annual public transport boardings	100,751,945	102,378,443	103,600,000	On track	Actual boardings of 102.4 million for the 12 months to 30 September 2019 increased by 8.9% over the prior year and is on track to meet the SOI target.
Boardings on the Rapid and Frequent Network	21.5% annual growth	18.3% annual growth	Increase faster than total	On track	18.3% growth in the year to September 2019, vs 8.9% growth in total boardings.
New cycleways added to regional cycle network	9.65 km	2.2 km	10 km	On track	Franklin Road (1.0 km) and Maketu Road, Drury South (1.2) were completed in July 2019, adding 2.2 km of new cycleway to the network.
Change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number	553	528	Reduce by at least 18 (663)	On track	The 12 month total to June 2019 was 528. This was 14% less than the 12 months to June 2018. The target for the 2019 calendar year is to reduce DSI by at least 18 compared to the target from 2018.

Strategic focus area – Customer Experience

Key commentary

Highlights

- A cross functional Incident Management Team was set up in September to closely monitor and manage the impact to the integrated network from the Westfield, Newmarket launch event. The team successfully managed the impacts from the September launch and are now planning the November 2019 launch which will see between 30,000 – 60,000 people per day visit the Newmarket Precinct.
- Commuter Journey Mapping is complete and has been shared with key stakeholders. Prioritisation is complete and cross-functional teams will be set up in the next period.
- Customer Relationship Management (CRM) case transformation programme is on track for successful delivery in Q2.
- Maintained achievement of Local Government Official Information and Meetings Act (LGOIMA) statutory Service Level Agreement.

Strategic context

Better delivery of transport services, infrastructure and information by giving greater focus to customer needs and improving the customer experience.

Key programme of works	Status	Description	Outlook
Customer Experience (CX) Strategy	On track	Deliver the CX Strategy and Blueprint and delivery model.	<ul style="list-style-type: none"> • CX Plan for integration into the Enterprise Project Management Office (PMO) is underway. • Implementation of key customer mobility experiences (community living and commuter) is on track with priorities agreed and resource planning due for completion in October.
Contact Centre Technology	On track	Identify key technology enablers and feasibility to deliver channel migration to digital channels.	Delivery plan finalised for Pure Connect telephony upgrade. This includes the implementation of a new Interactive Voice Response (IVR), live chat and a call back option for customers.
Auckland Transport Omni Channel Strategy and Programme of Work	On track	Design and deliver the Auckland Transport Omni channel strategy and roadmap for customers to interact with Auckland Transport with confidence across all channels.	<ul style="list-style-type: none"> • The upgrade to the Genesis call centre telephony platform was successfully completed. • An automated customer interaction record tool has been rolled out across service centres which will provide more accuracy around interaction volumes and types.
CRM Case Management	On track	Design case management / change approach for organisation wide case management system to improve responsiveness and timely resolution of customer requests.	CRM has passed business acceptance testing with a high level of confidence. 400 staff have completed or are registered for training. Management training sessions are scheduled for early October.

Strategic focus area – Road Safety

Key commentary

Highlights

- Auckland Transport adopted a Vision Zero strategy which targets all elements of road safety for all road users. Under Vision Zero, there's a goal of no deaths or serious injuries on our transport network by 2050.
- ACC investing \$5 million in AT's Safety programmes specifically, Te Ara Haepapa programme, driver distraction on mobile phones, motorcycle safety, improved pedestrian crossing facilities and a programme of road safety communications.
- Auckland Road Safety Programme Business Case adopted which outlines a preferred ten-year programme of investment in road safety activities that will help prevent 1,760 deaths or serious injuries by 2028 – a reduction of 63% from 2017. The programme will also contribute towards increased walking and cycling and public transport use, as well as improved health outcomes and reduced emissions.
- Rowandale Avenue, Manurewa pedestrian crossing safety improvement project completed.
- Roundabout construction at the intersection of Coatesville Riverhead Highway and Dairy Flat Highway has commenced. Project aims to address pattern of 'right turn fail to give way' collisions at the 2nd highest risk intersection in Auckland.
- Construction has commenced on the implementation of a right turn bay at Bawden Road and Dairy Flat Highway intersection as part of the wider Dairy Flat Highway corridor improvements programme.
- Implementation of Audio Tactile Pavement (ATP) markings on Glenbrook Road is currently underway and due for completion in Q2.
- Self-Explaining Rural Roads programme is under construction and is programmed for completion in Q2. The programme aims to improve delineation and hazard and directional signage as a means of making the roads more intuitive for motorists.
- Rural Delineation Programme (RDP) post-construction network reviews have commenced on routes in the Franklin and Rodney areas. The project aims to increase the level of delineation and hazard identification of bends in a consistent manner across the rural road network.

Risks

- Community buy-in to infrastructure and speed management interventions.
- Potential impact (real or perceived) on congestion and travel time due to road changes requiring mitigation assessment on a case by case basis.

Strategic context

Addressing the very disturbing and continued upward trend in local road deaths and serious injuries, through a comprehensive programme of safety improvements, including improvements to high risk intersections and corridors and speed management.

The Auckland Plan highlights road safety as a key priority for the region including moving to a safe transport network free from death and serious injury by:

- Introducing safe and appropriate speed limits in high-risk locations, particularly urban streets, rural roads and areas with high numbers of pedestrians and cyclists
- collaborating with partners to deliver better safety outcomes

Key programme of works	Status	Description	Outlook
High Risk Urban and Rural Roads and Intersections	On track	Deliver 10 high risk intersection and 10 high risk road corridor upgrades, 20 pedestrian improvement projects.	Five high risk corridor and eight high risk intersection upgrades are currently in construction. One pedestrian improvement project is complete.
Speed Safety Management programme	In progress	Implement speed management on priority locations, in 2019/20, on up to 500 km of roads including 250km of NZ highest risk road. Priority locations being Rodney, Franklin, urban roads in town centres, outside schools and in the city centre.	<ul style="list-style-type: none"> • Analyse responses from the speed management consultation and hearings and present options to Auckland Transport's Board for consideration. • Completion of Te Atatu and Rosehill Papakura Residential Speed Management Areas.
Red Light Camera programme	In progress	Installation of six new red-light cameras to reduce crashes at high risk intersections.	Eight cameras are planned to be commissioned and operational by October 2019. A further eight to be installed this financial year.
Road Safety Education	On track	Deliver campaigns, events, training and checkpoints to increase road safety through graduated licences, promotion of safe driving and driver distractions targeting high risk groups and communities.	Delivered 3 campaigns, 390 events, 24 checkpoints, 45 community based interventions, and 23 Te Reo Māori road safety activities in the last quarter.
School Safety	On track	Continue Active Travelwise schools programme, deliver initiatives for lower speed around schools and improve safety for walking and cycling to school.	Completed 379 Travelwise and Safer Community events, including 173 speed activities and 1 campaign. Also held 1 Safer Schools Pilot in the last quarter.

Strategic focus area – Public Transport

Key commentary

Highlights

- September monthly patronage was 8.7 million, an increase of 7.1% on September 2018 and 5.4% above the SOI target (YTD +3.7%). September's normalised adjustment of ~ +8.3% allows for special event patronage with one more business day, one less weekend, four less tertiary term days and the same number of school term days.
- For the past 12 months to September 2019 Auckland public transport patronage totalled 102.4 million passenger boardings. This represents an increase of 8.9% on the previous year. This is made up of:
 - Bus services totalling 74.5 million passenger boardings for the 12-months to September 2019, an increase 10.3% on the previous year.
 - Train services totalling 21.6 million passenger boardings for the 12-months to September 2019, an increase of 6.0% on the previous year.
 - Ferry services totalling 6.3 million passenger boardings for the 12-months to September 2019, an increase of 2.9% on the previous year.
- Rapid and frequent services totalled 50.6 million passenger boardings for the 12 months to September 2019, an increase of 18.3% on the previous year. Patronage for September 2019 was 4.4 million, an increase of 11.1% on September 2018 and -4.3% below the SOI target (YTD -3.5%).

Risks

- Meeting capacity demands due to new fleet lead times and the uplift in public transport patronage post the new bus network implementation.
- Employment Relations Act changes came into effect on Monday 6 May. Minimal disruption was experienced by customers due to close liaison with operators on interim management. Auckland Transport is working closely with operators, unions, NZTA and MoT, in order to have a full-compliance operating model in place for May 2020.
- Risk of train services disruption due to temporary track speed restrictions put in place by KiwiRail. These speed restrictions can cause delays and disruptions to the commuter service timetable and, in some cases, service cancellations.

Strategic context

Moving away from a city where the dominant mode of transport is by single-occupant private vehicle to a city where public transport and walking and cycling play an important role, by improving public transport services and travel options to increase patronage and mode share.

Key programme of works	Status	Description	Outlook
Bus Priority	On track	New and extended hours of bus priority on key corridors to improve customer journey times.	Manukau Station Road eastbound bus lane (700m) implemented in August 2019. Extended peak operational hours implemented in August 2019.
Double decker mitigation works – Phase 1 and 2	On track	Mitigating works on key corridors for double decker implementation increasing public transport capacity.	<ul style="list-style-type: none"> Phase 1 completed. Phase 2 is in planning stage. Permanent solutions for Dominion Road and Remuera Road corridors is in the resource consent phase. The business case is currently being prepared.
Rail pedestrian gating works	On track	Pedestrian level crossing gating across the rail corridor improving pedestrian safety.	Glen Innes northern crossing completed in July 2019. Six further locations are in design phase for delivery in the first half of 2020.
New network implementation Waiheke	On track	Infrastructure enablement and operator implementation. Outcome is an enhanced bus network for Waiheke and completion of the new bus network.	Infrastructure installation at 11 sites is on track to enable critical operational infrastructure to be in place for October 2019 mobilisation. Further priority sites are to be scoped and designed post service commencement.
Train station ticket gating	Partially Delayed	Installation of ticket gating at Middlemore, Papakura and Parnell.	<ul style="list-style-type: none"> Design for Papakura train station is complete. The project is currently in the procurement phase. Design work for Middlemore train station is ongoing due to continued discussion with KiwiRail regarding the location of the third main. Parnell station gates were completed in July 2019 and went live on 02 August 2019.

Strategic focus area – Active Modes

Key commentary

Highlights

- Slight decline in cycling numbers for Quarter One 2019/20 compared to Quarter One 2018/19, with overall results below target for the Quarter. This is likely due to unusual weather conditions for August and September and disruption on Quay Street.
- Cycle counts for the 2019 calendar year remain positive, with 2,804,982 counts recorded for the year to September 2019. This is a 7.7 percent increase on the nine months to September 2018.
- The 12 month average number of cyclists entering the city during the AM peak has reached a high point of 1,800, while overall active mode share of total travel into the CBD remains steady at eight percent.

Risks

- High community expectations to treat other deficiencies in the street environment including utilities while delivering cycling infrastructure. Mitigation includes continuous two-way conversations with the community through Community Liaison Groups to confirm the clear scope of a particular project.

Strategic context

Improving access and contributing to a more effective transport system by increasing mode share and reducing deaths and serious injuries among cyclists and making walking safer and easier.

Key programme of works	Status	Description	Outlook
New cycleways	In progress	SOI target to complete 10 km of new cycleways in the 2019/20 financial year.	The SOI target for the current financial year is to deliver 10 km. During the first quarter of the current financial year we have delivered 2.2 km by opening the Franklin Rd Cycleway and Maketu Road in Drury South in July 2019. We also started the Karangahape Road Cycling project construction works during the first quarter of the year.
Walking	In progress	Deliver 6 new and improved footpaths across Auckland.	<ul style="list-style-type: none"> • 1 completed (Walters Rd) • 1 under investigation (Ararimu Rd) • 2 in Design (Maire Rd and Marmion St) • 2 where construction has started (Airfield Rd and Metcalfe Rd)
Cycling campaigns and training	On track	<ul style="list-style-type: none"> • Deliver events, trainings, campaigns and activities that promote cycling and cycle safety. • Deliver cycle skills training to school students. 	Travelwise School programmes activities for the quarter included: <ul style="list-style-type: none"> • 44 cycle activities including 9 ambassador workshops; • 26 Scooter training sessions; and • 133 Walking School Bus (WBS) events and 15 new WBS routes.

Strategic focus area – Key Projects & Strategic Programmes

Key commentary

Highlights

- Construction has commenced for three projects in the Downtown Programme - piling works for both the Quay Street Strengthening project (43 of 102 palisade piles delivered to date) and Ferry Basin Redevelopment project (89 of 220 breakwater piles, 11 of 21 sea-side canopy piles and 1 out of 39 wharf-side canopy piles delivered to date) and initiation of the southern side works of the Quay Street Enhancement project starting in Q3.
- Eastern Busway 1 construction continues on programme. Network performance is better than expected due to a successful disruption mitigation campaign.

Risks

- Downtown Programme – Works are progressing well. Significant construction interfaces and utilities/services complications are being mitigated and could cause delay in particular interfaces with third party developments. Low design and price certainties are being resolved but could contribute to outturn cost increases that will need mitigation through project rescoping and funding prioritisation. Consent risks have been mitigated as much as possible for the Downtown Public Space to reduce the potential risk of appeals. Appeals close October 2019.
- 15 new electric trains – First delivery in October. Ongoing compliance and acceptance gateways could cause delays.
- Eastern Busway 1 – Works are continuing on programme with risks around ground conditions.
- Eastern Busway 2 and 3 – Combined procurement strategy and internal capability is progressing with procurement start targeted for the first quarter of 2020.

Strategic context

Providing new transport infrastructure, on the rapid transport network (RTN) that forms the backbone of the public transport network, and also through infrastructure that optimises the performance of the existing network, supports urban development and enables new housing in greenfield areas.

Key programme of works	Status	Description	Outlook
Downtown Programme	On Track	Auckland Council has a 10 year vision to transform the waterfront into an attractive, people friendly environment. Auckland Transport will be delivering the first part of this vision from 2018 to 2021. The transformation will support the 36th America's Cup, Asia-Pacific Economic Forum, and Te Matatini in 2021. The project includes seismic strengthening to improve the resilience of critical infrastructure on Quay St water's edge.	Construction of the Princes Wharf and Ferry Basin sections of the Quay Street Strengthening project are programmed to commence in Q4. Risk of cost increases being mitigated through value engineering.
Eastern Busway 1: Panmure to Pakuranga	On track	The Panmure to Pakuranga stage of AMETI Eastern Busway includes the first section of the busway, along the north side of Lagoon Drive and Pakuranga Road and an upgrade of the Panmure roundabout.	Eastern Busway 1 construction is continuing to progress to programme. Work is now underway in all construction zones. Signalisation of Panmure Roundabout is targeted by the end of 2019.
Eastern Busway 2 & 3: Ti Rakau Busway	On track	The Ti Rakau Drive busway is part of the Pakuranga to Botany stage of the AMETI Eastern Busway.	Eastern Busway 2 and 3 procurement review nearing completion. Value Engineering is nearing completion.
Matakana Link Rd	In progress	The Matakana Link Road is a major part of the new road infrastructure to support the NZTA Puhoi to Warkworth SH1 redevelopment and growth in the Warkworth area.	Tenders have been released however award is subject to resolution of appeals, confirmation of consents and designation, and acquisition of land.
Lincoln Road	Delayed	Lincoln Road is a major arterial connection for West Auckland and is a major component in the regional major roads network. It is also a highly congested route. It will be future proofed with a T2 lane and cycle lanes and an improved motorway interchange.	The project review is complete, and a revised option developed to reduce property impact. The revised option will be presented to Auckland Transport's Board in December 2019 for final approval before re-commencing the design work.

Strategic focus area – Asset Management

Key commentary

Highlights

- Metro Assets Criticality Framework is currently being developed to assess the criticality levels of the components of Public Transport assets. As part of developing the framework, it is currently being trialled on Britomart Station, Downtown Ferry Terminal, Downtown Carpark and Smales Farm Bus Station.
- SCRIM (skid resistance) survey of the rural road network is complete. Condition data obtained is now being analysed to inform safety improvements and future forward works programming.
- “Enviro Shield” pavement rejuvenation / preservation product has been subject to a controlled trial at Te Taou Crescent. The intention of the trial is to explore new alternative lower cost, more environmentally sensitive surfacing solutions to existing conventional treatments.
- Criticality Framework for both Rooding and Public Transport assets has been approved. Currently work is underway to develop an accompanying Resilience Assessment Framework and working with other council entities to develop a “whole community” view.
- A task team comprising of Auckland Transport and industry pavement experts has been set up to develop a toolset to determine strain on the road pavement network emerging from growth and intensification (housing and industrial development). The intention is to predict likely funding needs required to support infrastructure growth whilst maintaining desired levels of service and risk.

Risks

- There is saline water ingress through the secant pile walls of the Britomart Centre. There is evidence of early stages of corrosion which is likely to have an impact on its 100-year design life. We are investigating whether the installation of a Cathodic Protection system will slow the corrosion process and are also investigating options to trial on selected locations to stop leakage before it is widely adopted.

Strategic context

Maintaining the \$19 billion transport network of roads, footpaths and cycleways, streetlights, traffic systems and public transport assets that is the responsibility of Auckland Transport, to ensure that the overall condition of the network is maintained in a stable state over the next ten years.

Key programme of works	Status	Description	Outlook
Forward Works Programme: Development of Rooding and Public Transport assets	Complete	Programme of renewals and maintenance works for rooding and public transport assets.	Programme optimisation work to mitigate disruption to the transport network nears completion.
Condition Inspections of Rooding Structures and Metro Assets	Complete	Condition inspections of rooding structures and metro assets.	96% of the inspections programmed for 2018/19 have been completed. The remaining 4% have been prioritised and programmed to be completed within first half of 2019/20.
Seal Extension Guideline Review	In progress	Tri-Annual review of Seal Extension Guideline used to prioritise the seal extension programme.	Refining and negotiating the project scope so that the review of seal extension prioritisation can be completed.
2021 Asset Management Plan	On Track	Development of the 2021 Asset Management Plan and accompanying investment is in development.	A number of workshops with key stakeholders have been completed.
Consequential Opex requirements	On Track	Establish the consequential opex requirements of the rooding and Public Transport Metro assets to ensure future sustainability of the transport network.	Consequential opex requirements of the rooding network have been estimated with the use of available information and further refinements are underway. These estimates are based on a number of assumptions and these assumptions together with the methodology adopted are in a “review” process at the moment. It is expected that this will provide greater confidence as we continue to refine assumptions.
Enterprise Asset Management	On track	Implementation of a new Enterprise Asset Management system (EAM). EAM encompasses both business processes and the management of data and information to help align traditional asset management and organisational requirements.	Proposal approved by Auckland Transport’s Board. Discussions ongoing with NZTA with respect to the possibility of a funding contribution.
Wolverton Culverts 1 and 2 replacements	On track	Replacement of two culverts under Wolverton Road. The new larger culverts can contend with greater amounts of rainfall and more frequent storm events, reducing the risk of flooding.	Investigation and options review and selection to replace the culverts is nearly complete. Detailed design programmed to be delivered by October 2019. Enabling works and construction to start this year.

Other Statement of Intent Focus Outcomes

Contribution towards Māori outcomes

- **Mana whenua engagement (Māori Identity and Culture, Māori Business, Tourism & Employment, Realising Rangatahi potential)**
Auckland Transport contribute to mana whenua engagement through engagement forums for operations and governance matters. The forums are resourced by Auckland Transport in Partnership with NZTA and Mana Whenua.
- **Te Aranga Māori design (Māori Identity and Culture)**
Te Aranga Design Principles are applied in collaboration with mana whenua in Auckland Transport infrastructure projects (Public Transport, Walking & Cycling, Roads & Footpaths).
- **Road safety programmes – Māori drivers, passengers and pedestrians (Māori Business, Tourism & Employment, Realising Rangatahi potential)**
Auckland Transport contributes to road safety through the Te Ara Haepapa programme that delivers driver licensing, child restraint training, speed management, drug and alcohol education and promoting walking and safe cycling.
Auckland Transport have released a te reo Māori special edition registered AT Hop card for free weekend travel for 5-15 year olds. The AT Hop card is being distributed to kura kaupapa whanau.
Work is also being done through Te Ara Haepapa to provide greater access to AT Hop Cards and enable Maori communities to benefit from Child Free Fare Weekends.
- **Māori wardens on trains (Māori Business, Tourism & Employment)**
Māori wardens provide safety for public transport users on trains.
- **Marae and Papakainga development road safety (Marae development)**
Auckland Transport engage with marae on the safety of entering and exiting Marae and other forms of Māori freehold or Māori designated land (urupa, reserves, and Māori use designations).
Makaurau Marae – The entry and exit design has been completed and bus shelters have been installed.
Motairehe Marae – The seawall design has been completed. The procurement for a builder has been confirmed.
Te Aroha Marae – The boundary survey has been completed.
- **Māori values and storm water (Māori Identity and Culture, Kaitiakitanga outcomes)**
Auckland Transport engage with iwi and implement storm water systems that are above standard and supported by mana whenua.
- **Te reo Māori framework (Reo Māori outcomes)**
Te reo Māori is being implemented on buses, signage and in infrastructure projects. Te Reo Māori has been implemented on the Link bus network.
- **Organisational Effectiveness - Māori Identity (Māori Identity and Culture)**
Te Waharoa Māori portal (One stop geo spatial / share point application) to record, store and monitor engagement outcomes.
Auckland Transport has continued to deliver positive social and economic outcomes in infrastructure projects. Procurement engagement is occurring at the individual Māori business level. Auckland Transport is participating in He Waka Eke Noa (Māori and Pasifika business database, facilitated by the Southern Initiative).

Local board engagement

The last quarter has seen the finalisation of the Community Safety Fund programme with a total of 97 projects across the 21 local board areas. Contracts are currently being let for design work on the projects, with some initial implementation likely to happen in the new calendar year.

Over the last electoral term, there was good progress in delivering on Local Board Transport Capital Fund projects. The fund was increased in July 2018 to \$20.8m, giving the 21 local boards a pool of \$68.5m over the three-year period. Of that amount Local Boards allocated \$57.5m with 102 projects completed. A further five projects will be completed by the end of this month (October). Unallocated funds include those being held against large, complicated future projects such as \$2m for Gowing Drive cycle connection in Orakei, \$1m for Waiheke Local Board's contribution to upgrades at Matiatia, \$1.5m for Glen Eden Town Centre (Waitakere Ranges Local Board) and \$5m for Howick Town Centre (Howick Local Board).

Consultation on Waiheke Island's 10-year transport plan closed with around 450 submissions.

Climate change

Reducing emissions from asset construction

To date, two major asset construction procurements, Eastern Busway 1 and the Karangahape Road improvement project, have requirements for suppliers to measure and report emissions. These contracts include incentives for suppliers to reduce emissions. We have three projects currently in tender phase with similar objectives.

Reducing emissions from the bus fleet

Implementation of the Low Emission Bus Roadmap is ongoing with a focus on engaging stakeholders and negotiating contracts with bus operators to provide low emission fleet vehicles.

In July, Auckland Transport hosted the Low Emission Bus Forum to bring together bus operators and relevant industry stakeholders to discuss the transition to a low emission fleet, and the associated challenges and opportunities. A key result of the forum was the establishment of a Low Emission Bus Working Group, which met for the first time in September. Deployment of initial elements of the Low Emission Bus Fleet has included:

- 6 electric buses confirmed for Waiheke by July 2020
- 2 electric buses confirmed for trial by August 2020
- 1 hydrogen fuel bus will be ready for trial by September 2020

Additional low emission vehicles are currently under negotiation

Auckland Transport Q1 Financials



Key financial metrics

\$(million)	Notes	FY 19	FY 20 YTD			FY 20
		Actual	Actual	Budget	Variance	Budget
Net surplus/(deficit) from operations	A	(331)	(82)	(84)	2	(351)
Operating revenue	B	897	235	230	5	951
AC operating funding (CCO only)		288	68	68	-	299
NZTA operating funding		281	76	76	-	301
Fees & user charges		278	78	74	4	295
Other direct revenue		50	13	12	1	56
Operating expenditure		1,228	317	314	(3)	1,302
Employee benefits	C	126	33	31	(2)	130
Grants, contributions & sponsorship		-	-	-	-	-
Other direct expenditure	D	730	191	190	(1)	785
Depreciation		342	85	85	-	357
Interest expense		30	8	8	-	30
Capital revenue		970	215	206	9	1,084
AC capital grant (CCO only)		400	92	77	15	430
NZTA capital co-investment	E	264	60	85	(25)	474
Vested assets	F	305	63	44	19	180
Other Capital Grants		1	-	-	-	-



Financial Commentary

- A:** The year to date net deficit from operations is \$82 million, which is \$2 million favourable to budget mainly due to higher than expected revenue from bus public transport and infringement revenue.
- B:** Operating revenue is higher than budget driven by:
- additional infringement revenue (\$2.5 million); and
 - growth in public transport patronage and revenue (\$1.6 million).
- C:** Employee benefits is slightly above budget due to lower than planned capitalised personnel cost of \$1.8 million.
- D:** Other direct expenditure is above budget by \$1 million mainly due to phasing and professional services.
- E:** NZTA capital co-investment is behind budget mainly due to:
- Assumption in the budget that Auckland Transport's programme would be funded 52% by NZTA. Actual NZTA funding received is 39%.
 - Delays/underspend in some capital projects have delayed NZTA funding claims.
- F:** Vested assets received from property developments is \$63 million, \$19 million favourable to budget. This is mainly from property developments in Massey, Hobsonville, New Lynn, Flat Bush, Long Bay and Sunnyvale. Increased vested assets bring additional future consequential operating costs for Auckland Transport.

Regional Fuel Tax (RFT) Q1 Summary

Financial performance

\$(million)	FY 20 YTD			FY 20
	Actual	Budget	Variance	Budget
Total RFT-enabled capital expenditure	40	45	5	231
Project 1: Bus priority improvements	2	2	0	17
Project 2: City centre bus infrastructure	1	2	1	15
Project 3: Improving airport access	5	3	(3)	25
Project 4: Eastern Busway	2	1	(1)	13
Project 5: Park & Ride facilities	-	0	0	1
Project 6: Electric trains and stabling	-	-	-	-
Project 7: Downtown ferry terminal and redevelopment	13	12	(1)	51
Project 8: Road safety	10	14	4	57
Project 9: Active transport	1	1	(1)	13
Project 10: Penlink	0	0	0	5
Project 11: Mill Road corridor	0	-	0	-
Project 12: Road corridor improvements	1	7	5	23
Project 13: Network capacity and performance improvement	2	4	2	12
Project 14: Growth-related transport infrastructure	3	0	(2)	0
Total RFT-enabled operating expenditure	0.25	0.75	0.50	2.80
Project 8: Road safety	0.25	0.75	0.50	2.80

RFT Commentary

The RFT-enabled capital programme is a ten-year programme covering 14 separate project groups. The focus in the initial years is completing existing committed projects. The programme ramps up over the ten years when projects move into the construction phase, and new projects such as a further tranche of new EMUs and EMU stabling and Penlink and Mill Road commence in earnest.

RFT-enabled capital expenditure for the year to September was \$40.4 million, compared to the budget of \$45.4 million.

Preparation of business cases have commenced for the integrated bus priority, safety, and walking and cycling routes that are part of the Connected Communities programme, enabled by RFT funding as part of projects 1,8 and 9.

Under Project 3 Improving Airport Access, the Puhinui Station Interchange is on track, with construction now underway on the new interchange, which will open in early 2021.

The value engineering of stages 2 & 3 of Eastern Busway is complete and the procurement review nearing completion.

Construction has commenced for three projects in the Downtown Programme, of which one is the RFT-enabled ferry basin redevelopment (Project 7). The Lower Albert St Bus Interchange (part of Project 2) will move into the construction design phase.

For the 2019/20 Safety programme (covered earlier in this report), designs that were completed in the first quarter, will now be progressing to the construction stage during the favourable spring/summer period. For Project 12 Road Corridor Improvements, construction of Matakana Link Road (MLR) is likely to be delayed, due to resolution of appeals and confirmation of consents and designation and land acquisition. The review of the Lincoln Road project is complete and the revised option will be presented to the Auckland Transport Board in December.

Auckland Transport Q1 Performance Measures

Note: Auckland Transport has a total of 25 SOI measures, 16 of which are also LTP measures. SOI measures have annual targets. Progress reporting is based on an assessment whether or not the measures are on track to meet the annual target.
For the three months to 30 September 2019, 10 have met or are on track to meet the annual target/ 3 are not on track to meet the annual target/ 12 have not yet been reported.

Key performance indicators	Previous Year	FY 20 Quarter 1		Status	Commentary
		Actual Year to Date	Full Year Target		
Total annual public transport boardings	100,751,945	102,378,443	103,600,000	On track	Actual boardings of 102.4 million for the 12 months to 30 September 2019 increased by 8.9% over the prior year. Public transport boardings are on track to meet the SOI target.
Total annual rail boardings	21,392,902	21,560,711	22,300,000	On track	Actual rail boardings of 21.6 million for the 12 months to 30 September 2019 increased by 6.0% over the prior year. Total annual rail boardings are on track to meet the SOI target.
Boardings on the Rapid and Frequent Network	21.5% annual growth	18.3% annual growth	Increase faster than total boardings	On track	18.3% growth in the year to September 2019, vs 8.9% growth in total boardings. This is meeting the SOI target.
New cycleways added to regional cycle network	9.65 km	2.2 km	10 km	On track	Franklin Road (1.0 km) and Maketu Road, Drury South (1.2) were completed in July 2019, adding 2.2 km of new cycleway to the network. This is on track to meet the SOI target.
Number of cycle movements past selected count sites	N/A	YTD: 767,703	3.826 million	Not met	YTD cycle movements were 4.5% below the SOI target. The higher than expected rainfall has resulted in monthly cycle counts in August 2019 and September 2019 under target.
Active and sustainable transport mode share at schools where the Travelwise programme is implemented	N/A	N/A	40%	Not yet measured	Survey to be conducted in June 2020.
Active and sustainable transport mode share at organisations where the Travelwise Choices programme is implemented	N/A	N/A	40%	Not yet measured	Survey to be conducted in June 2020.

Key performance indicators	Previous Year	FY 20 Quarter 1		Status	Commentary
		Actual Year to Date	Full Year Target		
Average AM peak arterial productivity	32,863	32,928	27,500	On track	Average AM peak arterial productivity was 32,928 in the 12 months to September 2019. This is on track to exceed the SOI target.
Proportion of the freight network operating at Level of Service C or better during the interpeak	93%	93%	85%	On track	The proportion of the freight network operating at Level of Service C or better during the interpeak was 93% in the 12 months to September 2019. This is on track to exceed the SOI target.
Percentage of public transport passengers satisfied with their public transport service	91%	91%	85%	On track	Overall satisfaction with public transport has remained at around 91% since September 2017 with the September 2019 quarter at a stable 90.7%.
Public transport punctuality (weighted average across all modes)	97.0%	97.3%	95.0%	On track	On track to meet the SOI target.
Percentage of local board members satisfied with Auckland Transport engagement: Reporting to Local Board	41%	N/A	70%	Not yet measured	Local board satisfaction results, sourced from the Auckland Council Elected Members Survey, are not available every year as the survey is only undertaken every 18 months. The next results are expected in late 2020.
Percentage of local board members satisfied with Auckland Transport engagement: Consultation with Local Board	35%	N/A	70%	Not yet measured	
Percentage of customer service requests relating to roads and footpaths which receive a response within specified time frames	82.3%	84.0%	85%	On track	Suppliers are performing at or close to expected levels of customer responsiveness for road and footpath requests. Improvements in customer responses are evident in Q1 with Auckland Transport meeting the target (84.0% for the three months to September 2019). Auckland Transport is working constructively with suppliers to maintain and improve target times.
Number of high risk intersections and sections of road addressed by the safety programme	N/A	N/A	10	Not yet measured	Measure to be reported in Q2 2019/20.

Key performance indicators	Previous Year	FY 20 Quarter 1		Status	Commentary
		Actual Year to Date	Full Year Target		
Change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number	553	528	Reduce by at least 18 (663)	On track	The 12 month total to June 2019 was 528. This was 14% less than the 12 months to June 2018. The target for 2019 is to reduce DSI by at least 18 compared to the target from 2018.
Public transport farebox recovery	43.4%	43.1%	43-46%	On track	Total PT farebox recovery ratio in September 2019 was 43.1%.
Percentage of the sealed local road network that is resurfaced	5.5%	0.4%	5.8%	On track	The YTD completed length of 27.6 km (0.4% of the network) is ahead of the forecast trajectory of 25 km to meet the SOI target.
Percentage of road assets in acceptable condition (as defined by Auckland Transport's Asset Management Plans)	94%	N/A	95%	Not yet measured	Measure to be reported in March 2020.
Percentage of footpaths in acceptable condition (as defined by Auckland Transport's Asset Management Plans)	96%	N/A	95%	Not yet measured	Measure to be reported in March 2020.
Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all urban roads	87%	N/A	81%	Not yet measured	Measure to be reported in March 2020.
Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all rural roads	94%	N/A	92%	Not yet measured	Measure to be reported in March 2020.
Number of buses in the Auckland bus fleet classified as low emission	New measure	N/A	5	Not yet measured	New measure, to be reported by end of 2019/20.
Reduction in CO2e (emissions) generated annually by Auckland Transport corporate operations (from 2017/18 baseline)	New measure	N/A	7%	Not yet measured	New measure, to be reported by end of 2019/20.
Percentage of Auckland Transport streetlights that are energy efficient LED	New measure	N/A	56%	Not yet measured	New measure, to be reported by end of 2019/20.