

Quarter 3 Performance Report

For the period ending 31 March 2020

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

Auckland Transport Q3 summary

Highlights, issues & risks for the quarter

Highlights:

- AT rapidly responded to the move to Covid-19 Alert Level 3 and 4, with initiatives including:
 - The AT Mobile app added a new feature showing real time public transport occupancy, providing customers with assurance they would be able to observe social/physical distancing guidelines.
 - AT transitioned to a weekend timetable across the whole week, with all service information updated in Journey Planner and on AT Mobile and Passenger Information Displays. Such a sweeping change would normally take months of planning and preparation and was completed in days.
- Public Transport Patronage growth has been significantly impacted by Covid-19; impact became evident from late January with the absence of international students and a decrease in gold card users. However, for the 12-months to March 2020 Auckland public transport patronage still totalled 100.2 million passenger boardings, representing an increase of +2.0% on the previous year and -0.8% YTD.
- As required under Covid-19 Alert Level 4 project sites across AT's capital programme were safely shut down with no incidents to report. The sites are being actively monitored for safety and security. During Alert Level 4 non site based productive work is progressing including developing, analysing and reviewing remobilisation scenarios and opportunities.
- The Downtown Infrastructure Development Programme is in the construction phase with design substantially complete. PreCovid-19 construction progress has been good across the programme with the overall end of 2020 programme still achievable except for minor works which will likely extend into early 2021. The impact of Covid-19 on the programme is being analysed to understand what can be achieved in the current calendar year.
- AT recently awarded a contract, under its social procurement framework, to a 100% Māori-owned business to construct a carpark and access way at Makaurau Marae, in Mangere, as part of its Road Safety programme.

Issues/Risks:

- Decline in revenue for the organisation both through the reduced use of core services across our network (such as Public Transport and Parking), as well as uncertainty around levels of funding that can be provided by our main funding partners (Auckland Council and Waka Kotahi NZ Transport Agency) in the short term and long term.
- The status of the majority of AT's key programmes of work in this report are pre Covid-19. An assessment of the impact of Covid-19 on the delivery of AT's operational and capital projects is ongoing.
- Pre Covid-19 AT was on track to deliver approximately \$850 million of the \$903 million capital budget. Risk to capital programme delivery and increased cost due to Covid-19 is being assessed.
- NZTA funding for new capital projects is lower than expected due to challenges accessing ATAP funding.

Financials (\$million)	YTD actual	YTD budget	Actual vs Budget
Capital delivery	561	639	↓ (78)
Operating revenue	717	702	↑ 15
Operating expenditure	954	962	↓ 8
Net operating surplus (deficit)	(237)	(261)	↓ 24
NZTA capital co-investment	256	335	↓ (79)

Financial Commentary

- **Capital delivery:** YTD spend is \$78 million lower than budget mainly due to phasing of the Downtown Infrastructure Development Programme and purchase of the new electric trains.
- **Operating revenue:** YTD is \$15 million higher than budget mainly due to higher NZTA operating funding.
- **Operating expenditure:** YTD is \$8 million below budget mainly due to lower than budgeted phasing of professional services.
- **Net operating deficit** is \$24 million favourable to budget mainly due to higher than expected NZTA operating funding.
- **NZTA capital co-investment** is \$79 million below budget due to the assumption in the budget that AT's programme would be funded 48%/52% from Auckland Council and NZTA respectively. Actual NZTA funding received was 46%.

Key performance indicators (Refer to pg. 12 for complete list)	Previous Quarter	FY 20 Quarter 3		Status	Commentary
		Actual	Full Year Target		
Total annual public transport boardings	103,167,519	100,178,431	103,600,000	Not on track	Boardings of 100.2 million for the 12 months to 31 March 2020, an increase of 2.0% compared to the prior year. Boardings are 3.3% below SOI target, reflecting the impact of Covid-19.
Boardings on the Rapid and Frequent Network (RFN)	12.3% annual growth	2.1% Annual Growth	Increase faster than total boardings	On track	2.1% RFN growth in the year to 31 March 2020 vs 2.0% growth in total boardings. RFN boardings are also affected by Covid-19.
Number of cycle movements past selected count sites	1.727 million	2.842 million	3.826 million	On track	YTD cycle movements were 1.7% below the SOI target. Low counts can be attributed to construction activities on certain routes as well as Covid-19. We will continue to monitor how cycle movements might be affected by Covid-19 going forward.
Change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number	538	533	Reduce by at least 18 (663)	Met	The 12 month total to December 2019 was 533, well ahead of the target of 663. Note: there is a 3-month lag for road death and serious injury data.

Strategic focus area – Customer Experience

Key commentary

Highlights

- AT provided a rapid response to the announcement to move to Covid-19 Alert Level 3 and 4, with initiatives including:
 - Within 2 days of Alert Level 4 being activated, the AT website had a Covid-19 response page with a banner added to every other page on the website linking to the Covid-19 page.
 - On the same day the AT Mobile app added a new feature showing bus occupancy based on real-time HOP data, providing customers with assurance they would be able to observe social/physical distancing guidelines. Within the week train occupancy was also added to the app.
 - By the end of the first week of lockdown AT had transitioned to a weekend timetable across the whole week, with all service information updated in Journey Planner and on AT Mobile and Passenger Information Displays. Such sweeping change would normally take months of planning and preparation and was completed in days.
- Pro-actively called monthly HOP card concession holders to offer refunds due to the COVID-19 lockdown. Called 7,000 new HOP Card holders informing them of AT self-service options.
- 240,518 monthly active AT HOP users up from 218,000 in the previous quarter. 30,000 new limited edition AT HOP key tags, designed by children, were successfully launched in January with 1,178 sold as at the start of February.
- A newly developed retail e-newsletter was sent to all retailers to increase engagement, keep retailers more informed and provide refreshers on the AT HOP product.

Strategic

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

Key programmes	Status	Description	Outlook
Customer Experience (CX) Strategy and Design	On track	Deliver the CX Strategy and Blueprint and delivery model.	<ul style="list-style-type: none"> • Developing City Centre customer change plan: <ul style="list-style-type: none"> ○ Trialled new ways of connecting AT staff; customers and partner organisations in ‘virtual workshops’ to achieve fast and optimum collaboration in customer experience. Approach used in developing new concepts to support active modes and PT travel demand models. ○ Created a Behavioural Science action plan which outlines communications that can be applied for each Covid-19 Alert Level. ○ Co-design with Local Boards to improve reporting to elected members. ○ Used Experience Design frameworks and facilitation to help frame up the ‘pivot of priorities’ plan for AT focusing on the next 9 months to effect better customer experience while delivering better internal efficiencies through digital, automation and simplification. ○ Used Customer Experience design skills to review customer improvements in key capital projects including CRL link Alliance, (K-Road, Mt Eden and Aotea); Reviewed designs for customer impact including: Customer Service Centres, ticket vending machines (quantity and locations), customer flow, wayfinding decision points, Crime Prevention through Environment and Design and safety. • Explored use of recycled materials in construction as part of a multi-organisation exploratory seven week design lab programme focused on Circular Economy progress.
Contact Centre Technology	On track	Identify key technology enablers and feasibility to deliver channel migration to digital channels.	<ul style="list-style-type: none"> • New voice recording delivered at the end of January supporting the delivery of a restructured interactive voice system to improve routing of calls to agents, simplified prompts directing to the right agents to manage the customers call. • Screen popping for AT HOP card information under development to enable customers to enter details prior to speaking to an agent.
Digital Channels	On track	Delivering easy digital journeys for customers using AT Web, AT Mobile, Journey Planner and AT Park.	<ul style="list-style-type: none"> • AT Mobile is continuously improving and has added features including: displaying HOP top-up locations; showing ‘trainline health’, displaying delays by trainline and cancellations of specific services; and including disruption alerts in real-time and journey planning functions. • AT Mobile use continues to climb, with over 250,000 active users per month. Journey Planner is typically used 135,000 times per month, with 60% of that being via mobile phone, and AT Park typically has 60,000 users per month.
AT Omni Channel Strategy and Programme of Work	On track	Design and deliver the AT Omni channel strategy and roadmap for customers to interact with AT with confidence across all channels.	<ul style="list-style-type: none"> • The new contact centre telephony platform went live in January with new voice talent and simplified routing of customer calls to the right agent first time. This also sets the platform for automation of simple interactions which is currently in design. • Preparation to manage March tertiary concession volumes completed in retail channels. Additional mobile devices distributed to customer service centres where high volumes were forecasted. This supported the team to get through the concession process faster, reducing customer queues. The first trial of Agents Working from Home was completed with 6 agents testing capability with no service impacts. This is a key part of the BCP which was successfully implemented across all agents with the Covid-19 Alert Level restrictions in place.
CRM Case Management	On track	Design case management / change approach for organisation wide case management system to improve responsiveness.	<ul style="list-style-type: none"> • A post implementation review of case management responses is underway with all activity due for completion at the end of May 2020. • All managed inboxes, including Elected Member and CEO received acknowledgement of their email within two working days.

Strategic focus area – Road Safety

Key commentary

Highlights

- Tāmaki Makaurau Leadership group workplans were developed in late February covering key actions in the Vision Zero implementation plan including: Joint roll out of speed management, integrated data sets, selected free access to PT, safe infrastructure for marae, Vision Zero communities, distraction detection camera trials, and an aligned ‘Safety in design’ approach.
- ACC representatives visited Auckland to observe projects funded through the Injury Prevention Agreement including Te Ara Haepapa, which has received ACC funding to employ additional road safety staff to work with Maori. Other ACC funded projects include the Safe School Streets Pilot and Motorcycle Safety demonstration project on Dominion Road.
- A detailed project plan is being developed to enable strong internal partner delivery of AT’s Vision Zero actions. AT’s Vision Zero implementation plan is being combined with the Safety Change Programme and work around the Safety Division Operating Model.
- The Vision Zero Learning Strategy (for increasing AT-wide understanding and adoption of Vision Zero principles) was finalised and the Vision Zero e-learning module was updated.

Risks

- The majority of the infrastructure required to support the introduction of the speed bylaw needs to be installed by 30 June. This timeframe is at substantial risk due to the suspension of non-essential construction activities during Covid-19 Alert Level 4.

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"> • 6 high risk intersections in construction with 9 completed. • 6 high risk corridors in construction with 8 completed. • 16 pedestrian improvement projects have 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 roads. Priority locations being Rodney and Franklin and urban roads in town centres outside schools and in the city centre.	Speed management in priority locations to be delivered by 30 June. Manurewa road safety management construction has commenced. Delivery risk due to suspension of construction under Covid-19 Alert Level 4
Red Light Camera programme	In progress	Installation of six new red-light cameras to reduce crashes at high risk intersections.	1 camera site is currently with supplier for commissioning before handover to NZ Police, 6 have been installed, however cannot be commissioned due to Covid-19 Alert Level 4. 1 is at risk of non-delivery due to site complications and Covid-19 Alert Level 4 restrictions.
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 6 campaigns, 343 events, 12 checkpoints, 20 community based interventions and 8 Te Reo Māori events; 3 at marae and 5 community based.
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 329 Travelwise and Safer Community events, including 94 speed activities and 1 campaign.

Strategic focus area – Public Transport

Key commentary

Highlights

- Patronage growth has been significantly impacted by Covid-19; impact became evident from late January with the absence of international students and a decrease of gold card users.
 - Bus – growth has decreased from +8.6% last quarter to +2.7% 12-months to March 2020 due to Covid-19.
 - Train – growth has decreased from +6.0% last quarter to +1.8% 12-months to March 2020 due to Covid-19.
 - Ferry – growth has decreased from +2.0% last quarter to + -4.2% 12-months to March 2020 due to Covid-19.
- Overall, for the 12-months to March 2020 Auckland public transport patronage totalled 100.2 million passenger boarding's, this still represents an increase of +2.0% on the previous year and -0.8% YTD.

Risks

- Significantly lower on-going patronage against forecast due to Covid-19. Under Alert Level 4, where public transport is for essential services, public transport trips is estimated at 3%-4% of forecasted patronage.
- 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. AT is working closely with operators, unions, NZTA and MoT, in order to have a fully-compliant operating model in place for May 2020.

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 programmes of works	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 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	Partially Delayed	Pedestrian level crossing gating across the rail corridor improving pedestrian safety.	<ul style="list-style-type: none"> 6 further locations finalised with designs completed. Construction delays due to Covid-19. Commenced gating to support the CRL Mt Eden works. Construction delayed due to Covid-19.
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.
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 subject to Covid-19 Alert Level changes to enable construction. Middlemore train station is in the final design phase. Construction subject to Covid-19 level changes.
Value for Money reviews	Partially Delayed	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"> Further value for money initiatives are to be put on hold as the on-going impact of Covid-19, and network changes required to remain sustainable is assessed.
Bus services industrial action	In progress	In November, multiple bus operators commenced the Collective Bargaining process with the respective employee Unions. Further industrial action for NZ Bus impacted patronage in February. Collective negotiations are on-going with resolution in progress.	<ul style="list-style-type: none"> Fare revenue impact due to industrial action is currently being assessed, with the majority provisioned for recovery under existing contract terms. Collective negotiations are on-going with resolution in progress, with negotiations expected to progress upon Covid-19 Alert Level changes.

Strategic focus area – Active Modes

Key commentary

Highlights

- Cycling numbers in the third quarter of 2019/20 totalled 1,122,586, an increase of 0.5% compared with the same time last year, and an increase of 17% compared with quarter two 2019/20.
- Cycle counts for the 12 months to March 2020 totalled 3,770,763, a 2.1% increase on the 12 months to March 2019.
- February 2020 had a record number of monthly cycle counts totalling 408,432. This was due to large numbers of cyclists taking part in the Aotearoa Bike Challenge.
- Due to Covid-19, commuter cyclist movements, particularly around the city centre, have decreased significantly during Covid-19 Alert Level 4. In total, 355,000 cycle movements were recorded in March 2020, an 8% decrease compared to March 2019. Overall cycling demand at our formal count stations – which are weighted towards commuter movements - reduced by approximately 50% after Covid-19 Alert Level 4. However, recreational cyclist movements have increased in residential areas, for example counts have increased by 80 percent at Archibald Park and 40% at Leigh Road Shared Path. Overall, 16 of the 42 had higher counts in March 2020 than 2019.
- Following delays associated with obtaining resource consents and design changes, delivery of the Urban Cycleway Programme ramped up in quarter 3 with seven cycleway projects under construction.

Risks

- Covid-19 has impacted on the delivery of all projects within the cycleway construction programme with the exception of the Victoria St cycleway which is on track for completion in quarter 4.
- The impact of Covid-19 Alert Level 4 on cycleway demand patterns remains a significant risk.

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	Not on track	SOI target to complete 10 km of new cycleways in the 2019/20 financial year.	<p>In quarter 3 construction started on a further two cycling projects:</p> <ul style="list-style-type: none"> • Herne Bay to Westhaven Cycleway; and • Tamaki Drive Cycleway. <p>During the quarter AT delivered 1.96km of cycleways to the Auckland network. Delivery has been impacted by Covid-19</p>
Walking	In progress	Deliver 6 new and improved footpaths across Auckland.	<p>Current status of new and improved footpath delivery:</p> <ul style="list-style-type: none"> • 4 completed (Airfield Rd, Metcalfe Rd, Ormiston Rd, Marmion St). • 9 in design. • 4 commenced but delayed due to Covid-19.
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"> • During the quarter, 21 community events were delivered, reaching a total of 1,815 people, including 18 pit stops with 1,505 participants, and 2 Valentine's try-a-bike sessions with 160 participants. 3 community events were cancelled in late March due to Covid-19. • 18 Adult Bikes Skills sessions and 4 Kids Learn-2-Ride sessions were delivered. 4 adult courses and 3 Kids Learn-2-Ride sessions were cancelled due to Covid-19. • 1,344 students trained in the quarter through the school cycle training programme. 611 students didn't receive training due to Covid-19. 3 new bikes in schools tracks opened with 2 additional openings postponed due to Covid-19. • 23 e-bike guided rides with 78 participants were run for specific businesses in the city centre. A further 3 guided rides (13 participants) were run as part of the Auckland Bike Challenge. • The Auckland Bike Challenge (February) involved 618 organisations, 5,937 participants and 1,203 new riders.

Strategic focus area – Key Projects & Strategic Programmes

Key commentary

Highlights

- The Downtown Infrastructure Development Programme (DIDP) is under construction with design substantially complete. Pre Covid-19 construction progress was good across the programme with the overall end of 2020 programme still achievable except for minor works. The impact of Covid-19 on the programme is being assessed.
- Prior to Covid-19 Eastern Busway 1 construction was on schedule for an early 2021 finish.
- 160 project sites were safely shut down due to Covid-19 Alert Level 4 with no incidents to report. The sites are being actively monitored for safety and security purposes and non site based productive work is progressing including developing, analysing and reviewing remobilisation scenarios and opportunities.

Risks

- Covid-19 is expected to impact on the programme delivery and cost of many projects within the capital programme including the DIDP, Eastern Busway 1 and Matakana Link Road projects. Covid-19 will also increase the overall Health and Safety approach in response to different Covid-19 Alert Levels.
- DIDP - Customer impacts and Health and Safety remains a focus given the work is in a constrained corridor, over water and having people moving through a changing site.
- Eastern Busway 1. There have been some challenges relating to the piling for the final bridge pier and the incorporation of the Hunua 2 replacement Watercare pipe into the programme which are being addressed. These have impacted the completion date for these activities but not the overall programme which is targeted for early 2021.

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 Infrastructure Development Programme	On Track	Auckland Council has a 10 year vision to transform the waterfront. 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.	All construction works on the Downtown Programme construction sites ceased operations on 25 March due to Covid-19. The sites have been made secure and are being actively monitored for safety and security. The project teams are working from home focusing on closing out the remaining designs and developing remobilisation plans, including exploring options that address scenarios for the changes to Covid-19 Alert Levels.
Eastern Busway 1: Panmure to Pakuranga	On Track	Eastern Busway 1 includes the first section of the urban busway, along the north side of Lagoon Drive and Pakuranga Road and an upgrade of the Panmure roundabout.	Eastern Busway 1 construction was progressing to programme pre Covid-19. Measures are in place to expedite re-mobilisation with early 2021 completion still achievable at the current time should the site work be productive following the 4 week Covid-19 Alert Level 4.
Eastern Busway 2 & 3: Ti Rakau Busway	On Track	The Ti Rakau Drive Busway and Reeves Road Flyover are part of the Pakuranga to Botany stage of the AMETI Eastern Busway.	Procurement of the Eastern Busway 2, 3 and 4 Pure Alliance is in progress with RFP launch Q2 2020. The Interim Alliance is expected to form Q4 2020. Significant progress has been made on preparing the organisation and prepping the market for AT's first true construction alliance. Covid-19 has no present impact on the project.
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.	Preferred tenderer identified; however, contract award is subject to land acquisition. Covid-19 has impacted the delivery of some advanced construction works relating to ecological matters (ahead of the main construction contract). The extent of this delay is not yet known. Delays to the contract award and design changes due to appeal resolutions may result in changes to original tendered prices.
Lincoln Road	In Progress	Lincoln Road is a major arterial connection for West Auckland. It will be future proofed with a T2 lane and cycle lanes and an improved motorway interchange.	AT's ELT has endorsed the affordable design solution for the Lincoln Road Corridor Improvements project. Early planning assessment suggest a minor alteration to designation will be required to deliver the affordable option. AT is updating the specialist reports to support this alteration to lodge the application with Council.
Murphys Road	In progress	Upgrade of Murphys Road from south of Ormiston Road to north of Flat Bush School Road. This project changes the rural district arterial to a four-lane urban arterial road.	Construction is continuing to progress to programme. In order to complete the culvert works, Murphys Road between Ormiston Rd and Flatbush School Rd has been closed to through traffic since December 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.	Contract awarded for the construction of the link road. Physical works were programmed to commence in March 2020 but were delayed due to Covid-19 Alert Level 4. Part of the works is to relocate a significant Watercare water main and AT 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

- Work is underway to assess the criticality of components within AT’s public transport assets and facilities. The public transport 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 AT’s Roothing and Public Transport assets has been approved. Work is underway to develop an accompanying Asset Risk and Resilience Framework and AT is working with other council entities to develop a “whole community” view.
- A task team comprising of AT 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).

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 AT, 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	On track	Programme of renewals and maintenance works for roading and public transport assets.	Renewal Forward Works Programme is currently being uploaded in RAMM. This update prioritizes the 3 Year Programme (2020/21-2022/23) for RHAB, Asphalt and Chipseal. Due to Covid-19 Alert Level 4, it will be too late in the season to complete most of the remaining Chipseal renewals. Uncompleted sites will rollover to the 2020/21 year. Asphalt renewals will continue throughout May to June (weather permitting).
Condition Inspections of Roothing Structures and Metro Assets	In progress	Condition inspections of roading structures and metro assets.	To date approx. 84% of the inspections programmed for 2019/20 has been completed. However, due to Covid-19 Alert Level 4, all routine inspections have been postponed as they are considered non-essential. All structures in Poor Condition will continue to be monitored during the 4 weeks under Covid-19 Alert Level 4.
Seal Extension Guideline Review	In progress	Tri-Annual review of Seal Extension Guideline used to prioritise the seal extension programme.	Following a number of meetings with the Rodney Local Board, work has commenced on a review of the seal extension programme and development of an Unsealed Road Improvement Framework considering a wider range of improvement works such as road widening, safety improvements, pavement strengthening, drainage, surfacing improvements and seal extensions.
2021 Asset Management Plan	On Track	Development of the 2021 Asset Management Plan (AMP) and the accompanying investment needs.	Nine workshops with internal stakeholders have been completed to get feedback on key parameters. Next draft of the AMP is to be completed by end of April 2020.
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 and Public Transport Metro networks have been estimated using the best available information. The methodology adopted and the estimated consequential opex requirements have been reviewed and endorsed by a subject matter expert.
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.	The project team has moved to working fully on-line with a continued focus on the Bridge pilot. The project schedule is currently being reviewed in light of the current Covid-19 situation. NZTA recently approved AT’s EAM funding application subject to working with NZTA Data Standards team to agreed performance measures (baseline and targets), and projected efficiency/service level gains being presented in the 2021 AMP (under development) and progressively applied to the 2021-24 NLTP.
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.	The Wolverton contract was awarded to Brian Perry Civil 6 March 2020, with the site Blessing completed and construction on site commenced 9 March 2020. Enabling works stage 0, culvert 1 South side road widening was progressed, and site access lay down areas for stage 1 works were underway. Enabling Works stage 0 culvert 2 northside road widening underway with tree clearance and environmental controls in place. All works were suspended due to the Covid-19 Alert Level 4. The contractor maintains site monitoring for the TMP and site security/safety as essential services.

Other Statement of Intent Focus Outcomes

Contribution towards Māori outcomes

Mana whenua engagement (Māori Identity and Culture, Māori Business, Tourism & Employment, Realising Rangatahi potential)

AT 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 AT in Partnership with NZTA and Mana Whenua.

In the 2019/2020 summer period AT had 5 Tupu Toa interns, with 3 moving into permanent graduate roles.

Te Aranga Māori design (Māori Identity and Culture)

Te Aranga Design Principles are applied in collaboration with mana whenua in AT infrastructure projects (Public Transport, Walking & Cycling, Roads & Footpaths).

Te Waharoa has enabled a database of the art work geospatial located and a key summary document linked to the art and artist profile.

Road safety programmes – Māori drivers, passengers and pedestrians (Māori Business, Tourism & Employment, Realising Rangatahi potential)

AT 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. AT's Te Ara Haepapa Māori Road Safety programme has been included in the Tāmaki Makaurau Road Safety Governance Group's Vision Zero Strategy.

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)

AT engage with marae reservation trustees or leaders of 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. Stage 2 of the programme for Motairehe is to address the road past the Marae and into the Papakainga (flooding, safety for children in the village and parking opposite the Marae for large hui). Design work has begun, and consent lodged in this financial year. Māori Outcome co-ordination with AC and other CCOs (Marae Infrastructure Programme) has been implemented and Māori Outcomes Steering Group funding has been made available for non AT Marae planning and or implementation (Wastewater, Stormwater, lighting, consent fees). LB and CIF funding investigation being led by AC.

Te Aroha (Araparera) Marae – an updated Marae Reservation survey has been completed (including entrance / exit and road access). Design work for entrance / exit to SH16, road access to Marae through adjacent Māori blocks and car park for Marae has been completed. Building and Resource consent has been completed and lodged with AC. Māori Outcome coordination with AC and other CCOs (Marae Infrastructure Programme) has been implemented and Māori Outcomes Steering Group funding has been made available for non AT Marae planning and or implementation (Wastewater, Stormwater, lighting, consent fees).

Makaurau Marae (Ihumatao) – Design work for the driveway, car park, stormwater, lighting shared pathway (kohanga reo access) has been completed. Consent has been lodged and granted, construction commenced but on hold due to Covid-19 Alert Level 4.

AT recently awarded a contract to construct a carpark and access way at Makaurau Marae, in Mangere, as part of its Road Safety programme. Under its social procurement framework, AT worked through an intermediary supplier organisation, He Waka Eke Noa (which represents 54 Māori and Pacific-owned businesses) and the Southern Initiative to tender to Maori owned businesses only. The contract was won by Lite Civil Limited, a 100% Māori-owned business.

Māori values and storm water (Māori Identity and Culture, Kaitiakitanga outcomes)

AT engage with iwi and implemented storm water systems incorporating Maori values 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, all the inner city link buses have had te reo Māori capability installed and a progressive roll out of stop announcements has been initiated (included within the contract for service delivery). The TDM and Road & Streets Framework has been updated to ensure compliance with the AT Board adoption of the Auckland Council Te Reo Māori policy in 2019. All new signage must consider the option for bi lingual signage. To date several hundred AT staff have completed formal Te Reo and other cultural awareness training.

Te Ara Reo is a Te Whare Wānanga o Aotearoa Reo designed Māori Language Course. AT is providing this course to staff in 2020 following the Tikanga Māori Course offered in 2019. AT is committed to supporting interested staff to reach level 2 fluency by 2021.

The Māori Engagement Team is currently contributing to the Auckland Council's Te Reo Māori Implementation Plan. Covid-19 has also motivated our team to offer a unique AT perspective to Te Reo Māori, currently in design in association with Ngā Kete Kīwai.

Organisational Effectiveness - Māori Identity (Māori Identity and Culture)

Te Waharoa Māori portal (One stop geo spatial sharepoint application) to record, store and monitor engagement outcomes. AT has continued to deliver positive social and economic outcomes in infrastructure projects. Procurement engagement is occurring at the individual Māori business level. AT is participating in He Waka Eke Noa (Māori and Pasifika business database, facilitated by the Southern Initiative).

Other Statement of Intent Focus Outcomes

Local board engagement

2020 started with Local Boards meeting in late January and early February. Workshops were held with all Local Boards to develop ideas for their Local Board Transport Capital Fund. These workshops were followed up with further discussions aimed at finalising lists of potential projects for scoping and rough estimates of cost. This process was well underway when Covid-19 became an issue and normal work became disrupted. At this stage eight of the Local Boards had submitted lists of potential projects. Most of these projects have been able to be scoped and costed over the lockdown period. Others have again started assessing potential projects and readying them for submission to AT for scoping and costing. This should mean all boards have their potential projects to AT within the next month and be able to prioritise these for the allocation of budget in June and July.

While face to face meetings and workshops have not been possible under Covid-19 Alert Level restrictions staff have been engaging via Skype and other video conferencing platforms.

Design work for Community Safety Fund projects is well underway, with some 'quick win' projects ready for implementation. The likely move to Covid-19 Alert Level 3 will mean that much of the work in this area that had been halted will now be able to progress.

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

Recruitment has concluded for the appointment of an AT Operations manager for Waiheke Island. This is a key initiative under the MoU with the Waiheke Local Board. The Local Board chair was part of the recruitment panel.

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.

AT 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 Q3 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)	(237)	(261)	24	(351)
Operating revenue	B	897	717	702	15	951
AC operating funding (CCO only)		288	214	211	3	299
NZTA operating funding		281	243	232	11	301
Fees & user charges		278	219	218	1	295
Other direct revenue		50	41	41	1	56
Operating expenditure		1,228	954	962	8	1,302
Employee costs	C	126	101	95	(6)	130
Grants, contributions & sponsorship		-	-	-	-	-
Other direct expenditure		730	571	579	8	785
Depreciation		342	260	265	5	357
Interest expense		30	22	23	1	30
Capital revenue		970	730	794	(64)	1,084
AC capital grant (CCO only)		400	302	305	(3)	430
NZTA capital co-investment	D	264	256	335	(79)	474
Vested assets	E	305	169	154	15	180
Other Capital Grants		1	3	-	3	-



Financial Commentary

A: The year to date net deficit from operations is \$237 million, which is \$24 million favourable to budget mainly due to higher than expected NZTA operating funding and lower than budgeted professional services.

B: Operating revenue is higher than budget driven by:

- NZTA operating funding (\$11 million) due to higher than expected administration subsidy; and
- AC operating funding (\$3 million). AC opex is favourable due to phasing and was expected to be on budget by the end of the year subject to any Covid-19 funding requirements.

C: Employee costs are above budget primarily due to lower than planned capitalised personnel cost of \$4 million.

D: NZTA capital co-investment is behind budget mainly due to assumption in the budget that AT's programme would be funded 52% by NZTA. Actual NZTA funding received is 46%.

E: Vested assets received from property developments is \$169 million, \$15 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 AT.

Regional Fuel Tax (RFT) Q3 Summary

Financial performance

\$(million)	FY 20 YTD			FY 20
	Actual	Budget	Variance	Budget
Total RFT-enabled capital expenditure	129	161	32	247
Project 1: Bus priority improvements	5	9	4	17
Project 2: City centre bus infrastructure	5	5	0	15
Project 3: Improving airport access	17	10	(7)	25
Project 4: Eastern Busway	6	9	3	13
Project 5: Park & Ride facilities	0	1	1	1
Project 6: Electric trains and stabling	-	-	-	-
Project 7: Downtown ferry terminal and redevelopment	44	46	2	51
Project 8: Road safety	29	44	15	60
Project 9: Active transport	4	6	1	14
Project 10: Penlink	1	5	4	5
Project 11: Mill Road corridor	2	0	(2)	0
Project 12: Road corridor improvements	3	15	12	32
Project 13: Network capacity and performance improvement	9	11	2	14
Project 14: Growth-related transport infrastructure	4	0	(3)	0
Total RFT-enabled operating expenditure	2.65	2.10	(0.55)	2.80
Project 8: Road safety	2.65	2.10	(0.55)	2.80

RFT Commentary

This commentary is based on pre Covid-19 delivery forecast schedules and figures.

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 the new EMUs and EMU stabling commence in earnest. Penlink and Mill Road projects are transferred to NZTA.

RFT-enabled capital expenditure for the year to March was \$129 million, compared to the budget of \$161 million.

Project 1 - Preparation of business cases are underway for the integrated bus priority while Double Decker Network Mitigation works are ongoing.

Project 2 - The Lower Albert St Bus Interchange completion is programmed for late 2020.

Project 3 - Improving Airport Access, the Puhinui Station Interchange is on track, with construction now underway on the new interchange, which pre Covid-19 was planned to open in early 2021.

Project 4 - The value engineering of stages 2 & 3 of Eastern Busway is complete and the procurement RFP process is about to commence.

Project 7 - Construction of breakwater piling has been completed. Pontoon works are progressing.

Project 8 – Safety programme is now in the construction stage, e.g. Dairy Flat highway / Coatesville intersection, and Bairds Rd Roundabout. Church St / Victoria St Intersection is completed.

Project 9 - Investigation and design processes have been initiated for the future walking and cycling improvements.

Project 12 - Design works of the Lincoln Road project has been completed and an affordable design option has been prepared. Matakana Link Road currently at design stage. Seal extension programme is progressing well.

Project 14 – AT's portion of the Wainui improvements are in design stage.

Auckland Transport Q3 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 March 2020, 14 have met or are on track to meet the annual target/ 5 are not on track / 4 have not yet been reported/ 2 will not be reported on in 2019/20.

Key performance indicators	Previous Quarter	FY 20 Quarter 3		Status	Commentary
		Actual Year to Date	Full Year Target		
Total annual public transport boardings	103,167,519	100,178,431	103,600,000	Not on track	Actual boardings of 100.2 million for the 12 months to 31 March 2020 increased by 2.0% over the prior year. Boardings are 3.3% below SOI target, reflecting the impact of Covid-19.
Total annual rail boardings	21,884,179	21,327,283	22,300,000	Not on track	Actual rail boardings of 21.3 million for the 12 months to March 2020 increased by 1.8% over the prior year. Total annual rail boardings are 4.4% below the SOI target, reflecting the impact of Covid-19.
Boardings on the Rapid and Frequent Network (RFN)	12.3% annual growth	48,612,847	Increase faster than total boardings	On track	2.1% growth in the year to 31 March 2020 vs 2.0% growth in total boardings. RFN boardings are also affected by Covid-19, but on track to meet the SOI target.
New cycleways added to regional cycle network	2.2 km	4.14	10 km	Not on track	Upper Queen Street (0.3 km), Hingaia Road (0.56 km), Station Road Otahuhu (0.8 km) and the Shared path on Daldy Street (0.3 km) cycling facilities were completed between January and March 2020. Plans to complete construction closer to the target level are likely to be impacted by Covid-19 Alert Level 4 delays.
Number of cycle movements past selected count sites	1.727 million	2,842,789	3.826 million	On track	YTD cycle movements were 1.7% below the SOI target. Low counts can be attributed to construction activities on certain routes as well as the Covid-19 outbreak. We will continue to monitor how cycle movements might be affected by Covid-19 going forward.
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 3		Status	Commentary
		Actual Year to Date	Full Year Target		
Average AM peak arterial productivity	32,941	32,990	27,500	On track	Average AM peak arterial productivity was 32,990 in the 12 months to March 2020. 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 March 2020. 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)	97.5%	97.4%	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	85.0%	86.4%	85%	On track	Improvements in customer responses are evident with recent results exceeding target.
Number of high risk intersections and sections of road addressed by the safety programme	4 High Risk Intersections and 6 High Risk Corridors completed.	4 High Risk Intersections and 6 High Risk Corridors completed. (prior result, to be updated June 2020)	10	On track	Results to be updated in June 2020.

Key performance indicators	Previous Quarter	FY 20 Quarter 3		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	538	533	Reduce by at least 18 (663)	Met	The 12 month total to December 2019 was 533, well ahead of the target of 663. Note: there is a 3-month lag for road death and serious injury data.
Public transport farebox recovery	42.4%	40.8%	43-46%	Not on track	Total PT farebox recovery ratio in March 2020 (40.8%) was below target, partially reflecting the impact of reduced boardings due to Covid-19. The NZ Transport Agency is fully funding lost PT farebox revenue until the end of June whilst at Covid-19 Alert level 3 or 4. This amounted to \$4.9 million in March.
Percentage of the sealed local road network that is resurfaced	2.1%	4.9%	5.8%	Not on track	The YTD completed length of 326.9 km (4.9% of the network) is behind the forecast trajectory of 380 km (5.7%). Covid-19 Alert Level 4 related delays to roadworks might affect our ability to get back on track.
Percentage of road assets in acceptable condition (as defined by Auckland Transport's Asset Management Plans)	N/A	96.7%	95%	Met	The percentage of road assets in acceptable condition is 96.7%, which is 2.7 percentage points higher than the previous year.
Percentage of footpaths in acceptable condition (as defined by Auckland Transport's Asset Management Plans)	N/A	97.6%	95%	Met	The percentage of footpaths in acceptable condition is 97.6%, which is 1.7 percentage points higher than the previous year, and exceeded the SOI target.
Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all urban roads	N/A	87%	81%	Met	Road maintenance standards on Urban Roads are equal to last year's results, and exceeded the SOI target.
Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all rural roads	N/A	94%	92%	Met	Road maintenance standards on Rural Roads are equal to last year's results.
Number of buses in the Auckland bus fleet classified as low emission	3	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)	N/A	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	N/A	N/A	56%	Not yet measured	New measure, to be reported by end of 2019/20.