

Quarter 2 Performance Report

For the period ending 31 December 2019

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

Auckland Transport Q2 summary

Highlights, issues & risks for the quarter

Highlights:

- The Speed Limits Bylaw 2019 was passed by Auckland Transport's board on 22 October 2019. The bylaw will improve road safety and reduce trauma by reducing the speed limits of more than 800km of rural and urban roads to safe and appropriate speeds.
- The NZTA Board endorsed the AT Road Safety Programme Business Case on 27 November 2019. The programme has an estimated \$604 million of safety initiative spend between 2021/22 and 2027/28, with funding to be approved on an individual project basis. The first three years includes a substantial investment in speed management, supported by investment in the highest risk rural and urban intersections and corridors, as well as vulnerable road users.
- Cycling numbers for second quarter 2019/20 totalled 960,274. This was an increase of 2.0% compared with second quarter 2018/19, and an increase of 25% compared with quarter one 2019/20.
- Eastern Busway 1 construction is on schedule. Network performance is better than expected due to a successful disruption mitigation campaign. Signalisation of the Panmure roundabout has been implemented and is performing well.
- Significant construction contracts awarded during the second quarter were New Lynn to Avondale Shared Path, Puhinui Interchange Early Works and Northcote Safe Cycle Route Stage 2 (Bridge Construction).

Issues/Risks:

- NZTA funding for new capital projects is lower than expected due to challenges accessing ATAP funding.
- 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.
- December bus patronage was impacted by bus driver industrial action.

| Financials (\$million) | YTD | YTD budget | Actual vs Budget |
|---------------------------------|-------|------------|------------------|
| Capital delivery | 345 | 378 | ↓ (33) |
| Operating revenue | 481 | 466 | ↑ 15 |
| Operating expenditure | 637 | 637 | ↔ - |
| Net operating surplus (deficit) | (156) | (170) | ↓ 15 |
| NZTA capital co-investment | 145 | 198 | ↓ (53) |

Financial Commentary

- **Capital delivery:** YTD spend is \$33 million lower than budget mainly due to phasing of the Downtown Infrastructure Development Programme and delays in corridor improvements projects.
- **Operating revenue:** YTD is \$15 million higher than budget mainly due to higher infringement revenue and NZTA operating funding.
- **Operating expenditure:** YTD is in line with budget.
- **Net operating deficit** is \$15 million favourable to budget mainly due to higher than expected infringement revenue and NZTA operating funding.
- **NZTA capital co-investment** is \$53 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 42%.

| Key performance indicators (Refer to pg. 12 for complete list) | Previous Quarter | FY 20 Quarter 2 | | Status | Commentary |
|---|---------------------|---------------------|--------------------------------------|-----------------|--|
| | | Actual | Full Year Target | | |
| Total annual public transport boardings | 102,378,442 | 103,167,519 | 103,600,000 | On track | Actual boardings of 103.2 million for the 12 months to 31 December 2019 increased by 7.6% over the prior year. Public transport boardings are on track to meet the SOI target. |
| Boardings on the Rapid and Frequent Network (RFN) | 21.5% annual growth | 12.3% annual growth | Increase faster than total boardings | On track | 12.3% growth in the year to December 2019, vs 7.6% growth in total boardings. RFN boardings are on track to meet the SOI target. |
| Number of cycle movements past selected count sites | 0.768 million | 1.727 million | 3.826 million | On track | YTD cycle movements were 1.8% below the SOI target but recent monthly results have met forecasts. Wet weather contributed to low cycle counts earlier in the year, and more recently certain routes have been impacted by construction activities. |
| Change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number | 528 | 538 | Reduce by at least 18 (663) | On track | The 12 month total to September 2019 was 538. This was 3% less than the 12 months to September 2018. The target for 2019 is 663. |

Strategic focus area – Customer Experience

Key commentary

Highlights

- With a continued focus on first level resolution, complaints continue to decline with 50% less volume compared to May 2018.
- A trial focussed on refunding customers on first contact at Britomart resulted in 250 customers not having to wait 3-15 days for a refund with a flow on effect of reduced 2nd level cases.
- 218,000 monthly active AT HOP users.
- Commuter Journey Mapping is complete and has been shared with key stakeholders. Cross-functional teams have been set up to address the top three priorities. A community collaborative approach using Human Centred Design is being taken to establish on-demand transport needs in Mangere.
- Customer Relationship Management (CRM) case transformation programme was successfully delivered in October 2019.
- The average time to resolve LGOIMAs was steady at 18 days.
- Customer Experience organisation structure confirmed. Majority of appointments made pre Xmas, completing extensive changes in Customer Service, Market Insights and Analytics, Marketing and Travel Demand, Digital Channels / Customer Experience.

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"> • Customer Experience requirements for integration into the Enterprise Project Management Office (PMO) controls and gate approvals is almost complete. • Cross-functional teams have been set up to address the top three priorities. A community collaborative approach using Human Centred Design is being taken to establish on-demand transport needs in Mangere. |
| Contact Centre Technology | On track | Identify key technology enablers and feasibility to deliver channel migration to digital channels reducing customer effort and cost to serve. | <ul style="list-style-type: none"> • Upgrade to Genesis call centre telephony completed and an 0800 number has been enabled for mobile calls. • New voice recording ready for the end of January supporting the delivery of a restructured interactive voice system to improve routing of calls to agents. • Screen popping for AT HOP card information under development to enable customers to enter details prior to speaking to an agent. |
| 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"> • Ability for customers to view both their main and linked account HOP card balances in their AT mobile app is complete. • Investigations underway for the newly delivered interactive voice system to enable automated interactions for simple queries such as bus cancellation, occupancy information and AT HOP balances. |
| 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. | <ul style="list-style-type: none"> • Phase One to deliver a new CRM has been completed. |

Strategic focus area – Road Safety

Key commentary

Highlights

- The Speed Limits Bylaw 2019 was passed by Auckland Transport’s board on 22 October 2019. The bylaw will improve road safety and reduce trauma by reducing the speed limits of more than 800km of rural and urban roads to safe and appropriate speeds.
- The NZTA Board endorsed the AT Road Safety Programme Business Case on 27 November 2019. The programme has an estimated \$604 million of safety initiative spend between 2021/22 and 2027/28, with funding to be approved on an individual project basis. The first three years includes a substantial investment in speed management, supported by investment in the highest risk rural and urban intersections and corridors, as well as vulnerable road users.
- The first quarterly report for the Injury Prevention Agreement between Auckland Transport and ACC was completed on 31 October. Key actions included hardware being installed at a trial site to monitor drivers using mobile phone and seatbelt usage, and staff recruitment to accelerate the Te Ara Haepapa programme delivery.
- AT hosted Skye Duncan, Director of the Global Designing Cities Initiative from the National Association of City Transportation Officials (NACTO), on 14 November. Skye presented on interim solutions and international best practice for urban street design, intersection treatments, and safety opportunities for Auckland now we are a Vision Zero region.

Risks

- The vast majority of the infrastructure required to support the introduction of the speed bylaw needs to be installed by 30th June 2020. This timeframe is achievable but challenging.

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: <ul style="list-style-type: none"> • 10 high risk intersections; • 10 high risk road corridor upgrades; and • 20 pedestrian improvement projects. | <ul style="list-style-type: none"> • 8 high risk intersections in construction with 4 completed. • 11 high risk corridors in construction with 6 completed • Of the 20 planned pedestrian improvements, 14 are in construction and 1 has been completed. |
| Speed Safety Management programme | In progress | Implement speed management on priority locations in 2019/20. 500 km of roads including 250km of NZ highest risk road. Priority locations being Rodney and Franklin and urban roads in town centres outside schools and in the city centre. | Speed management in priority locations will be delivered by 30 June 2020. |
| Red Light Camera programme | In progress | Installation of six new red-light cameras to reduce crashes at high risk intersections. | The eight cameras from 2018/19 are commissioned and operational. A further eight to be installed this financial year. |
| Road Safety Education | On track | Deliver targeted campaigns, events, training and checkpoints to increase road safety by promoting graduated licences, child restraint use, safe driving, and highlight the risks of driver distraction. | Delivered 5 campaigns, 353 events, 26 checkpoints, 45 community based interventions, and 34 Te Reo Māori road safety activities, which included 4 checkpoints, 28 community based interventions and 1 campaign. |
| School Safety | On track | Continue Active Travelwise schools programme to increase road safety awareness, active travel, and public transport use by school students. Deliver initiatives that lower speed around schools and improve safety of walking/cycling to school | Completed 287 Travelwise and Safer Community events, including 116 speed activities and 1 campaign. |

Strategic focus area – Public Transport

Key commentary

Highlights

- Rapid and Frequent services totalled 52.6 million passenger boardings for the 12 months to December 2019, an increase of +4.4% on the previous year. Patronage for December 2019 was 3.7 million, an increase of +5.2% on December 2018 and +11.7% above the SOI target (YTD +0.1%).
- December monthly patronage was 6.7 million, an increase of +0.3% on December 2018 (YTD +1.9%) and -1.5% below the SOI target. December patronage was impacted by bus driver industrial action. December normalised adjustment ~ +1.1% allowing for special event patronage, one more business day and one less weekend/Public Holiday and four less school term days.
- Overall, for the 12 months to December 2019 Auckland public transport patronage totalled 103.2 million passenger boardings, this represents an increase of +7.6% on the previous year and +4.9% YTD. This is made up of:
 - Bus services totalling 75.0 million passenger boardings for the 12 months to December 2019, an increase +8.6% on the previous year.
 - Train services totalling 21.9 million passenger boardings for the 12 months to December 2019, an increase of +6.0% on the previous year.
 - Ferry services totalling 6.2 million passenger boardings for the 12 months to December 2019, an increase of +2.0% on the previous year.

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 2019. 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 fully-compliant operating model in place for May 2020.
- Risk of further industrial action due to current bus operator collective agreement negotiations.

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 | Status | Description | Outlook |
|--|--------------------------|---|--|
| Bus Priority | On track | New and extended hours of bus priority on key corridors to improve customer journey times. | <ul style="list-style-type: none"> • Mount Wellington Highway and Pt Chevalier Rd bus lanes are in the late design phase or have been passed into the construction phase. • North Shore small scale intervention programme is in the design phase. |
| Double decker mitigation works – Phase 2 | On track | Mitigating works on key corridors for double decker implementation increasing public transport capacity – corridor clearance, GIS mapping of compliant routes, ongoing corridor maintenance. | <ul style="list-style-type: none"> • Phase 2: working with NZTA on the Point of Entry for the new Business Case for the diversion route. • Physical works are in progress for the final canopy cutbacks on Dominion Rd and Remuera Rd. New North Rd is on hold (post design) until more is known about the LRT project. |
| Rail pedestrian gating works | On track | Pedestrian level crossing gating across the rail corridor improving pedestrian safety. | <ul style="list-style-type: none"> • 6 further locations finalised the design phase pre-Xmas, for delivery in the first half of 2020. • Commenced gating to support the CRL Mt Eden works. |
| New network implementation Waiheke | On track | Infrastructure enablement and operator implementation. Outcome: enhanced bus network for Waiheke and completion of the new bus network operationalised 13 th October 2019. | <ul style="list-style-type: none"> • New bus network is operational. Further infrastructure work is to be completed to close out remaining network needs in 2020. Waiheke Bus have had timetable changes to reduce service levels due to bus driver shortage in December; AT is working with the operator to resolve the current driver shortage. |
| Train station ticket gating | Partially Delayed | Installation of ticket gating at Middlemore, Papakura and Parnell. | <ul style="list-style-type: none"> • Papakura train station gates are in construction with completion expected in March/April 2020. • Middlemore train station is in the final design phase. This is due for completion in June 2020. |
| Value for Money reviews | On track | In September and October, AT Metro instigated a number of service frequency changes under the 'Value for Money' process. This process is stipulated by the Regional Public Transport Plan. | <ul style="list-style-type: none"> • Service changes enabled AT Metro to use resources where needed, in particular the provision of increased frequency of services that have high demand and capacity constraints. The majority of changes were outside of the 7am-7pm Mon-Fri commitment and were a reduction in frequency. |
| Bus services industrial action | In progress | In November, multiple bus operators commenced the Collective Bargaining process with the respective employee Unions. The bargaining process broke down for two of AT Metro's operators, NZ Bus and Go Bus, which invoked industrial action. | <ul style="list-style-type: none"> • An agreement was met with the governing unions to withhold further action until Collective Bargaining recommences in late January 2020. • Fare revenue impact due to the industrial action is currently being assessed, with the majority provisioned for recovery under existing contract terms. |

Strategic focus area – Active Modes

Key commentary

Highlights

- Cycling numbers for second quarter 2019/20 totalled 960,274. This was an increase of 2.0% compared with second quarter 2018/19, and an increase of 25% compared with quarter one 2019/20.
- Cycle counts for the 12 months to December 2019 totalled 3,765,256, a 6.2% increase on the 12 months to December 2018. Wet weather contributed to low cycle counts earlier in the year. Increased construction activity within the city centre has also contributed, with lower cycle counts on Quay Street of 10% and 20% on Karangahape Road compared to the same quarter last year. However, overall cycle growth remains strong in November and December 2019 as cyclists choose to use alternative routes into the city. Counts for the quarter have increased year on year at Grafton Gully (15%), Victoria Street West (21%), Nelson Street Lightpath (34%), and Upper Queen Street (37%). Total cycle counts for the quarter are up 25% on the same period last year.
- Active mode share into the city during the AM peak has remained steady at 8%. The 12 month average number of cyclists entering the city remains at 1,800 during the AM peak.

Risks

- High community expectations to treat other deficiencies in the street environment including utilities while delivering cycling infrastructure. Mitigation

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 | On track | SOI target to complete 10 km of new cycleways in the 2019/20 financial year. | In quarter 2 a number of cycling project construction contracts were awarded. The following projects started construction during the quarter: <ul style="list-style-type: none"> • Northcote Bridge Section; • New Lynn to Avondale Shared path; • Victoria Street Cycleway; • Herne Bay to Westhaven Cycleway; and • Tamaki Drive Cycleway. |
| Walking | In progress | Deliver 6 new and improved footpaths across Auckland. | <ul style="list-style-type: none"> • 1 completed (Walters Rd). • 6 in design (Muriwai Rd, Hibiscus Coast Hwy – Silverdale, Huia Rd, Don Buck Rd, Ararimu Rd and Maire Rd). • construction started on 3 (Marmion St, 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. | <ul style="list-style-type: none"> • Summer 'Live the Bike Life' and Look out for people on bikes ('Think bike bike bike') campaigns both ran in quarter 2. 25 events were delivered, including 4 Kids Learn 2 Ride sessions, 1 Bike Ready instructor training course and 2 Refugee cycle training courses. • Evaluation and allocation of the Community Bike Fund, supported 16 group events and activities to a total of \$50,000. • 2,852 students trained in the quarter through the school cycle training programme. 2 new bikes in schools tracks opened. • Travelwise Choices programme activities included 11 e-bike tours for businesses. <p>In addition, Travelwise Choices ran the Auckland Walk Challenge in November, attracting 8,404 registrations for the month-long challenge.</p> |

Strategic focus area – Key Projects & Strategic Programmes

Key commentary

Highlights

- The Downtown Programme is in the construction phase with design and consenting substantially complete. Construction has commenced across all projects in the programme with the Downtown Public Space (DPS) fully underway in January following the consent approval at the end of 2019.
- Eastern Busway 1 construction is on schedule. Network performance is better than expected due to a successful disruption mitigation campaign. Signalisation of the Panmure roundabout has been implemented and is performing well.

Risks

- Downtown Programme – The customer impacts of delivery across Quay Street, Hobson Street and Lower Albert Street remains a high risk as people move through a changing site. Programme and cost will continue to be monitored as the project moves into full delivery. Health and Safety is also a focus given the work is in a constrained corridor and over water.
- Eastern Busway 1 – Works are continuing on programme with key risks around services and Watercare assets.
- Eastern Busway 2 and 3 – Combined procurement strategy and internal capability is progressing well, with procurement start targeted for the first quarter of 2020 as a single, collaborative contract.

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 | 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. | Pontoon 6 (Ferry Basin Redevelopment project) and its landing pontoon are on track to be delivered and fully commissioned in preparation for increasing movement through the Downtown Area in March. Delivery of the pontoon also allows for the DPS works to fully commence in January. Marine piling works, and land-based piling are proceeding at pace. |
| 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. The bridge construction is progressing well. Project is on time and on budget. There is a significant focus on safety. |
| 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 strategy confirmed with detailed procurement planning and organisational readiness activity underway to enable procurement of a single, collaborative contract to start in the first quarter of 2020. |
| 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. | A preferred tenderer has been identified however, contract award is subject to resolution of appeals and acquisition of land required for the road. Delays to the contract award and design changes resulting from appeal resolutions may result in changes to the tendered prices. |
| 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 and cost. The revised option will be considered in early 2020 for final approval before re-commencing the design work. |
| Murphys Road | In progress | Upgrade of Murphys Road from south of Ormiston to north of Flat Bush School Road. This project changes a rural district arterial to a four lane urban arterial road and includes a triple box culvert. | Construction is continuing to progress to programme. In order to complete the culvert works, Murphys Road between Ormiston Rd and Flatbush School Rd has to be closed to through traffic for several months to allow for the removal of the existing culvert and the installation of 3 box culverts. |
| Medallion Link Drive | In progress | Construction of the new 200m road section to link the Oteha Valley/Medallion intersection to Fairview Avenue. Works involve the construction of side-by-side culverts, new round-a-bout on Fairview Ave, signalisation on Oteha Valley-Medallion intersection, other culvert upgrades and cycling facilities | The contract for the construction of the link road has been openly tendered and awarded. Physical works on site are programmed to commence in March 2020. Part of the works is to relocate a significant WaterCare water main and Auckland Transport is working with WaterCare on the timing of this work to reduce the risk of water supply issues. |

Strategic focus area – Asset Management

Key commentary

Highlights

- 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.
- Work is underway to assess the criticality of components within Public Transport (PT) assets and facilities. The PT facility assessment is currently being trialled on Britomart Station, Downtown Ferry Terminal, Downtown Carpark and Smales Farm Bus Station.
- An assessment of the criticality of all Auckland Transport’s Roothing and Public Transport assets has been approved. Work is underway to develop an accompanying Asset Risk and Resilience Framework and Auckland Transport is working with other council entities to develop a “whole community” view.
- “Enviro Shield” pavement and surfacing preservation product has been subject to a controlled trial at Te Taou Crescent. This is a liquid product with a sand based finish that waterproofs the road surfacing by sealing existing cracks and other minor surfacing defects that have developed overtime. Stopping water entering the pavement layers is critical in maintaining or even extending the life of the pavement. The intention of the trial is to explore new alternative lower cost, more environmentally sensitive surfacing solutions to existing conventional treatments.
- 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 the installation of a corrosion protection system to slow the corrosion process of the reinforcements. We are also investigating options to trial on selected locations to stop water ingress 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 Roothing and Public Transport assets | Complete | Programme of renewals and maintenance works for roading and public transport assets. | Programme optimisation work to mitigate disruption to the transport network nears completion. |
| Condition Inspections of Roothing Structures and Metro Assets | Complete | Condition inspections of roading structures and metro assets. | The inspections programmed for 2019/20 are on track. To date 30% of the inspections have been completed. |
| Seal Extension Guideline Review | In progress | Tri-Annual review of Seal Extension Guideline used to prioritise the seal extension programme. | Review of seal extension prioritisation to be completed in quarter 4. |
| 2021 Asset Management Plan | On Track | Development of the 2021 Asset Management Plan (AMP) and the accompanying investment needs are progressing well. | Eight workshops of internal stakeholders have already been completed. 1 st draft of the AMP was completed end of December 2019. |
| Consequential Opex requirements | On Track | Establish the consequential opex requirements of the roading and Public Transport Metro assets to ensure future sustainability of the transport network. | Consequential opex requirements of the roading network have been estimated using the best available information. The methodology adopted and the estimated consequential opex requirements are going through a quality assurance audit which is expected to be completed by end of January 2020. |
| 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. | Funding discussions are ongoing with NZTA with respect to the possibility of a contribution. The project has been commissioned and project team mobilised. The current focus is on the portfolio of bridge assets. |
| 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 2020. |

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. Project Fora held across various rohe on a fortnightly basis, focussing primarily on Resource Management matters. The forums are resourced by Auckland Transport in Partnership with NZTA and Mana Whenua.
Auckland Transport had three Māori TupuToa interns with one intern accepting a graduate role.
- **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.
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 with 184 of the new Māori design AT HOP cards distributed.
- **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).
Motairehe Marae (Aotea/Great Barrier) – a seawall to protect the marae and urupa from erosion has been completed.
Te Aroha Marae – a boundary survey has been completed and work has started on the preliminary design.
- **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 progressively implemented across the public transport network, and on signage relating to infrastructure projects. To date several hundred Auckland Transport staff have completed formal Te Reo and other cultural awareness training.
- **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 local body elections saw a relatively high turnover on Local Boards (e.g. up to 70% on Waitemata Local Board). Auckland Transport held a number of induction sessions for elected members at its Manukau, Henderson and Viaduct Harbour offices; a total of 67 elected members attended (39%). The sessions included briefings on broad strategic issues, organisational structure, and provided the opportunity for senior staff to meet elected members face to face.

Auckland Transport has been working closely with Local Boards on identifying projects to be delivered through their Community Safety Fund. These will be confirmed after workshops in February/March.

Auckland Transport also continues to work with the Orakei and Papakura Local Boards on their One Local Initiatives.

The final criteria has now been agreed with Waiheke Local Board on its ten year transport plan (which received around 450 public submissions) and ranked priorities will be considered by the Local Board in early 2020.

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 also include incentives for suppliers to reduce emissions. We have three projects currently in the 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. 31 low emission buses will now be in operation by June 2021. Additional low emission vehicles are currently under negotiation.

Auckland Transport has also agreed with Vector Limited to undertake a detailed study of electricity supply and electricity network infrastructure requirements from a fully electric bus fleet, including opportunities for innovation.

Auckland Transport Q2 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) | (156) | (171) | 15 | (351) |
| Operating revenue | B | 897 | 481 | 466 | 15 | 951 |
| AC operating funding (CCO only) | | 288 | 141 | 141 | - | 299 |
| NZTA operating funding | | 281 | 159 | 154 | 5 | 301 |
| Fees & user charges | | 278 | 152 | 144 | 8 | 295 |
| Other direct revenue | | 50 | 29 | 27 | 2 | 56 |
| Operating expenditure | | 1,228 | 637 | 637 | (1) | 1,302 |
| Employee costs | C | 126 | 67 | 63 | (4) | 130 |
| Grants, contributions & sponsorship | | - | - | - | - | - |
| Other direct expenditure | | 730 | 384 | 386 | 2 | 785 |
| Depreciation | | 342 | 171 | 173 | 2 | 357 |
| Interest expense | | 30 | 15 | 15 | - | 30 |
| Capital revenue | | 970 | 490 | 476 | 14 | 1,084 |
| AC capital grant (CCO only) | | 400 | 198 | 180 | 18 | 430 |
| NZTA capital co-investment | D | 264 | 145 | 198 | (53) | 474 |
| Vested assets | E | 305 | 146 | 98 | 48 | 180 |
| Other Capital Grants | | 1 | 1 | - | 1 | - |

Financial Commentary

A: The year to date net deficit from operations is \$156 million, which is \$15 million favourable to budget mainly due to higher than expected revenue from infringements and NZTA operating funding.

B: Operating revenue is higher than budget driven by:

- additional infringement revenue (\$6.5 million); and
- NZTA operating funding (\$4.6 million).

C: Employee costs are above budget due to lower than planned capitalised personnel cost of \$2.9 million.

D: 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 42%.

E: Vested assets received from property developments is \$146 million, \$48 million favourable to budget. This is mainly from property developments in Massey, Hobsonville, New Lynn, Flat Bush, Long Bay, Drury and Sunnyvale. Increased vested assets bring additional future consequential operating costs for Auckland Transport.

Regional Fuel Tax (RFT) Q2 Summary

Financial performance

| \$(million) | FY 20 YTD | | | FY 20 |
|--|-------------|-------------|---------------|-------------|
| | Actual | Budget | Variance | Budget |
| Total RFT-enabled capital expenditure | 83 | 96 | 13 | 244 |
| Project 1: Bus priority improvements | 3 | 4 | 1 | 17 |
| Project 2: City centre bus infrastructure | 4 | 3 | (1) | 15 |
| Project 3: Improving airport access | 10 | 6 | (5) | 25 |
| Project 4: Eastern Busway | 3 | 5 | 2 | 13 |
| Project 5: Park & Ride facilities | 0 | 0 | 0 | 1 |
| Project 6: Electric trains and stabling | - | - | - | - |
| Project 7: Downtown ferry terminal and redevelopment | 30 | 30 | 0 | 51 |
| Project 8: Road safety | 20 | 27 | 7 | 60 |
| Project 9: Active transport | 3 | 2 | (1) | 14 |
| Project 10: Penlink | 0 | 3 | 3 | 5 |
| Project 11: Mill Road corridor | 0 | - | (0) | - |
| Project 12: Road corridor improvements | 2 | 9 | 7 | 32 |
| Project 13: Network capacity and performance improvement | 5 | 6 | 1 | 12 |
| Project 14: Growth-related transport infrastructure | 4 | 0 | (3) | 0 |
| Total RFT-enabled operating expenditure | 1.87 | 1.44 | (0.43) | 2.80 |
| Project 8: Road safety | 1.87 | 1.44 | (0.43) | 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 December was \$83 million, compared to the budget of \$96 million.

Preparation of business cases are underway 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.

The safety programme is now progressing to the construction stage during the favourable spring/summer period.

For Project 12 Road Corridor Improvements, 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 Q2 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 on whether or not the measures are on track to meet the annual target.
For the three months to 31 December 2019, 15 have met or are on track to meet the annual target/ 8 have not yet been reported/ 2 will not be reported in 2019/20.

| Key performance indicators | Previous Quarter | FY 20 Quarter 2 | | Status | Commentary |
|--|---------------------|---------------------|--------------------------------------|-------------------------|--|
| | | Actual Year to Date | Full Year Target | | |
| Total annual public transport boardings | 102,378,442 | 103,167,519 | 103,600,000 | On track | Actual boardings of 103.2 million for the 12 months to 31 December 2019 increased by 7.6% over the prior year. Public transport boardings are on track to meet the SOI target. |
| Total annual rail boardings | 21,560,711 | 21,884,179 | 22,300,000 | On track | Actual rail boardings of 21.9 million for the 12 months to 31 December 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 (RFN) | 18.3% annual growth | 12.3% annual growth | Increase faster than total boardings | On track | 12.3% growth in the year to December 2019, vs 7.6% growth in total boardings. RFN boardings are on track to meet the SOI target. |
| New cycleways added to regional cycle network | 2.2 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 | 0.768 million | 1.727 million | 3.826 million | On track | YTD cycle movements were 1.8% below the SOI target but recent monthly results have met forecasts. Wet weather contributed to low cycle counts earlier in the year, and more recently certain routes have been impacted by construction activities. |
| 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 Quarter | FY 20 Quarter 2 | | Status | Commentary |
|---|------------------|--|------------------|--|--|
| | | Actual Year to Date | Full Year Target | | |
| Average AM peak arterial productivity | 32,928 | 32,941 | 27,500 | On track | Average AM peak arterial productivity was 32,941 in the 12 months to December 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 December 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 91% since September 2017. Full year result expected to exceed the SOI target. |
| Public transport punctuality (weighted average across all modes) | 97.3% | 97.5% | 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 | N/A | N/A | 70% | Survey not conducted in 2019/20 | 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 | N/A | N/A | 70% | Survey not conducted in 2019/20 | |
| Percentage of customer service requests relating to roads and footpaths which receive a response within specified time frames | 84.0% | 85.0% | 85% | On track | Improvements in customer responses are evident with recent results in line with target. |
| Number of high risk intersections and sections of road addressed by the safety programme | N/A | 4 High Risk Intersections and 6 High Risk Corridors have been completed. | 10 | On track | Currently there are 8 High Risk Intersections in Construction with 4 completed and 11 High Risk Corridors are in Construction with 6 completed. |

| Key performance indicators | Previous Quarter | FY 20 Quarter 2 | | 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 | 528 | 538 | Reduce by at least 18 (663) | On track | The 12 month total to September 2019 was 538. This was 3% less than the 12 months to September 2018. The target for 2019 is to reduce DSI by at least 18 compared to the target from 2018. |
| Public transport farebox recovery | 43.1% | 42.4% | 43-46% | On track | Total PT farebox recovery ratio in December 2019 was 42.4%. |
| Percentage of the sealed local road network that is resurfaced | 0.4% | 2.1% | 5.8% | On track | The YTD completed length of 140.9 km (2.1% of the network) is behind the forecast trajectory of 190 km (2.8%). |
| Percentage of road assets in acceptable condition (as defined by Auckland Transport's Asset Management Plans) | N/A | 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) | N/A | 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 | N/A | 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 | N/A | 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 | 3 | 5 | On track | On track to exceed the 2019/20 target with up to eight additional low emission buses expected to be on the network by the end of the year. |
| 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. |