

Quarterly Performance Report



Auckland Transport

2024/2025 Quarter 2

For the 3 months ended 31 December 2024



Quarter 2– At a glance



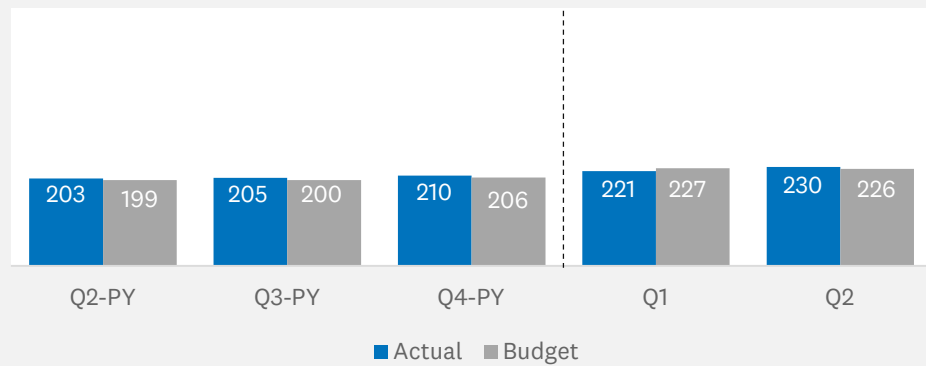
Executive Summary

- **Statement of Intent (SOI) measures and deliverables:** There is a good progress against SOI deliverables and 17 of the 23 SOI measures are meeting or exceeding forecasts. 37 out of 40 SOI deliverables are on track or completed.
- **Local Board Satisfaction** with Engagement result for November 2024 was an all-time high of 71%.
- There is a decline in Auckland Transport (AT)'s SOI metric **AT Listens and Responds to Aucklanders needs** (down 4 points to 27%) following a strong recovery in the September quarter.
- AT continues to work alongside New Zealand Police, other agencies and partners to **improve safety on public transport**.
- **Contactless payments** launched on 17 November. In the first six weeks to 31 December, a total of 650,000 trips were made using contactless payments.

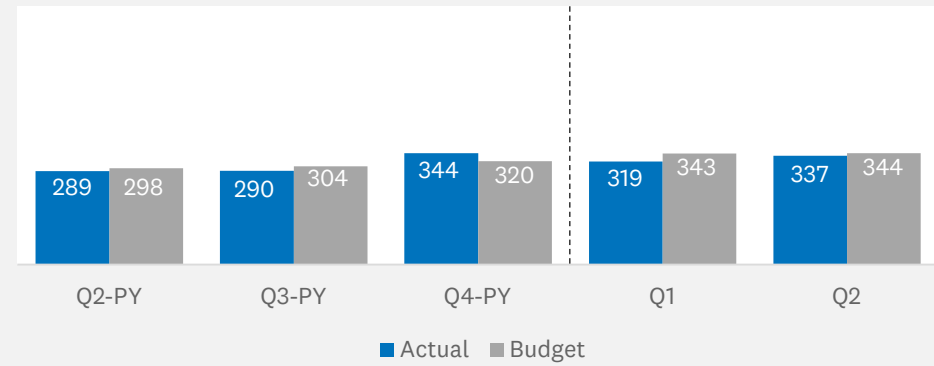
\$ Financial Performance

- Year to date (YTD) **surplus from operations excluding depreciation** of \$36 million, is \$31 million favourable to the revised budget. This favourable variance is primarily due to lower operating expenditure with reduced inflationary pressure and strong cost control across the organisation, partially offset by lower revenue.
- YTD **capital expenditure** of \$579 million is 94% of planned spend. With greater certainty of funding levels there was an uplift in delivery in the second quarter. Key areas where spend was behind budget included delays in milestone payments for new trains for CRL, pavement renewals, property acquisition for the Eastern Busway project, and customer and business systems. Offsetting this is flood response activity delivering ahead of budget with most works expected to be completed in the current year.
- **Capital revenue** was received from Auckland Council (44%) and NZTA and other crown agencies (56%) in line with the revised budget. The higher proportion of NZTA and other crown agency funding is attributed to Crown Infrastructure Partners funding for flood response work which is delivering ahead of budget.

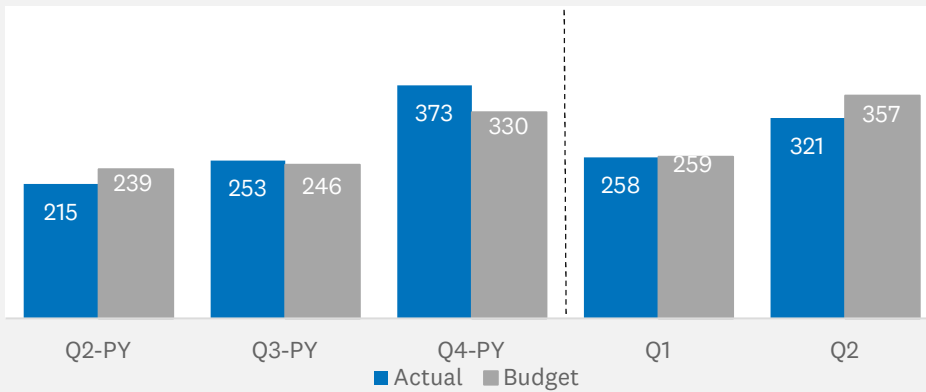
Direct operating revenue



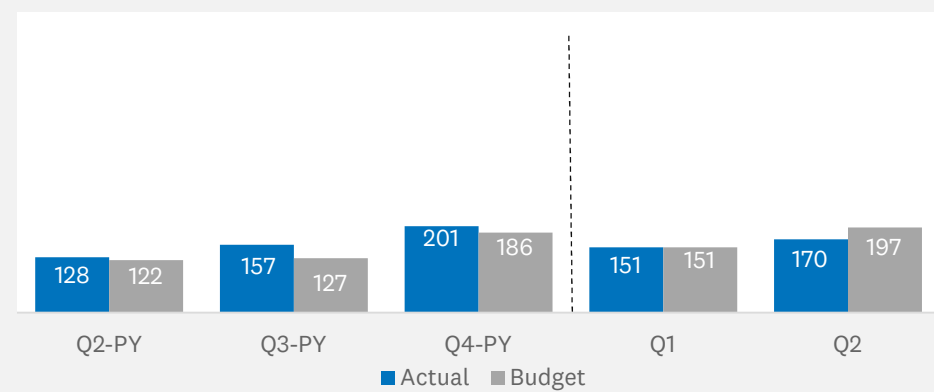
Direct operating expenditure



Capital expenditure



Capital revenue



Note: for more details, please refer to the Financials section.

Direct operating revenue and capital revenue exclude AC funding.



Highlights

- **Good progress against SOI deliverables start to the year (Q2 performance against SOI measures and deliverables):** 17 of the 23 SOI measures are meeting or exceeding forecasts. Six are currently not meeting forecasts.
- **Local Board Satisfaction with Engagement** result for November 2024 was an all-time high of 71%.
- **Road maintenance, delivering on the road summer renovation**, resurfaced almost 240km of sealed roads, 20% higher than this time last year and the most we have ever delivered by the end of Q2. The pothole promise was a five-week campaign through November and December in which time a total of 785 potholes were filled, 95% of which were within target response times (under 24 hours for arterial roads).
- **34 out of 37 SOI deliverables are on track.** Previously three measures were at risk due to NLTP funding impacts, which have been well mitigated and are progressing on track. The three deliverables currently at risk include delivering on Better, Faster Consents, and growing external revenues.

A series of notable projects have been delivered, implemented and progressed in Q2.

- **PT fare improvements:**
 - Contactless payments launched on 17 November. In the first six weeks, a total of 650,000 trips were made using contactless payments. The proportion of trips using contactless payments has continued to grow since implementation, reaching 11% of all trips in the last week of December. After the end of Q2, this has continued to grow, exceeding a million trips on 20 January 2025.
 - **Encouraging adoption of the 7-day fare cap:** the \$50 7-day fare cap was launched at the end of July 2024. By the end of Q2, over 30,000 Aucklanders have benefitted from the cap.
 - Implementation of Fareshare: 21 new clients since the improved scheme was launched, bringing us to a total of 24.
- **Northwest Busway:** The north-west bus network celebrated its first anniversary in November with 5 million passenger trips against a target of 3.5 million
- **Eastern Busway:**
 - The interim Botany Station opened three years early – providing immediate benefits for the community enabling buses to connect from the existing route, Ti Rakau Drive and Te Irirangi Drive, to the Eastern Busway in Burswood. In the future, this will serve as a crucial link for the completed Eastern Busway.
 - Rā Hihi construction is ahead of schedule and construction is due to be complete by late 2026.
- **PT Optimisation:** Completed crosstown and OuterLink changes in November 2024, which saw an immediate increase in patronage on these routes.

- **Network optimisation:** delivery of Triangle Road special vehicle lane and Fred Taylor Drive bus lane. Fred Taylor Drive provides bus priority for around 400 buses per day feeding into the new Northwest Busway.
- **TTM, Cost optimisation, and Road cone cleanup:**
 - The road cone cleanup has removed over 700 redundant TTM items from the network, including more than 650 road cones by the end of Q2.
 - TTM costs have been reducing thanks to the ongoing adoption of the NZGTTM based approach – including our regional and safety programmes TTM cost averaging 8% of total cost, down from 20% previously.



Issues/Risks

- **Reputation, trust and confidence:** In the December Quarter we have seen a decline in AT's SOI metric AT Listens and Responds to Aucklanders needs (down 4 points to 27%) following a strong recovery in the September quarter. This decline has been driven by a significant drop amongst PT Users (down 5 points to 31%), with Safety on PT continuing to be an area of concern with 43% of PT users claiming they had felt unsafe on PT in the previous 3 months up from 25% in the quarter to 31 March 2024. Trust in AT to make the right decisions is down to 29% (last quarter 33%), and confidence in AT to effectively tackle the complex transport issues facing Auckland is down slightly to 29% (Q1 was 30%). Continuing to rebuild reputation, trust and confidence is a key focus for the Board and Executive Leadership Team.
- **Violence, threats and aggression / safety on the PT network:** This quarter there have been additional incidents of violence, threats and aggression toward customers, AT staff members and PT operators. AT continues to work alongside New Zealand Police, other agencies and partners to improve safety on public transport. In addition, 12 transport officers have been hired; CCTV, GPS and panic buttons have been installed on buses; and it is intended that safety screens will be installed in 80% of buses by 2026. Following a successful trial, AT are budgeting for body worn cameras for all officers in the next financial year, to further reduce the likelihood of incidents.
- **CCO reform, legislative change and acceleration of GSS :** Uncertainties arising from CCO reform, legislative change and the proposed acceleration of GSS impacts the strategic priorities of AT and increases the potential to cause major disruption to AT (capital programmes, service delivery, people). In the case of GSS, continuity of enabling functions is critical if we are to avoid unintended consequences on the business. To assist in mitigation there are executive governance and transition planning responses in place.
- **Transition of City Rail Link (CRL) into AT:** the compatibility of the CRL systems and operations needs to occur in sufficient time, and to the required standard, to allow for integration, to ensure readiness on day one. The risks are tabled and actively managed through the CRL Programme Control Group. An Independent Quality Assurance process is underway, with an initial first stage completed and the first follow up now done.

Key Performance Measures

SOI performance targets outcome areas	Exceeded	On track / Met	Not on track / Not met	Not reported this quarter	Total
Every interaction counts	3		1		4
Improving network productivity		4			4
PT Good to Great		2	2		4
Value for money			1		1
Core business and other activities	2	6	2		10
TOTAL	5	12	6		23

The measures currently not on target are:

- Customer Perceptions: AT listens and responds
- PT Boardings
- PT Utilisation
- Farebox Recovery Ratio
- Safety (Deaths and Serious Injuries)
- Percentage of procurement spend with Māori-owned businesses

Note: for details on performance targets, please refer to AT's performance against the SOI performance targets in the statement of performance expectations section.

Strategic alignment and key policies

Vision zero

There were 599 people killed or seriously injured between January 2024 to December 2024 on Auckland roads. As we have re-baselined our target to last financial years performance there is a likelihood that we will not meet the desired reduction, this is due to the signalled reduction in investment in safety infrastructure, statistical variation and the upward pressure of external factors.

The majority of harm continues to occur on our local roads, with over half of these being people outside of vehicles (people walking, cycling and motorcyclists).

Year on year, we continue to see a significant decrease in fatalities, and a steady decrease in serious injuries. This is consistent with the national trend, initial work to identify why we are seeing this reduction includes increased police enforcement activity, ongoing impact of road safety engineering improvements over the past few years and the impacts of the economy on travel choices.

Road safety engineering: After uncertainty around funding in the National Land Transport Plan, funding from Auckland Council has now been confirmed and the programme has been adjusted to fit the new funding envelope. Despite the late confirmation on budgets the programme is on course to maximise delivery. The Road Safety Engineering programme pipeline has been refined to align to new priorities which include high risk rural corridors, high risk rural bends, high risk intersections, working closer with the maintenance programme and addressing school safety concerns. Future programmes are under investigation and once projects are confirmed they will be communicated with Local Boards.

Community Initiated Projects: There has been an increased focus on community activation, including the school reactive programme – a new initiative to deliver on requests from schools around safety concerns. These projects are often delivered via maintenance contracts so are very cost effective. Year to date, there have been 23 schools that have raised requests, and we have delivered 32 low-cost treatments. These have received positive feedback from the schools as well as the wider communities.

Partnership with New Zealand Police: Following the success of our joint drink driving operation with NZ Police over winter 2024, we have been working with road safety partners to deliver a further operation for summer 2024/25. This has been built off a general deterrence model of raising the awareness of the increased levels of road-side breath testing to influence driver behaviour. We have received endorsement from the TM Transport Safety Governance Group to continue this project.

Climate change and sustainability

AT maintains regular contact with Auckland Council and Council Controlled Organisations (CCOs) to ensure climate reporting obligations are met. Q2 has focused on establishing the council group reporting timeline for 2024/25. Development of entity-level climate transition plan continues, along with improvements to systems and processes for efficient climate statement reporting.

AT has ongoing quantification processes, having already had embodied emissions audited and verified by Toitū over the previous two years. Ongoing discussions with Council around development of reporting metrics framework.

Operational emissions for Q2 decreased 1% from 2023/24, although this represents an increase of 10% against the 2021/22 baseline, in-line with the SOI emissions target. The increase compared with 2021/22 financial year is due to bus and ferry services have significantly increase (over 25%) against base year, increasing emissions. Low emissions bus services (13%) contributed to offset some of the emissions increase, and this will continue to improve and reduce our operational emissions into 2024/25.

Māori outcomes

Supporting Māori wellbeing outcomes, expectations, and aspirations under Te Tiriti o Waitangi

The AT Board approved Ka Tupu Ka Wana: Achieving Māori Outcomes Plan 24/27 in August 2024 that sets out the direction and focus for three years.

AT is preparing E Marotiritiri Ana: Māori Outcomes Report for the period 2017 to 2024. We will present this to external partners including Houkura and council officers, and plan to share highlights with TRIC in April 2025.

- **Supporting Māori businesses and the Māori economy:**
 - Māori-owned businesses received \$28.16 million in direct and sub-contracted spend for the December 2025 financial year to date. This equates to 2.76% of AT total spend. We are currently not meeting the SOI target of 3% but are keeping a close watch on this and accelerating our efforts to meet this target by end of the financial year. There are several large upcoming projects with anticipated sub-contractor spend with Māori-owned businesses, such as Project K and Great North Road. The year-on-year trend continues to improve.
- **Improving safety and access near marae and papakāinga:**
 - AT is committed to improving safety and access around our region's marae and papakāinga by providing quality infrastructure change, appropriate entranceways, parking facilities, signage and roading extensions.
 - Kia ora Marae carpark was completed and opened alongside the marae in November 2024. There are two additional Marae improvement projects underway and at various stages of the project lifecycle. There are another four marae in discussions with AT.
- **Enable mana whenua and mataawaka participation in decision-making:**

- Mana whenua engagement continues with 37 projects in this period, this includes projects related to the environment.
- Mana whenua attended openings and blessings at:
 - Pukekohe Station
 - Candia Road Project Swanson
 - Henderson Station – New Platform
 - Wainui Upgrade
 - Te Kori Scott Point Hobsonville
 - Homai Station
 - Te Ara ki Whangapouri Bridge
- Mataawaka engagement has been through individual projects through Have Your Say and have contributed a total of 3.7% of responses.

- **Increase and maintain the visibility of te reo Māori:**

- Bilingual announcements on trains have increased from 25% - 48%
- Buses, ferries and stations have been completed.

● Bilingual public transport announcements with te reo	
● Bus	● 98.7%
● Train	● 48%
● Train Platforms	● 100%
● Ferry	● 100%

- **Reduce the rate of Māori deaths and serious injuries on our roads**

- Between 1 July and 31 December, there have been 43 Māori deaths and serious injuries on Auckland roads. This represents 13.8% of the total number of deaths and serious injuries in this period, a lower proportion of any annual rate since 2018.

Statement of performance expectations

1. Making Every Interaction Count



Deliverable	SOI Timeframe	Commentary	Status
1.10 Work with local boards to agree local priorities and AT work plans.	2024/25 - 25/26	19 of the 21 Local boards have now endorsed Kōkiri agreements. AT is working with the remaining two boards that have not signed off Kokiri yet.	On track
1.20 Provide clear communications to Councillors and local boards on projects in their areas.	Q1 2024/25	In October November 2024, all 21 Local Boards had their Forward Works presentations from AT. This included AT SME's talking to improvements and initiatives in their local areas, suggested by the local boards themselves. The visibility and relevance of FWD Works projects will be folded into each Local board's Kōkiri Agreements being next revisited in March 2025. Councillors will also be updated in early 2025 on Kōkiri overview and progress of projects for their individual wards.	On track
1.30 Streamline and simplify our processes for end-to-end customer interactions to make it easier for customers to get the information they need, complete their tasks, and provide feedback.	2024/25	On track. Reviewed AT HOP requests as a key customer touchpoint and identified opportunities to improve self-service and timeliness of responses. Response time has been reduced from 20 days+ to <7 days and work is underway to automate "missing tag" requests/credits for customers. Additionally, an AI enabled virtual assistant has been launched on AT's website and AT Mobile is piloting use of AI to improve how customers can report problems on the network to us. Plus, commencement of discovery work on opportunities to improve incorrect referral of roading cases.	On track

<p>1.40 Deliver our Community-Initiated Projects, which deliver network improvements received by customer requests. Streamline the evaluation, acceptance, and delivery process.</p>	<p>2024/25 - 26/27</p>	<p>Performance measures for both benefits of physical works and 'Voice of the Customer' developed to align delivery to SOI targets and monitoring and evaluation framework. On track to have measures live in the New Year. Quick Wins initiative now passed over to business as usual and multiple parts of the organisation sending through customer requests for expedited delivery. Customer touch points review underway with Customer Products team. 14 of 40 projects delivered to date from direct requests from the community. 173 quick win initiatives delivered from community requests with another 91 with the contractors to be finalised.</p>	<p>On track</p>
<p>1.50 Develop “The AT Way”: Consistent best practice communications and engagement approach to programmes and projects that embeds public participation and a customer focus (including lessons learned from previous projects) to improve people's experience, stakeholder outcomes, relationships and trust and confidence in AT.</p>	<p>2024/25</p>	<p>Training underway to enhance capability. Written guidelines near completion and expected to be launched internally by mid-year. Implementation of consistent best practice underway using new tools, resources and templates.</p>	<p>On track</p>

2. Improving Network Productivity



Deliverable	SOI Timeframe	Commentary	Status
2.10 Optimising the transport network including intersection and corridor efficiency improvements: 7 projects completed, 9 designs ready for 2025/26, 250 intersections optimised.	2024/25	<p>Completed 2 Projects completed; - Signalisation of Hollyford/ Aspiring Intersection (By signalising this intersection which on an arterial and Frequent Transit Network route, we expect a reduction in travel time of up to 4 mins for the right turn movements out of Aspiring Avenue in peak hours, including for bus services.) - Weymouth Rd/Roscommon Rd Roundabout Improvements (36,700 Vehicles Per day benefit from improved traffic flow) On track to complete 5 more projects this FY.</p> <p>Design Ready 1 Project Design Ready; - Hugo Johnson/Church Street 8 projects in progress and on track to be designed this financial year</p>	On track
2.11 Optimising the transport network including Special vehicle lanes (freight, high-occupancy vehicles, bus): 2 special vehicle lanes completed, 10 designs ready for 2025/26.	2024/25	<p>Completed 2 special vehicle lanes completed; - Fred Taylor Drive Bus lane which supports WX1 bus service. - Northwest Bus Priority: Triangle Road Special Vehicle Lane 24/7 Eastbound bus lane, adding additional traffic lane. 77 buses per day will benefit from the new facility on Triangle Road and 397 buses per day on Fred Taylor Drive.</p> <p>Design Ready 2 Projects Design Ready; - The Strand (NZTA- led Project) - Silverdale (NZTA- led Project) 9 projects on track to be design ready by the end of this financial year.</p>	On track

<p>2.12 Optimising the transport network including: 3 dynamic lanes and intersections completed, 4 designs ready for 2025/26.</p>	<p>2024/25</p>	<p>Completed 1 Project completed; - Main Highway Dynamic Bus Lane On track to complete construction of 2 more projects this FY. Design Ready 1 Design completed; - Maioro Street 3 in progress and on track to be completed this FY.</p>	<p>On track</p>
<p>2.13 Optimising the transport network including smart technology solutions: detection (including bus transponders) at 65 intersections, pilot emergency vehicle intersection priority.</p>	<p>2024/25</p>	<p>Smart technology Solutions 25 bus transponder sites implemented. 8 Advance Detection installed. On track to deliver smart detection at 65 intersections this FY. Pilot emergency vehicle intersection priority. On track to pilot this on 1 corridor this FY</p>	<p>On track</p>
<p>2.14 Optimising the transport network including smart technology solutions: smart technology (CCTV analytics) implemented at 5 event locations.</p>	<p>2025/26</p>	<p>On track with designs but due to long equipment order lead times for technology, we may not be able to complete any location in this financial year. On track for completion in FY26. Confident that the Supply chain will deliver by next year.</p>	<p>On track</p>

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<p>2.20 Implement operational changes and deliver physical improvements on the network, aimed at more effectively mitigating the effects of disruptions on our customers' journeys.</p>	<p>Q3 2024/25</p>	<p>There are 30+ initiatives underway across AT that are contributing to disruptions management, with several initiatives already delivered this financial year (including roll out of 50 passenger information displays and an additional 150 planned by February 2025). A further pipeline of initiatives has been identified with planning and prioritisation underway to implement solutions that will most effectively address customer needs. Kick-off of the new initiatives is expected to commence following business case / resourcing approval (early 2025).</p>	<p>On track</p>
<p>2.30 Deliver improvements to how we communicate with our customers regarding travel disruptions caused by planned events on our network.</p>	<p>Q4 2024/25</p>	<p>Significant work has gone into reviewing and updating our disruption communication processes and strategies and a number of successful improvement initiatives have been implemented.</p> <p>Additional proactive alerting of changes and disruptions to customers have been implemented including on-bus announcements and cruise ship warnings on the AT Mobile app and at ferry wharves so that customers can better anticipate and plan for upcoming disruptions. An education campaign about how to get disruption alerts has also been running at train stations, bus stops and ferry wharves. Additionally, we have implemented more proactive traffic pre-conditioning and advice for upcoming events likely to cause disruption e.g. major concerts, Black Friday/Holiday season traffic and the National Hikoi. This has worked well and helped to provide customers with more choices and reduce overall traffic impacts.</p>	<p>On track</p>
<p>2.40 Continue to remove road cones and minimise disruption caused by temporary traffic management; by building new systems to analyse and assess risk-based applications for access to the network and temporary traffic management.</p>	<p>Q3 2024/25</p>	<p>First draft of Road Corridor Access Guidelines for approving New Zealand Guide to Temporary Traffic Management (NZGTTM) applications published. Currently reviewing with the team. Will circulate to wider industry in February 2025</p>	<p>On track</p>

<p>2.41 Continue to remove road cones and minimise disruption caused by temporary traffic management; by consolidating changes to the Activity Coordination Tool.</p>	<p>Q4 2024/25</p>	<p>Activity Coordination project has successfully delivered 2 stages, with updates to National Forward Works Viewer including an enhanced user experience, boundary search, bookmarking and watchlists. Updates to the permitting system, MyWorksites, include an applicant dashboard, change of applicant feature, complexity score and PT vs Worksite detection.</p> <p>Stage 3, involving development of the Disruption Assessment Model within the Forward Works Viewer, is under way. Once implemented, organisations and users will have access to reporting on the level of potential disruption a planned activity may have, with respect to clashes with other projects, PT impacts, network impacts and so on.</p>	<p>On track</p>
<p>2.42 Continue to remove road cones and minimise disruption caused by temporary traffic management; by updating our procurement practices away from the Code of Practice for Temporary Traffic Management.</p>	<p>Q2 2025/26</p>	<p>Street Light Maintenance contract renewal (first of AT's multi-year contracts) approved by AT Board and in market. Contract will specify requirement to use NZGTTM for TTM rather than Code of Practice for TTM (CoPTTM). Workshops with potential tenderers held to explain AT's risk appetite for NZGTTM based TTM.</p>	<p>On track</p>
<p>2.50 Progress implementation of Room to Move by delivering comprehensive parking management plans in collaboration with local boards, starting with the city centre, and beginning park and ride initiatives.</p>	<p>2024/25</p>	<p>Comprehensive Parking Management Plan (CPMP) delivery remains on track. Preparation for public consultation of the City Centre CPMP in February/March has commenced and efforts are being made to align communications and engagement activities with Eke Panuku.</p> <p>Survey data collection for the tranche 1 CPMPs is completed. Consultants are currently working towards the development of a situation scan report which will be presented to the relevant local boards in February.</p> <p>The schedule for the development of the Park and Ride Framework has been extended by 6-8 weeks to ensure a more realistic timeline which includes a discussion on pricing.</p>	<p>On track</p>
<p>2.60 Develop a transition plan to implement Time of Use Charging.</p>	<p>2024/25</p>	<p>Draft legislation has been released, with Select Committee expected in early 2025. AT/AC resourcing has downscaled to focus on non-regrettable Policy and Comms activities, with a goal to align with NZTA project plan.</p>	<p>On track</p>

3. Taking Public Transport from Good to Great



Deliverables	SOI Timeframe	Commentary	Status
3.10 Continue implementation of the RPTP, through the PT growth programme, and PT service network optimisation.	2024/25	<p>Completed:</p> <ul style="list-style-type: none"> • Rolled out over 60 screens funded by Ritchies and 11 screens on Kinetic buses. • Completed the bikes on buses trial in November 2024 and decided to keep a couple as a permanent solution. • Successfully implemented the Christmas PT campaign and holiday reduced timetables. • Implemented replacement bus timetables for the entire rail closure. • Completed the Whangaparaoa transport study engagement. • Completed crosstown and outerlink changes. • Started preparing for February/March Madness. <p>AT is reviewing the 2023-2031 Regional Public Transport Plan (RPTP), as per legislative requirements, to ensure consistency with the latest Regional Land Transport Plan (RLTP). We aim to publish a minor addendum to the current RPTP, making it consistent with the RLTP, prior to the local elections. NZTA funding discussions may impact this timeline.</p>	On track
3.20 Finish existing public transport infrastructure projects; CRL: <ul style="list-style-type: none"> • Work with KiwiRail to finalise the Day 1 timetable. • Complete retrofit of existing electric trains and accept 23 new electric trains. • Take control and ownership of assets. • Planning and testing to get ready for passenger operations to begin. 	Q2 2024/25	<ol style="list-style-type: none"> 1. Day-1 Timetable completed and under validation by Auckland One Rail (AOR) & Kiwirail 2. Approximately 60% Completion of existing electric trains retrofits and acceptance of first 3 units with delivery of train 6 underway 3. AT Governance updated to support internal Business Readiness for CRL Day 1 opening. AT CRL team sized for supporting Handover and ownership transfer of assets 4. Completed tunnels rail systems installation critical to Dynamic testing commencement 	On track

<p>3.30 Finish existing public transport infrastructure projects; Level Crossing Removal:</p> <ul style="list-style-type: none"> • CRL Day One Level Crossing removal programme completed (Homai, O’Neills, Church Street). • Plan for future Level Crossing Removal groups. 	<p>Q3 2024/25</p>	<p>Homai Station: New ramp installed with 2 level crossings removed. Finishing works and alternative route works to McVillay road in completion stages. Final completion and opening of new ramp planned in January 2025.</p> <p>Church Street East: early investigation works ongoing with design progressing to detailed design phase. crossing removal planned June 2025.</p> <p>O’Neills Road: crossing is to be gated and not closed until future phase. Gating design and mobilisation ongoing, gates to be installed by December 2025.</p> <p>Business case continues to be developed for the Auckland network removal programme.</p> <p>Level crossing safety improvements project (so far as is reasonably practicable) under technical review with key requirements to be completed by CRL day 1 being identified.</p>	<p>On track</p>
<p>3.40 Finish existing public transport infrastructure projects; Eastern Busway:</p> <ul style="list-style-type: none"> • Secure remaining consents. • Rā Hihi (flyover) completion. • Stages EB2, EB3R, EB3C and 4i completion. 	<p>Q2 2024/25</p>	<p>All notices of requirement and resource consents have been obtained to complete stages EB2, EB3R, EB3C and 4i.</p> <p>The interim station at Botany that forms EB4i has been constructed and is in operation.</p> <p>Rā Hihi construction is ahead of schedule and construction is due to be complete by late 2026.</p> <p>Stages EB2, EB3R and EB3C are on track to be delivered on budget and on schedule i.e. by October 2027.</p>	<p>On track</p>
<p>3.50 Progress work on affordable rapid transit projects, and large-scale projects identified in the Integrated Transport Plan.</p>	<p>2024/25 - 26/27</p>	<p>AT staff are actively supporting the delivery of capital projects, including preparations for CRL Day 1 and the implementation of open loop systems.</p>	<p>On track</p>
<p>3.70 Progress implementation of contactless payments and contribute to support National Ticketing functionality so that customers can more easily pay for their public transport fares and to provide increased access to the PT network.</p>	<p>2024/25 – 25/26</p>	<p>Implementation completed in November 24, with a go-live date of 17 November.</p> <p>Between 17 November and 31 December, a total of 650,000 trips were made using contactless payments. The proportion of trips using contactless payments has continued to grow since</p>	<p>Completed</p>

		implementation, reaching 11% of all trips in the last week of December.	
3.80 Implement a weekly fare cap for public transport users.	Q1 2024/25	<p>We have successfully implemented a \$50 fare cap and are now focusing on the next steps to boost patronage growth. Our plan includes an interim solution that utilizes data to display customers' progress towards the weekly fare cap in MyAT, along with the date their weekly fare cap ends.</p> <p>Since the weekly care cap was implemented, more than 30,000 distinct cards have benefited.</p>	Completed
3.90 Implement FareShare – working with businesses to support their employees using public transport.	2024/25	We now have a total of 24 Fareshare clients, of which 21 have been signed up since the improved scheme was first launched in 2024.	Completed

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4. Value for money



Deliverables	SOI Timeframe	Commentary	Status
4.10 Grow non-rates revenue and deliver cost saving and efficiency targets as identified in the LTP2024. This will include leading the creation of new and improved third-party revenue opportunities, growing farebox and parking charges, and reducing costs from our activities.	2024/25	<p>External revenue streams are not projecting to hit FY25 budget levels for PT, Parking & Enforcement, and Advertising revenues. We are managing AT’s budget in an overall sense not just focusing on revenue or cost in isolation but tracking our net operating surplus (revenue – cost). We are projecting significantly lower costs in 2024/25 which will mitigate the revenue risk and are projecting to come in positive to the 2024/25 budget in terms of net operating surplus.</p> <p>However, the risk is if we miss these revenues targets this year and this under achievement flows into next year, but our costs increase back up to budgeted levels we will come in negative to budgeted operating surplus.</p>	Not on track (At risk)
4.20 Deliver capital programmes more efficiently through the entire design and construction process.	2024/25 –26/27	<p>Progress in Q2 sees a continued trend of efficiency gains. The cost of TTM has reduced with the ongoing adoption of the NZGTTM based approach. Inroads are being made into efficiencies in the early-stage design of projects. For example where appropriate AT is considering future proofed staged development approaches which in some instances lowers the project cost whilst still achieving the desired benefits over time. Where possible AT is accelerating the construction of projects to minimise disruption and lower the time related construction costs.</p>	On track
4.30 Work constructively with council to investigate and implement arrangements for shared services, including technology functions where appropriate. Leverage existing technology frameworks across CCOs, while ensuring risks are appropriately managed and delivery of customer outcomes are not compromised, subject to business case approval with a positive BCR.	2024/25 - 26/27	<p>Strategic business case being finalised, expected to be complete in Q3. Confirmed plans for GSS expected in July 2025.</p>	On track

<p>4.40 Work to increase revenues from parking and enforcement, supported by employing an additional 50 parking and transport officers to enforce parking, improve safety, and identify temporary traffic management issues.</p>	<p>2024/25</p>	<p>LPRX (Licence Plate Recognition) went live in December 24 for vehicle registration offence (P402) with 4 fully operational units deployed across the city centre and fringe suburbs. Additional LPR cars have not been supplied, due to no white Hybrid Suzuki Swifts being available in the NZ marketplace. The kits are in stock and ready to be fitted to cars when available. Raleigh Rd and Triangle Rd SVLs (Special Vehicle Lanes) went live pre-Christmas. Enforcement camera retrofit of Fred Taylor Dr went live start of January 2025 and Te Atatu Peninsula and Te Atatu South are scheduled to go live end of Jan 2025. Westgate new paid parking will progress with implementation and go-live planned for February 2025. Albany Park and Ride Bookable Spaces pilot still on track for construction in January 2025 and scheduled to go live on 01 March 2025. Pilots for paid parking in Light Industrial areas (Mt Smart and Wairau) is currently in design and planned for consultation in Feb/Mar 2025.</p>	<p>Not at on track (At risk)</p>
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5. Effective governance and advocacy for transport outcomes



Deliverable	SOI Timeframe	Commentary	Status
5.10 Support the development of the 30-year Integrated Transport Plan.	2024/25	Auckland Council and Auckland Transport have progressed preparatory work for the AITP, including key findings and steps required for the plan development. A report summarising the preparatory work was endorsed by Auckland Council's Transport, Resilience and Infrastructure Committee in September 2024. AT is awaiting further guidance on next steps from council and government.	On track
5.20 Work with council, government, and community partners to develop a framework for governance that supports Auckland's transport network in the future.	2024/25 – 25/26	Statement of Intent 2024 - 2027 updated for NLTP approval and funding confirmation and approved by both the Board and Transport, Resilience and Infrastructure Committee.	On track
5.30 Identify and advocate policy, legislative and regulatory changes necessary to address both project funding issues and more general revenue barriers, and review annually. Support council on advocacy and submissions on central government policy changes for transport-related matters.	2024/25 – 26/27	Initiated work on PT private share revenue ratio (PRR), providing NZTA with advice outlining initial PRR targets, consistent with the Long-term Plan. We continue to engage with councillors on our work with NZTA on this matter.	On track

6. Core business and other activities



Deliverables	SOI Timeframe	Commentary	Status
6.10 Maintain our assets to a safe standard within funding limits and seek opportunities to improve funding towards our approved Asset Management Plan in a way that minimises the whole of life cost and considers the unique needs of different areas across the region such as rural areas.	2024/25 - 26/27	Advocacy and relationships with both NZTA and Council continue to be a key area of focus for maintaining investor confidence and appropriate levels of funding in the RLTP. All the asset performance contracts have been updated, retendered and operational for over a year. This has enabled improvements in understanding asset performance and supported by ongoing efforts to apply innovation to deliver lowest whole of life cost asset maintenance and renewals. This includes innovations such as clearer pipeline of work planning to the market, risk based temporary traffic management, use of low carbon concrete in footpaths, replacement of streetlight luminaries with light emitting diode bulbs (most recently old SH1).	On track
6.20 Seek continuous improvement in reducing greenhouse gas emissions associated with our assets, operations, services, and corporate activities; including developing processes that will enable us to quantify embodied emissions and develop a single framework of agreed reporting metrics with Council.	2024/25 – 26/27	Operational emissions for Q2 decreased 1% from 2023/24, although it has increased by 10% against AT's baseline year (2021/22) in-line with the SOI emissions target.	On track
6.30 Contribute to the preparation of a compliant group climate statement to ensure Auckland Council meets its reporting and record-keeping obligations as a climate reporting entity under the Financial Markets Conduct Act 2013.	2024/25	AT maintains regular contact with Auckland Council and CCOs to ensure climate reporting obligations are met. Q2 has focused on establishing a reporting timeline for 2024/25. Development of entity-level climate transition plan continues, along with improvements to systems and processes for efficient climate statement reporting.	On track

6.40 Progress the Better Faster Consents work programme alongside Council and Watercare to simplify and improve the resource consenting process.	2024/25	Update of service level agreements underway with AC with new legislation coming into effect through the Fast Track Approvals Act. Improving response rates continue, with our latest result at 83%. However, clarity on CCO review in relation to planning is required in order to establish status of Better Consenting programme, and remain committed to raising performance to 90%.	Not on track (at risk)
6.50 Deliver safety interventions including improving safety near schools and at high-risk locations, delivering coordinated road safety education, supporting increased police enforcement, continuing to advocate for a review of safety-related fines and penalties and the accelerated expansion of automated enforcement.	2024/25 - 26/27	<p>Positive work has continued in Road Safety Engineering, which has been refined to align to new priorities including high risk rural corridors, high risk rural bends, high risk intersections, working closer with the maintenance programme and addressing school safety concerns</p> <p>Police enforcement: Following the success of our joint drink driving operation with NZ Police over winter 2024, we have been working with road safety partners to deliver a further operation for summer 2024/25. This has been built off a general deterrence model of raising the awareness of the increased levels of road-side breath testing to influence driver behaviour. We have received endorsement from the TM Transport Safety Governance Group to continue this project.</p> <p>Safety advocacy: As signalled in the Government Policy Statement on Land Transport 2024 we are anticipating consultation on a review of safety related fines and penalties, preparations are underway to ensure we can provide a solid evidence base in support of this key piece of work. AT have been advocating for this review since 2021.</p>	On track
6.60 Publish Ka Tupu, Ka Wana, Achieving Māori Outcomes Plan.	Q2 2024/25	<p>Ka Tupu Ka Wana was approved by the AT Board in August 2024.</p> <p>Since Ka Tupu Ka Wana was approved in August, we have completed a draft Mataawaka Plan.</p>	Completed

<p>6.70 Review the decision-making framework for identifying and prioritising renewal work to align with network improvements.</p>	<p>2025/26</p>	<p>Renewals forward works plans are aligned with capital works plans to enable projects to be delivered in a “dig once” approach. This lowers cost and reduces traffic disruption. The information datasets for planning renewals are being improved with NZTA support to make alignment processes more robust. Recent examples include Pakuranga Road works coordination with Watercare, Vector and Transpower.</p>	<p>On track</p>
<p>6.80 Regularly report to Auckland Council through the Transport and Infrastructure Committee on delivery of the Regional Land Transport Plan (annually), as well as regular capital delivery milestones, bus priority lanes and active mode kilometres added to the network (quarterly).</p>	<p>2025/26</p>	<p>Ongoing reporting to the Transport, Resilience, and Infrastructure Committee continues. In response to governing body request for information on progress for local share progress, we are working to align project reporting covering financials, project delivery, and local share components. This is expected to be included in the Q3 report and will continue in future reports.</p>	<p>On track</p>

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Statement of Intent (SOI) 2024/2025 Performance Targets

Reporting as at December 2024



Objective	ID	SOI Measure	FY Target	Latest Result	YTD Status	Performance Commentary
Making Every Interaction Count	1	Customer perceptions AT listens and responds to Aucklanders' needs	33%	29%	NOT MET	In the December Quarter we have seen a decline in AT's SOI metric AT Listens and Responds to Aucklanders needs (down 4 points to 27%) following a strong recovery in the September quarter. This decline has been driven by a significant drop amongst PT Users (down 5 points to 31%).
	2	Formal complaints Percentage of total AT case volume resulting in a formal complaint	<0.6%	0.31%	EXCEEDED	While case volume has continued to increase year-on-year, driven primarily by network patronage, proportionately our level of complaints has dropped. A lead indicator of improvement in case management quality AT-wide.
	3	Complaint resolution Percentage of formal complaints that are resolved within 20 working days	90%	94%	EXCEEDED	Our responsiveness to managing complaints, as measured by time to resolution, has also continued to improve year-on-year.
	4	Local Board satisfaction with engagement	47%	71%	EXCEEDED	We are continuing to improve engagement with elected members and local communities. 71% of Local Board members who responded to our latest survey from AT are saying they are satisfied and 55% say the way that AT engages with them has improved over the last 6-12 months. Such increases have been a combined team effort from AT and Elected Members.
Improving Network Productivity	5	Average travel time across the arterial network	24 minutes	22 minutes	MET	In December 2024, the average people travel time was 21 minutes (for an average trip of 10 km), which exceeds the SOI target by 3 minutes. This is slightly higher than the previous year reflecting lower demand levels and higher travel speed during Christmas holidays.
	6	Arterial productivity Average number of people moving per hour during the morning peak	28,000	29,304	MET	In December 2024, arterial road productivity during the AM peak was 26,016, which was 7% below the SOI target and 2% lower than December 2023. Despite the increased travel speed during Christmas holidays, lower demand levels resulted in a decrease in productivity. December numbers reflect lower levels of travel relating to the holiday period.
	7	Freight performance Percentage of the freight network moving without congestion in the interpeak	85%	87%	MET	In December 2024, 85% of the Freight Network operated at Levels of Service A-C during the interpeak period, meaning that only 15% of the freight network was congested. This is similar to the previous year and is inline with SOI target.
	8	Bus Priority Kilometres of bus priority (including SVL and dynamic lanes) delivered.	5km	2.79km	MET	2.79km of the 5km SVL target has been delivered to date (Whangaparaoa Dynamic Lane Timing Change, Main Highway Dynamic Bus Lane, Triangle Road, Westgate/Fred Taylor Dr). Remaining projects are on track for completion by the end of the financial year.
Taking Transport From Good to Great	9	PT Boardings Annual numbers of PT trips	94.7m	44.5m	NOT MET	December achieved 6.2M boardings, which is 5% above December 2023 (5.9M) but 3.7% below YTD target. We need to average 10% YoY increases during second half of the year to achieve SOI target. Our handling of March and encouraging people to use trains when they are operating will be key to reaching our target. This is where we have opportunity to over-achieve. February and March are our busiest months, and if we give people a great experience then they are more likely to keep using PT. We expect higher patronage in these months and forecast that most of that continues through the year.
	10	PT reliability Percentage of services that start according to schedule	Bus: 98%, Ferry: 98%, Rail: 85%	95.8%, 97.8%, 95.8%	MET	Reliability measure affected by continued issues with on-bus end-of-life technology (BDC). ATBT are working on a switch out of equipment, however reliability of routes is underreported. Ferry performance remains consistent with previous months. There were fewer large disruption events during the period which improved performance for train reliability.
	11	PT punctuality Percentage of services that start and end according to schedule	88%	90.1%	MET	Performance continues to be above target for all modes.
	12	PT utilisation for frequent routes during peak	49%	45%	NOT MET	Reduction in PT Utilisation was observed in November and December. November data showed 45% and December data showed 33% PT Utilisation. Best performing services are WX1, 22s, 24s and Outer Link with PT utilisation above 60%. Lowest PT Utilisation is observed on buses in South Auckland with PT utilisation at or below 30%. We will continue monitoring PT usage in South Auckland during the busiest months such as February and March. Most of the frequent routes in South Auckland meet their boardings per service hour targets. The key focus for us will be bus routes 31, 36 and 38 - these are the routes that could perform better. We will be looking at the sections of these routes with low utilisation, doing a deep dive into bus runtimes, identifying any delays to buses and reviewing other factors that could be enhanced to make these routes more attractive to our customers.
Value for Money and Growing External Revenues	13	Farebox Recovery Ratio The percentage of the total PT operating cost recovered through fares	34%	32.3%	NOT MET	Farebox Recovery Ratio was 29.2%, impacted by reduced Rail and Bus patronage and associated revenue during the December period. Overall PT contract costs are expected to remain favorable for FY. Patronage remains key to delivering a favorable FY25 result. Key initiatives to achieve target are patronage recovery, increasing contactless payments and annual fare adjustment (Feb 25). The anticipated improved Media revenue has now been delayed.

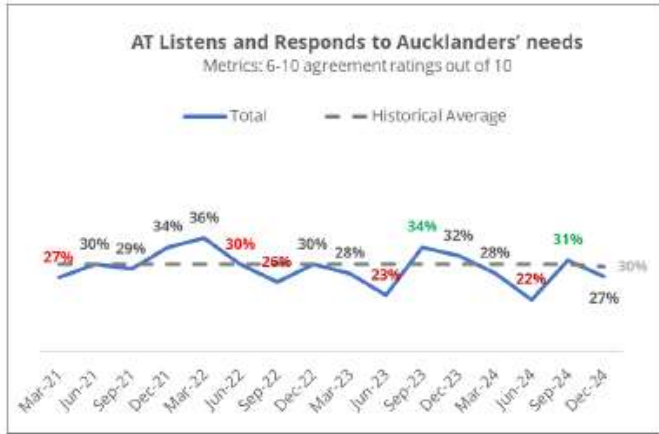
Statement of Intent (SOI) 2024/2025 Performance Targets

Reporting as at December 2024

5	12	6	0
Above target 2.5%	Target +/- 2.5%	Below target 2.5%	Not rated

Objective	ID	SOI Measure	FY Target	Latest Result	YTD Status	Performance Commentary
Core Business and Other Activities	14	Safety Deaths and Serious Injuries on the road network in Tāmaki Makaurau Auckland	No more than 576	599	NOT MET	In the past twelve months (Jan 2024 to Dec 2024) 35 people were killed on our roads and 564 were seriously injured, compared to 43 deaths and 585 serious injuries the previous year. This is the lowest road deaths on record for the Auckland region. There is a 20% reduction in fatalities as compared to last year, but we have only seen a 4% reduction in serious injuries. Road deaths on average make up 5-10% of the overall DSI for Auckland roads. While we will continue to deliver safety improvements alongside our partners that will put downward pressure on DSI, we expect there to be upward pressure from external factors such as economic performance, which may impact our ability to meet the SOI target.
	15	Emission reduction Reduction in operational emissions including Public Transport activities (from 2021/22 baseline)	10% increase (from 2021/22)	10%	MET	Operational emissions for Q2 decreased 1% from 2023/24, although this represents an increase of 10% against the 2021/22 baseline, in-line with the SOI emissions target. Bus and ferry services rebounded significantly (over 25%) against base year, increasing emissions. Low emissions bus services (13%) contributed to offset some of the emissions increase.
	16	Cycle counts The number of people cycling past defined count sites	3.44m	1.62m	MET	Cycle counts continue to remain trending upwards over a 12-month period. We continue to see approximately 6% growth relative to the previous year. In December it is usual to see a very small dip, but January and February will continue to rise.
	17	Asset condition Proportion of key assets in moderate or better condition	85%	83.8%	MET	There is a very minor increase in the overall acceptable condition of critical assets, an increase of 0.1%.
	18	Road maintenance Percentage of the sealed local road network that is resurfaced or rehabilitated	6.5%	3.5%	MET	At the end of Q2 we have resurfaced 237.7 km of sealed road which is 20% higher than the same time last year and the most we have ever done by the end of Q2. We are well on track to meet our SOI target of 6.5%.
	19	Resource consent timeframes Adherence to the service level agreement to provide specialist input into the resource consents	80%	83%	EXCEEDED	For the quarter 86% of consents were within timeframes exceeding the SOI target. This period also included the consent hearing for Eden Park Concerts and review of Downtown Car Park proposals.
	20	Percentage of capital budget invested	85%	94%	EXCEEDED	A considerable uplift in spend is forecast between February and April, however, based on historical trends there is high risk of slippage.
	21	Percentage of capital programme delivery on time.	Agree methodology	Being reviewed	MET	AT's Portfolios are agreeing their delivery milestones for final reporting. The outcome expected by the end of FY25 is to have each capital programme reporting delivery status alongside financial performance each quarter.
	22	Percentage of procurement spend with Māori-owned business	3%	2.76%	NOT MET	Māori-owned businesses received \$28.16 million in direct and sub-contracted spend for the December 2025 financial year to date. We are expecting that there will be some significant additional spend coming through over the next few months, with sub-contracting on Project K and Great North Road, in particular. We were expecting another Marae car park through the Marae and Papakainga (Turnouts) safety programme to be delivered by AT this financial year, for which we had planned a closed procurement process with Māori contractors. However, it came to our attention in December that it is not currently in the pipeline of projects to be delivered due to funding constraints. This is likely to limit our ability to meet our Māori spend target this financial year.
	23	Number of marae improved by AT's programmes.	1	1	MET	Kia Ora Marae carpark project was completed in November 2024. There are two additional projects in design for future construction. AT is investigating whether improvements at an additional Marae can be fast-tracked this year.

These charts have been provided specifically for measures currently under target.

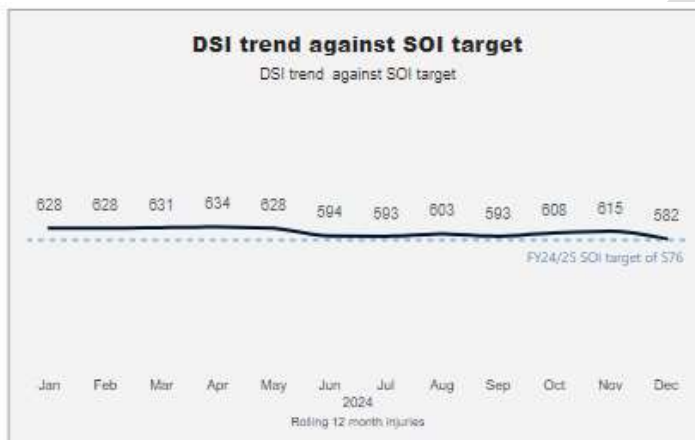


AT listens and responds to Aucklanders' needs

FY Target: 33%

Latest result: 29% (YTD)

In the December Quarter we have seen a decline in AT's Customer Perceptions metric 'AT listens and responds to Aucklanders' needs' (down 4 points to 27% for Q2 – a year-to-date average of 29%) following a strong recovery in the September quarter. This decline has been driven by a significant drop amongst PT Users (down 5 points to 31%).



Deaths and Serious Injuries (DSI) on the road network in Tāmaki Makaurau Auckland

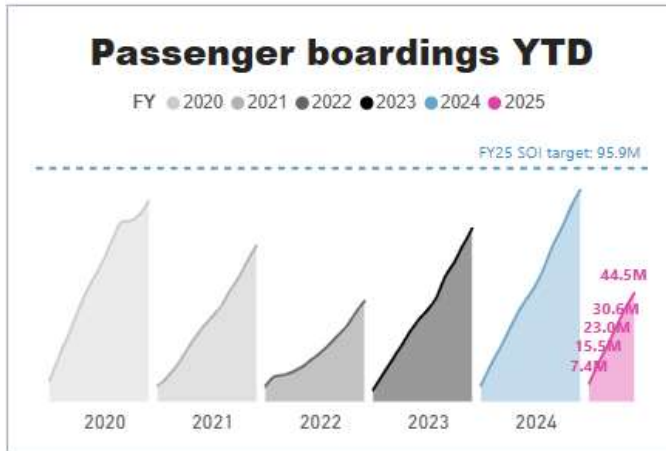
FY Target: No more than 576

Latest result: 599 (12-m rolling)

In the past twelve months (Jan 2024 to Dec 2024) 35 people were killed on our roads and 564 were seriously injured, compared to 43 deaths and 585 serious injuries the previous year. This is the lowest road deaths on record for the Auckland region. There is a 20% reduction in fatalities as compared to last year, but we have only seen a 4% reduction in serious injuries. Road deaths on average make up 5-10% of the overall DSI for Auckland roads.

While we will continue to deliver safety improvements alongside our partners that will put downward pressure on DSI, we expect there to be upward pressure from external factors such as economic performance, which may impact our ability to meet the SOI target.

*DSI for Dec 2024 (12-m rolling) increased to 599 after the above chart was prepared

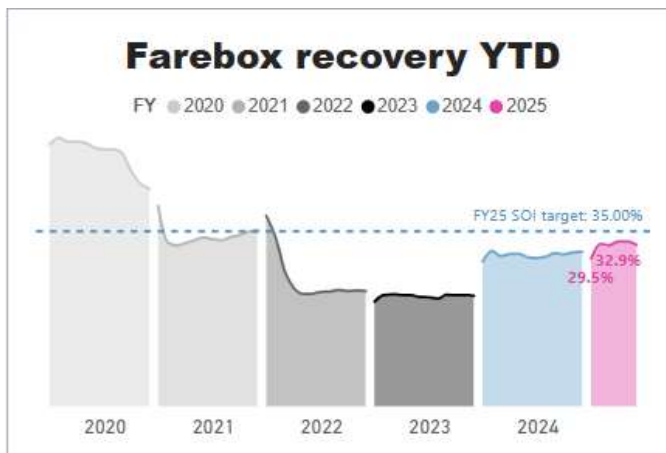


Annual numbers of PT trips

FY Target: 94.7m

Latest result: 44.5m (YTD)

December achieved 6.2M boardings, which is 5% above December 2023 (5.9M) but 3.7% below YTD target. We need to average 10% YoY increases during second half of the year to achieve SOI target. Our handling of March and encouraging people to use trains when they are operating will be key to reaching our target. This is where we have opportunity to over-achieve. February and March are our busiest months, and if we give people a great experience then they are more likely to keep using PT. We expect higher patronage in these months and forecast that most of that continues through the year.



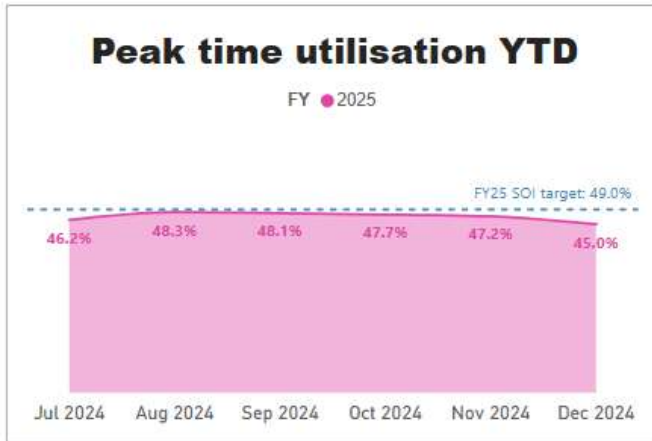
The percentage of the total PT operating cost recovered through fares

FY Target: 34%

Latest result: 32.3% (YTD)

Farebox Recovery Ratio was 29.2%, impacted by reduced Rail and Bus patronage and associated revenue during the December period. Overall PT contract costs are expected to remain favorable for FY. Patronage remains key to delivering a favorable FY25 result.

Key initiatives to achieve target are patronage recovery, increasing contactless payments and annual fare adjustment (Feb 25). The anticipated improved Media revenue has now been delayed.



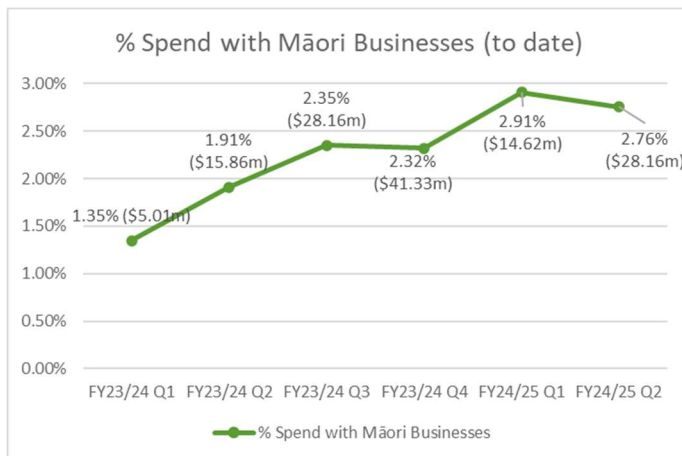
PT utilisation for frequent routes during peak

FY Target: 49%

Latest result: (YTD)

Reduction in PT Utilisation was observed in November and December. November data showed 45% and December data showed 33% PT Utilisation. Best performing services are WX1, 22s, 24s and Outer Link with PT utilisation above 60%. Lowest PT Utilisation is observed on buses in South Auckland with PT utilisation at or below 30%.

We will continue monitoring PT usage in South Auckland during the busiest months such as February and March. Most of the frequent routes in South Auckland meet their boardings per service hour targets. The key focus for us will be bus routes 31, 36 and 38 - these are the routes that could perform better. We will be looking at the sections of these routes with low utilisation, doing a deep dive into bus runtimes, identifying any delays to buses and reviewing other factors that could be enhanced to make these routes more attractive to our customers.



Percentage of procurement spend with Māori-owned business

FY Target: 3%

Latest result: 2.76%

Māori-owned businesses received \$28.16 million in direct and sub-contracted spend for the December 2025 financial year to date. We are expecting that there will be some significant additional spend coming through over the next few months, with sub-contracting on Project K and Great North Road, in particular.

We were expecting another Marae car park through the Marae and Papakainga (Turnouts) safety programme to be delivered by AT this financial year, for which we had planned a closed procurement process with Māori contractors. However, it came to our attention in December that it is not currently in the pipeline of projects to be delivered due to funding constraints. This is likely to limit our ability to meet our Māori spend target this financial year.

DIA and LTP Measures

These measures are required to report annually for the Department of Internal Affairs (DIA) Mandatory Measures and Council Long-term Plan measures that sit outside of the AT's SOI. These are being reported as interim results ahead of final results in Q4.

Source	Measure	2024/25 target	Q2 2024/25 Result
DIA measures	The change from the previous financial year in the number of deaths and serious injuries on the local road network, expressed as a number.	Reduce by 9	Reduced by 23. January to December 2024 (total of 536) compared to the year prior (559)
	The average quality of ride on a sealed local road network, measured by smooth travel exposure.	83%	83%
	The percentage of footpaths within Auckland that fall within the level of service or service standard for the condition of footpaths that is set out in AT's Asset Management Plan (AMP).	95%	96.4%
	Percentage of the sealed road network that is resurfaced.	6.5%	YTD: 3.5%
	Percentage of customer service requests relating to roads and footpaths which receive a response within specified time frames.	85%	89%
LTP measures in addition to listed SOI measures	Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all rural roads.	92%	84%
	Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all urban roads.	81%	82%
	Percentage of road assets in acceptable condition (as defined by AT's AMP).	95%	NA*
	Percentage of passengers satisfied with public transport services.	85%	90%

* Road asset pavement condition methodology is currently under review by NZTA. Will report result in Q4.

Financials performance overview

(\$ million)	Notes	2023/24	2024/25 Dec YTD			2024/25
		Actual	Actual	Revised budget	Var.	Revised budget
Net surplus from operations	A	40	36	5	31	9
Operating revenue		1,263	701	703	(2)	1,432
NZTA operating funding		453	242	243	(1)	482
NZTA -Top-up from Crown		36	10	9	1	12
Fees & user charges	B	276	156	166	(10)	351
Other direct revenue		59	43	35	8	75
Total direct revenue		824	451	453	(2)	920
AC operating funding		439	250	250	-	512
Operating expenditure		1,223	665	698	33	1,423
Employee benefits		167	94	97	3	198
Grants, contributions & sponsorship		-	-	1	1	3
Cost of goods and services		615	352	351	(1)	716
Repairs and maintenance		29	16	25	9	55
Outsourced works and services		114	59	69	10	132
Other direct expenditure		278	134	144	10	296
Total direct expenditure	C	1,203	655	687	32	1,400
Finance costs		20	10	11	1	23
Other key operating lines - Surplus/(Deficit)		(130)	45	(146)	191	(284)
Non direct revenue		-	-	-	-	-
Non direct expenditure		(12)	(6)	-	6	-
Depreciation and amortisation		533	270	271	1	559
Vested assets	D	391	309	125	184	275

Capital expenditure and funding sources

Capital expenditure	E	1,043	579	616	(37)	1,352
Capital funding sources		1,043	579	616	(37)	1,352
AC capital grant		460	258	267	(9)	617
NZTA capital co-investment		542	284	315	(31)	651
Other capital grants		41	37	34	3	84

Commentary on year to date operating and capital performance

A. Net surplus from operations is \$31 million favourable to the revised budget. The variance is largely driven by lower than planned direct expenditure of \$32 million across the organisation.

B. Fees and user charges are \$10 million lower than the revised budget reflecting lower public transport revenue due to lower patronage, and lower infringements driven primarily by high compliance rates across the network.

C. Direct expenditure is \$32 million favourable to the revised budget. Items to note:

- Outsourced works and services are \$10 million below the revised budget due to lower levels of planned maintenance activity, expected to increase in the second half of the financial year.
- Repairs and maintenance are \$9 million lower than the revised budget primarily due to lower IT support costs and unplanned maintenance.
- Employee benefits is \$3 million favourable to budget primarily due to budgeted positions not filled.
- Other direct expenditure is \$10 million lower than budget primarily due to lower professional services, software licenses, events, printing, and utilities costs.

D. Vested assets include the \$230 million NZTA revocation of old State Highway 1 Puhoi to Warkworth to Auckland Transport.

E. Capital expenditure of \$579 million is tracking at 94% of the revised budget. The variance is mainly driven by delays in pavement renewals, milestone payments for the new trains for CRL and property acquisition for the Eastern Busway project. Technology related investment is also delayed. The Flood Response programme is delivering ahead of budget. See capital expenditure overview by key programmes below for further details.

The revised budget, approved in the modified SOI by the TRIC in December 2024, incorporates changes from the confirmed NZTA National Land Transport Fund. The principal change was to the capital budget which decreased by \$107 million to \$1,352 million.

Financial performance overview by key activities

(\$ million)	Notes	2023/24	2024/25 Dec YTD		2024/25 Revised budget	
		Actual	Actual	Revised budget		Variance
Net direct expenditure		(379)	(204)	(234)	30	(480)
Direct revenue		824	451	453	(2)	920
Bus		311	164	171	(7)	349
Rail		147	91	90	1	184
Ferry		48	27	27	-	55
Other public transport		47	27	23	4	44
Total public transport		553	309	311	(2)	632
Roads and footpaths		100	49	47	2	88
Parking and enforcement		108	58	62	(4)	130
Business Support		63	35	33	2	70
Direct expenditure		1,203	655	687	32	1,400
Bus		466	249	259	10	522
Rail		213	135	133	(2)	274
Ferry		70	40	39	(1)	80
Other public transport		78	37	37	-	76
Total public transport		827	461	468	7	952
Roads and footpaths		167	83	95	12	186
Parking and enforcement		52	31	26	(5)	52
Business Support		157	80	98	18	210

Capital expenditure overview by key programmes

(\$ million)	2023/24		2024/25 Dec YTD Revised			2024/25 Revised Budget
	Notes	Actual	Actual	Budget	Variance	
Total capital expenditure	A	1,043	579	616	(37)	1,352
Renewals and Resillience	B	445	234	238	(4)	457
Asset Renewals		310	159	178	(19)	344
Resilience/Adaptation		135	75	60	15	113
Public Transport		173	101	112	(11)	302
Bus City Centre		2	8	8	-	22
Bus Projects		36	17	13	4	26
Ferry Projects		69	10	13	(3)	34
Rail Projects	C	54	63	75	(12)	208
Rapid Transit Access		12	3	3	-	12
Urban Development	D	283	186	196	(10)	426
Cycleway projects		32	22	22	-	63
Eastern Busway		190	138	141	(3)	256
Priority growth areas		33	16	21	(5)	55
Property for growth		28	10	12	(2)	52
Network and Safety		103	37	40	(3)	107
Community response		30	13	14	(1)	29
Local Board priority		22	7	8	(1)	20
Network Optimisation		16	11	11	-	28
Parking and other		2	1	1	-	4
Road Safety		33	5	6	(1)	26
Technology and Change	E	39	21	30	(9)	60
Customer Systems		39	21	30	(9)	60

Commentary

A. YTD capital expenditure is \$37 million below the revised budget. Items to note:

B. Asset renewals spend is lower than budget, however, planned activity levels indicate the full year programme will be delivered to budget. **Resilience/Adaptation activity for flood response work** is progressing ahead of budget with most works expected to be completed in the current year.

C. Rail projects are below budget due to delayed milestone payments for new CRL trains. Additionally, land acquisition for the Level Crossing removal programme to support CRL has been delayed but is still planned to be delivered this year.

D. Urban development is behind budget due to delayed property acquisition.

E. Technology related investment in Customer Systems is lower than the revised budget due to resourcing constraints. Work is being reprioritised to address the shortfall. Contactless Payments went live in November.

Capital expenditure overview by SOI programmes

Capital programme performance by SOI programme

(\$ million)	2023/24		Dec YTD Revised		2024/25 Revised		2023/24		Dec YTD Revised		2024/25 Revised
	Actual	Actual	Budget	Variance	Budget		Actual	Actual	Budget	Variance	Budget
Total capital expenditure	1,043	579	616	(37)	1,352		103	37	40	(3)	107
Renewals and Resilience	445	234	238	(4)	457	Network and Safety					
Renewals Road Pavement	182	97	108	(11)	189	Road Safety Programme	19	4	4	-	21
Renewals Streets	78	44	46	(2)	93	Community Network Improvements	21	10	11	(1)	18
Flood Response	117	70	55	15	100	Local Board Transport Capital Fund	9	6	6	-	17
Renewals Public Transport	31	10	13	(3)	33	Hill Street Intersection Improvement	-	-	-	-	-
Renewals Structures	13	5	8	(3)	20	Network Optimisation	9	8	8	-	17
Unsealed Road Improvements	6	4	4	-	10	Community Cycling and Micromobility	3	1	1	-	5
Other	18	4	4	-	12	Intelligent Transport Systems	5	2	2	-	5
						Time-of-use Programme (congestion)	-	-	-	-	-
Public Transport	173	101	112	(11)	302	Room to Move Programme	-	-	-	-	1
EMU Rolling Stock Tranche for CRL	24	41	47	(6)	153	Bus and Transit Lanes programme (dynamic lanes)	-	-	-	-	3
Decarbonisation of Ferries Stage1	69	10	12	(2)	34	Marae and Papakāinga (Turnouts) safety programme	1	1	1	-	1
Level Crossings Removal for CRL	9	8	11	(3)	22	Freight Network Improvements	-	-	-	-	1
Midtown Bus Improvements for CRL	2	6	7	(1)	18	Network and Safety - Other	36	5	7	(2)	18
Great North Road Improvements	3	-	3	(3)	12						
Karangahape Roadside for CRL	2	4	4	-	9	Technology and Change	39	21	30	(9)	60
Bus Access and Optimisation Programme	20	15	7	8	8	Customer and Business Systems	16	10	15	(5)	35
Northwest Bus Improvements	5	-	-	-	-	Core Technology and Renewals	10	3	6	(3)	14
Rosedale Bus Station and Corridor	4	2	1	1	4	Contactless payment and HOP Hardware Refresh	13	8	9	(1)	10
Public Transport Safety and Amenity	8	2	2	-	8	National Ticketing System (AT assets)	-	-	-	-	1
EMU Stabling and Depots for CRL	18	8	8	-	13						
First-and-final leg for RTN stations	1	-	-	-	1						
Other	8	5	10	(5)	20						
Urban Development	283	186	196	(10)	426						
Eastern Busway Pakuranga to Botany	186	134	135	(1)	249						
Urban Cycleways GI to Tāmaki Drive Stage 4	1	1	4	(3)	17						
Property for Route Protection and Encroachments	2	5	6	(1)	42						
Point Chevalier to Westmere Improvements	18	14	11	3	21						
Drury Local Road Improvements	1	-	-	-	21						
Cycling for Climate Action	2	1	2	(1)	7						
Supporting Growth Post Lodgement	25	5	5	-	10						
Wainui and Redhills Growth Improvements	13	10	11	(1)	14						
Mangere West Cycleway	1	1	1	-	9						
Urban Development - Other	34	15	21	(6)	36						

Refer to commentary provided by key programmes in previous page for an explanation of variances