

Quarter 4 Performance Report

For the period ending 30 June 2019

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

Auckland Transport Q4 summary

Highlights, issues & risks for the quarter

Highlights:

- For the 12 months to June 2019, Auckland public transport boardings totalled 100.8 million exceeding the full year target of 96.3 million. This is an increase of 9.1% on the previous year.
- The 'Live the Bike' summer campaign aimed at mobilising more people on bikes was redirected during Autumn to keeping people on bikes with 1 million cycle trips recorded from the beginning of March to the end of May. The full year result of 3.77 million trips showed an 8.9% increase in cycle trips (when compared to 2018), exceeding the 2018/19 target by 3.5%.
- The Mass Action Pedestrian Improvements programme upgraded 39 zebra crossings to raised tables improving pedestrian safety.
- Roding network performance was better than expected on the Eastern Busway 1 project due to the successful disruption mitigation campaign. Construction continues on programme.
- The Main Works contract for the Downtown Programme, which includes the Regional Fuel Tax-enabled ferry basin redevelopment, was signed in April 2019. The resource consent for the ferry basin redevelopment and Quay St enhancements were granted in the quarter, which is a significant milestone in reducing one of the key delivery risks to meeting the December 2020 target completion date.

Issues/Risks:

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

| Financials (\$million) | YTD | YTD budget | Actual vs Budget |
|----------------------------|-------|------------|------------------|
| Capital delivery | 667 | 744 | (77) |
| Operating revenue | 897 | 867 | ↑ 30 |
| Operating expenditure | 1,228 | 1,215 | ↑ (13) |
| Net operating surplus/ | (331) | (348) | ↓ 17 |
| NZTA capital co-investment | 264 | 359 | ↓ (95) |

Financial Commentary

- **Capital delivery:** 90% of capital programme delivered. The underspend is mainly due to variability in consenting, business casing and funding processes and community requests for scope changes.
- **Operating revenue:** Full year actual is \$30 million higher than budget mainly due to additional NZTA funding, higher public transport patronage and additional infringement revenue.
- **Operating expenditure:** Full year actual is \$13 million higher than budget mainly due to increased public transport and IT costs.
- **Net operating deficit** is \$17 million favourable to budget mainly due to higher than expected infringement revenue and lower depreciation costs.
- **NZTA capital co-investment** is \$95 million below budget due to the assumption in the budget that Auckland Transport's programme would be funded 50/50 from Auckland Council and NZTA and lower programme spend. Actual NZTA funding received was 40%.

| Key performance indicators (Refer to pg. 12 for complete list) | Previous | FY 19 Quarter 4 | | Status | Commentary |
|---|---------------------|---------------------|--------------------------------------|----------|--|
| | Quarter | Actual | Full Year Target | | |
| Total annual public transport boardings | 98.2 million | 100.8 million | 96.3 million | Exceeded | Auckland Transport surpassed 100 million annual trips in June 2019. Actual boardings totalled 100.8 million for the 12 months to 30 June 2019. |
| Boardings on the Rapid and Frequent Network | 21.8% annual growth | 21.5% annual growth | Increase faster than total boardings | Exceeded | 21.5% growth in the 12 months to June 2019, vs 9.1% growth in total boardings. |
| Number of cycle movements past selected count sites | 2.851 million | 3.771 million | 3.644 million | Exceeded | 2018/19 cycle movements were 3.5% above the SOI target, and 8.9% higher than 2017/18. |
| Change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number | 550 | 553 | Reduce by at least 9 (681) | Exceeded | The 12 month total to December 2018 was 553. This was 137 less than the previous year of 690. |

Strategic focus area – Customer Experience

Key commentary

Highlights

- Completed the:
 - customer experience blueprint and customer value proposition for Customer Experience (CX).
 - journey mapping of customer pain points, barriers, needs and opportunities for 'Community Living and Commuter' experience.
- The Newmarket Experience cross-functional team is focussed on preparation across the integrated network for the Westfield Launch events in August 2019 which will see between 30,000 – 60,000 people per day visit the Newmarket Precinct.
- Customer Relationship Management case transformation programme remains on track for delivery this quarter.
- Maintained achievement of Local Government Official Information and Meetings Act (LGOIMA) statutory Service Level Agreement.

Risks

On the weekend of 2/3 November the combination of special events (NRL triple header at Eden Park, Metallica Concert at Mt Smart Stadium, Big Boys Toys at Greenlane, a cruise ship visit) and the proposed opening of Westfield Newmarket may cause extreme levels of congestion

Strategic context

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

| Key programme of works | Status | Description | Outlook |
|--|-----------------|--|---|
| Customer Experience (CX) Strategy | On track | Deliver the CX Strategy and Blueprint and delivery model. | <ul style="list-style-type: none"> • Auckland Transport Board sub-committee review in endorsed the CX Blueprint. • Implementation of key customer mobility experiences (community living and commuter) is underway. • Customer journey mapping was completed. |
| Contact Centre Technology | On track | Identify key technology enablers and feasibility to deliver channel migration to digital channels. | Delivery plan finalised for Pure Connect telephony upgrade. This includes the implementation of a new IVR, live chat, call back options for customers. |
| Auckland Transport Omni Channel Strategy and Programme of Work | On track | Design and deliver the Auckland Transport Omni channel strategy and roadmap for customers to interact with Auckland Transport with confidence across all channels. | <ul style="list-style-type: none"> • Customer Relationship Management case transformation programme remains on track for delivery in August. • The Retail strategy, in final draft, identifies opportunities to improve and optimise the retail channel including AT HOP retailers and customer service centres. |
| CRM Case Management | On track | Design case management / change approach for organisation wide case management system to improve responsiveness and timely resolution of customer requests. | <ul style="list-style-type: none"> • Change management plans are complete. Key changes shared with employees in March 2019. • Lean mapping (a process that measures value, waste and duplication) commenced across end to end Transport Operations, Road Corridor Delivery, Parking and AT Metro processes to identify areas for improvement. |

Strategic focus area – Road Safety

Key commentary

Highlights

- Safety improvements, red flashing and yellow non-flashing studs have been installed in the road leading to the Stop sign on Piha Road where it intersects with Scenic Drive in Waitakere which will raise motorists' awareness of the Stop sign. This is a national Traffic Control Device trial for these devices (previously only signalised crossings have been tested). If successful they will be used across New Zealand.
- Implementation of College Hill signalised pedestrian crossing and school speed zone, supporting school children to safely cross and access both the school and bus stops, replacing a refuge that could not accommodate children safely in the centre of the road.
- Auckland Transport has turned off filtering at 32 signalised intersections to improve safety. Filtered Right Turn is a vehicle turning movement that is permitted to turn through gaps in opposing traffic on a full green signal display. There were a total of 527 crashes reported at these 32 intersections in a given 5-year period directly attributed to filtering, including 14 death and serious injury crashes; and 114 minor injury crashes.
- The Mass Action Pedestrian Improvements programme upgraded 39 zebra crossings to raised tables improving pedestrian safety.
- 1,550 Walking School Bus (WSB) volunteers help run 380 active WSB routes each year, escorting 4,252 children to and from 162 schools safely each weekday. This Programme plays an important role in improving pedestrian safety, increasing active modes of travel and reducing morning vehicle congestion.
- Implemented safety improvements at four fatal crash sites, with improvements at a further three sites having commenced.

Risks

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

Strategic context

Addressing the very disturbing and continued upward trend in local road deaths and serious injuries, through a comprehensive programme of safety improvements, including improvements to high risk intersections and corridors and speed management. The Auckland Plan highlights road safety as a key priority for the region including moving to a safe transport network free from death and serious injury by:

- introducing 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 | In progress | Deliver five high risk urban and five high risk rural road upgrades, 20 pedestrian upgrades, 500 km signage, 150 high risk bend treatments and 20 intersection upgrades. | 11 high risk urban/rural upgrades delivered, 9 in construction. 26 pedestrian upgrades delivered, 12 in construction. 235 km of signage delivered, 331 km in construction. 150 high risk bend treatments delivered. 11 Intersection upgrades delivered, 18 in construction. Additional 54 targeted safety improvement projects delivered. |
| Speed Safety Management programme | In progress | Implement speed management on 150 km of roads and three town centres, areas identified as posing the greatest safety risk to people. | Projects are either in construction or deferred to take account of community feedback. |
| Red Light Camera programme | In progress | Installation of eight new red-light cameras to reduce crashes at high risk intersections. | Eight cameras are planned to be commissioned and operational by September 2019. |
| Road Safety Education | On track | Deliver over 600 campaigns, events, training and checkpoints targeting high risk groups and communities. Assist young drivers with the Graduated Licensing System. | Delivered 1 campaign, 6 events, 30 checkpoints, 48 community interventions for high risk groups and young drivers, 29 Te Ara Haepapa Māori interventions and a social media campaign in the last quarter. |
| School Safety | On track | <ul style="list-style-type: none"> • Work with 250 schools to increase safety awareness, active travel and public transport use. • Lower speed limits and deliver improvements around schools. • Assist young drivers with the Graduated Licensing System. | Completed Te Reo Māori road safety, speed activities, bike training activities and Walking School Bus events (see Active Modes section for further detail), Safer Schools Pilot and Te Ara Haepapa Māori promotions in the last quarter. |

Strategic focus area – Public Transport

Key commentary

Highlights

- June monthly patronage was 8.3 million, an increase of 9.1% on June 2018 and 7.1% above the SOI target (YTD +4.6%). June normalised adjustment ~ +10.4% allowing for special event patronage including Free Travel Sunday 23 June, one less business day, one more weekend day/public holiday, one less school day and three more tertiary days.
- For the past 12 months to June 2019 Auckland public transport patronage totalled 100.8 million passenger boardings. This represents an increase of 9.1% on the previous year. This is made up of:
 - Bus services totalling 73.0 million passenger boardings for the 12-months to June 2019, an increase +10.4% on the previous year.
 - Train services totalling 21.4 million passenger boardings for the 12-months to June 2019, an increase of +6.1% on the previous year.
 - Ferry services totalling 6.3 million passenger boardings for the 12-months to June 2019, an increase of +4.4% on the previous year.
- Fare free public transport day on 23 June 2019 was very successful with modes experiencing up to four times the usual Sunday patronage.
- Rapid and Frequent services totalled 49.2 million passenger boardings for the 12 months to June 2019, an increase of 21.5% on the previous year. Patronage for June 2019 was 4.1 million, an increase of 14.4% on June 2018 and 17.4% above the SOI target (YTD +33.8%).

Risks

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

Strategic context

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

| Key programme of works | Status | Description | Outlook |
|------------------------------------|-----------|--|--|
| Bus Priority | On track | New and extended hours of bus priority on key corridors to improve customer journey times. | Planning for the integrated corridor programme for frequent network corridors is on track. 6.7 km delivered year to end of June. |
| Double decker mitigation works | Completed | Mitigating works on key corridors for double decker implementation increasing public transport capacity. | Dominion Road was operational in January 2019. Remuera Road was operational from March. |
| Rail pedestrian gating works | On track | Pedestrian level crossing gating across the rail corridor improving pedestrian safety. | Five additional pedestrian level crossing gating projects completed in May and June. Enablement works are underway for Glen Innes, with estimated completion mid July. |
| New network implementation Waiheke | On track | Infrastructure enablement and operator implementation. Outcome is an enhanced bus network for Waiheke and completion of the new bus network. | Infrastructure on track to enable the critical operational infrastructure to be in place for October 2019 mobilisation. |
| Train station ticket gating | Delayed | Installation of ticket gating at Middlemore, Papakura and Parnell programmed for Q3 to reduce fare evasion. | <ul style="list-style-type: none"> • Designs for Middlemore and Papakura train stations are being revised due to additional requirements and will be completed in October 2019 • Parnell Station gates completed in July 2019 and went live on 02 August |

Strategic focus area – Active Modes

Key commentary

Highlights

- The 'Live the Bike' summer campaign aimed at mobilising more people on bikes was redirected during Autumn to keeping people on bikes with 1 million cycle trips recorded from the beginning of March to the end of May. End of year reporting of 3.77 million trips showed an 8.9% increase in cycle trips (when compared to 2018), exceeding the 2018/19 SOI target by 3.5%.
- Completed 1.59km of new footpaths in the fourth quarter.

Risks

- High community expectations to treat other deficiencies in the street environment including utilities while delivering cycling infrastructure. Mitigation includes continuous two-way conversations with the community through Community Liaison Groups to confirm the clear scope of a particular project.
- Programme cost increases as a result of school cycle training delivery cost escalations. Mitigations currently being considered include the realignment of mix of training programmes.

Strategic context

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

| Key programme of works | Status | Description | Outlook |
|--------------------------------|-------------|---|--|
| New cycleways | In progress | SOI target to complete 10 km of new cycleways in the 2018/19 financial year. | 9.6 km completed for the 2018/19 year. Glenvar Ridge Road Shared Path, which was part of a larger roading corridor improvement project, added 1.6 km to the cycle network in March 2019. GI to Tamaki Section 3 was completed in Q4 bringing the year-end total to 9.6 km of new cycleways completed in 2018/19. A number of new projects have commenced or will commence in the second quarter of 2019/20 e.g. Karangahape Road. |
| Walking | In progress | Deliver new and improved footpaths across Auckland. | 1.59 km of projects have been completed with a further 1.15 km of projects in construction, reflecting a reprioritisation of the originally planned budget. |
| Cycling campaigns and training | On track | <ul style="list-style-type: none"> • Deliver 50 events, trainings, campaigns and activities that promote cycling and cycle safety. • Deliver cycle skills training to 9000 school students. | <ul style="list-style-type: none"> • Summer 'Live the Bike Life' campaign ran through to Q4. • In the quarter Auckland Transport delivered: <ul style="list-style-type: none"> • 6 Bike Ready instructor and Ride Leader training courses • 2 Refugee cycle training courses • 3 Adult bike skills and maintenance drop-in sessions • 27 community events delivered in the quarter, 120 plus events in total were delivered in 2018/2019. • Multiple local community events and activities to promote activation of infrastructure. • Evaluation and allocation of round 2 of the Community Bike Fund, supported 9 group events to a total of \$28k. • 3,500 students trained in the quarter through cycle training programme • Travelwise School programmes activities included: <ul style="list-style-type: none"> • 40 cycle activities including 9 ambassador workshops • 38 Scooter training sessions • 151 Walking School Bus (WBS) events and 15 new WBS routes • Travelwise Choices programmes activities included 2 e-bike tours for businesses, Go by Bike Day at Devonport Navy and Bike Bright Safety promotion for tertiary students. |

Strategic focus area – Key Projects & Strategic Programmes

Key commentary

Highlights

- Resource consents for the Ferry Basin Redevelopment, Quay Street Enhancements and two sections of the Quay Street Seawall Strengthening projects were approved for the Downtown Programme.
- Site mobilisation and enabling works on Queens Wharf and Quay St are underway to enable the main works to begin by early July for the seawall, Ferry Basin Redevelopment and Quay St Enhancements for the Downtown Programme.
- Eastern Busway 1 construction continues on programme. Network performance is better than expected due to a successful disruption mitigation campaign.

Risks

- Downtown Programme - Significant construction interfaces and utilities services in a complex environment with very tight timeframes. Mitigated by a ratification of the baseline construction programme in August. Consent risks have been mitigated through to consent approvals for Quay St streetscapes, seawall and ferry basin, with outstanding consents progressing for Downtown Public Space with potential risk of appeals.
- Matakana Link Road – delays from appeals and differing community expectations and requirements on solutions.
- Puhinui Station – tight timeframe, mitigated through station closure, but timeframe remains a challenge.
- 15 new electric trains – manufacturing compliance and acceptance gateways for the first train expected in Q1. Any non-compliance may result in delays.
- Eastern Busway 1 - Significant unforeseen ground conditions or services may require major re-design, delays and additional costs.
- Eastern Busway 2 and 3 - Combined procurement strategy requires a temporary hiatus in land acquisition that could result in longer-term increased costs.

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 greenfields areas.

| Key programme of works | Status | Description | Outlook |
|--|----------|--|---|
| Downtown Programme | On Track | Auckland Council has a 10 year vision to transform the waterfront into an attractive, people friendly environment. Auckland Transport will be delivering the first part of this vision from 2018 to 2021. The transformation will support the 36th America's Cup, Asia-Pacific Economic Forum, and Te Matatini in 2021. The project includes seismic strengthening to improve the resilience of critical infrastructure on Quay St water's edge. | <ul style="list-style-type: none"> • The programme schedule is undergoing a ratification process through the Joint Venture Contractor with a view to re-baselining by the end of August. • Temporary relocation of trees will occur in the next quarter to enable seawall and Quay St Enhancement construction. |
| Eastern Busway 1: Panmure to Pakuranga | On track | The Panmure to Pakuranga stage of AMETI Eastern Busway includes the first section of the busway, along the north side of Lagoon Drive and Pakuranga Road and an upgrade of the Panmure roundabout. | Eastern Busway 1 construction is continuing to progress to programme. Work now underway in all construction zones. |
| Eastern Busway2 &3: Ti Rakau Busway | On track | The Ti Rakau Drive busway is part of the Pakuranga to Botany stage of the AMETI Eastern Busway. | Eastern Busway 2 and 3 procurement review nearing completion. Value Engineering is nearing completion. |
| Matakana Link Rd | On track | 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. | Progressing through the design phase. The project will be ready for tender in September for both the base design and enhanced four-lane option. Consent appeals are being considered. |
| Lincoln Road | Delayed | Lincoln Road is a major arterial connection for West Auckland and is a major component in the regional major roads network. It is also a highly congested route. It will be future proofed with a T3 lane and cycle lanes and an improved motorway interchange. | The project review is complete, and Auckland Transport has re-commenced the design work on Lincoln Road. |

Strategic focus area – Asset Management

Key commentary

Highlights

- SCRIM (skid resistance) survey of rural road network is now complete. Condition data obtained is now being analysed to inform safety improvements and future forward works programming.
- “Enviro Shield” pavement rejuvenation / preservation product has been subject to a controlled trial at Te Taou Crescent. The intention of the trial is to explore new alternative lower cost, more environmentally sensitive surfacing solutions to existing conventional treatments.
- Criticality Framework for both Rooding and Public Transport assets is now complete. Framework presented at Auckland Transport FCRC meeting (July) for approval and implementation. Currently scoping next steps to develop an accompanying Resilience Asset Assessment Framework and working with other council entities to develop a “whole community” view.
- Task team comprising of Auckland Transport and industry pavement experts has been set up to develop toolset to determine strain on the road pavement network emerging from growth and intensification (housing and industrial development). Intention is to predict likely funding needs required to support infrastructure growth whilst maintaining desired levels of service and risk.

Risks

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

Strategic context

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

| Key programme of works | Status | Description | Outlook |
|--|-----------------|--|--|
| Forward Works Programme: Development Rooding and Public Transport assets | Complete | Programme of renewals and maintenance works for roading and public transport assets. | Programme optimisation work to mitigate disruption to the transport network nears completion. |
| Seal Extension Guideline Review | Delayed | Tri-Annual review of Seal Extension Guideline used to prioritise the seal extension programme. | Currently reviewing internal and external stakeholder feedback received ahead of confirming key influences and weightings of each influencing factor. Likely that document publishing will slip by one month to August 2019. |
| 2021 Asset Management Plan | On Track | Development of the 2021 Asset Management Plan and accompanying investment is in development. | Completed the initial works to develop the first draft of the 2021 Asset Management Plan and indicative investment needs. |
| Consequential Opex requirements | On Track | Establish the consequential opex requirements of the roading and PT Metro assets to ensure future sustainability of the transport network. | First draft of the plan describing consequential opex requirements is in development. |
| Enterprise Asset Management | On track | Implementation of a new Enterprise Asset Management system (EAM). EAM encompasses both business processes and the management of data and information to help align traditional asset management and organisational requirements. | Proposal approved by the Board. Discussions ongoing with NZTA with respect to the possibility of a funding contribution. |
| Tiverton Wolverson main culverts' replacements | On track | Replacement of two culverts under Wolverson Road. The new larger culverts can contend with greater amounts of rainfall and more frequent storm events, reducing the risk of flooding. | Investigation and options review and selection to replace the culverts is nearly complete. Enabling works and construction to start in Aug/Sep 2019. |

Other statement of intent focus outcomes

Contribution towards Māori outcomes

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

Auckland Transport contribute to mana whenua engagement through engagement forums for operations and governance matters. The forums are resourced by Auckland Transport in Partnership with NZTA and Mana Whenua.

- **Te Aranga Māori design (Māori Identity and Culture)**

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

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

Auckland Transport contributes to road safety through the Te Ara Haepapa programme that delivers driver licensing, child restraint training, speed management, drug and alcohol education and promoting walking and safe cycling.

In partnership with the New Zealand Police, Te Ara were able to assist Te Kura Kaupapa Māori ā rohe o Māngere to establish a 'Road Patrol' syndicate in their kura. Te Kura Kaupapa Māori ā rohe o Māngere is the first kura within Tāmaki Makarau (and possible Aotearoa) to practice in Te reo Māori. At the request of the kura, Te Ara Haepapa are also working to have signage created in Te reo Māori.

- **Māori wardens on trains (Māori Business, Tourism & Employment)**

Māori wardens provide safety for public transport users on trains.

- **Marae and Papakainga development road safety (Marae development)**

Auckland Transport engage with marae on the safety of entering and exiting Marae and other forms of Māori freehold or Māori designated land (urupa, reserves, and Māori use designations).

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

Auckland Transport engage with iwi and implement storm water systems that are above standard and supported by mana whenua.

- **Te reo Māori framework (Reo Māori outcomes)**

Te reo Māori is being implemented on buses, signage and in infrastructure projects. Te Reo Māori has been implemented on the Link bus network.

- **Organisational Effectiveness - Māori Identity (Māori Identity and Culture)**

Te Waharoa Māori portal (One stop geo spatial / share point application) to record, store and monitor engagement outcomes.

Auckland Transport has continued to deliver positive social and economic outcomes in infrastructure projects. Procurement engagement is occurring at the individual Māori business level. Auckland Transport is participating in He Waka Eke Noa (Māori and Pasifika business database, facilitated by the Southern Initiative) and Tamaki Jobs & Skills Hub where Auckland Transport's Procurement team hopes to identify and understand specific Māori business capability and create links to opportunities.

Local board engagement

Auckland Transport has continued to engage with all Local Boards in a variety of fora including regular workshops and via formal monthly reports. On average Auckland Transport is involved with 35 workshops with Local Boards in any given month. Auckland Transport also reports on Local Board engagement through its six-weekly (public) Board meetings.

Local Boards showed a high level of interest in the proposed Speed Limit Bylaw consultation with ten making formal submissions and taking the opportunity to attend hearings. In this reporting period there were regular updates to Local Boards and the Chairs Forum on bylaw progress.

Auckland Transport continued its quarterly reporting against SOI targets to Local Board members.

A significant milestone saw signing of an MoU (a first in the region) with the Waiheke Local Board.

To the end of June, Local Boards allocated \$46.1 million to their Transport Capital Fund projects. Thirty eight local board projects were completed in the 2018/19 financial year.

Auckland Transport also began working with Local Boards (and Ward Councillors) on allocation of the new Community Safety Fund.

Climate change

Auckland Transport's Greenhouse Gas Inventory has been independently verified by EnviroMark. This identified our largest sources of emissions and provided the evidence to develop emission reduction targets.

As part of membership of the Climate Leaders Coalition, Auckland Transport released a case study on the challenges and opportunities in implementing the Low Emission Bus Roadmap.

Conducted research on past and future trends in vehicle kilometres travel and fuel consumption to help better understand the challenge ahead for reducing road transport emissions.

Leading work in energy management recognised in the Deloitte Energy Excellence Awards with Kailyn Smith being announced as a finalist in the Young Energy Professional of the Year category.

Exceeded our EECA energy savings target of 2.85 GWh with a reported 2.99 GWh of electricity savings from energy conservation measures such as lighting upgrades and operational changes. This target did not include savings attributed to the Streetlight LED Retrofit programme.

Auckland Transport Q4 financials



Key financial metrics

| \$(million) | Notes | FY 18 Actual | FY 19 Actual | FY 19 Budget | Variance |
|--|----------|-----------------|-----------------|-----------------|-------------|
| Net surplus/(deficit) from operations | A | (321) | (331) | (348) | 17 |
| Operating revenue | B | 824 | 897 | 867 | 30 |
| AC operating funding (CCO only) | | 275 | 288 | 288 | - |
| NZTA operating funding | | 261 | 281 | 267 | 14 |
| Fees & user charges | | 239 | 278 | 265 | 13 |
| Other direct revenue | | 49 | 50 | 47 | 3 |
| Operating expenditure | | 1,145 | 1,228 | 1,215 | (13) |
| Employee benefits | C | 124 | 126 | 123 | (3) |
| Grants, contributions & sponsorship | | - | - | - | - |
| Other direct expenditure | D | 666 | 730 | 707 | (23) |
| Depreciation | E | 325 | 342 | 354 | 12 |
| Interest expense | | 30 | 30 | 31 | 1 |
| Capital revenue | | 1,002 | 970 | 924 | 46 |
| AC capital grant (CCO only) | | 480 | 400 | 385 | 15 |
| NZTA capital co-investment | F | 205 | 264 | 359 | (95) |
| Vested assets | G | 316 | 305 | 180 | 125 |
| Other Capital Grants | | 1 | 1 | - | 1 |



Financial Commentary

- A:** The full year net deficit from operations is \$331 million, which is \$17 million favourable to budget mainly due to higher than expected infringement revenue and lower depreciation costs.
- B:** Operating revenue is higher than budget driven by:
- NZTA operating grant (\$14 million) mainly due to higher than budgeted administration subsidy;
 - additional infringement revenue (\$10.1 million); and
 - growth in public transport patronage and revenue (\$4.2 million).
- C:** Employee benefits is slightly above budget due to lower than planned capitalised personnel cost of \$1.6 million and restructuring costs of \$1.7 million to improve capacity and capabilities.
- D:** Other direct expenditure is above budget by \$23 million mainly from public transport, software maintenance and security costs.
- E:** Depreciation is lower than budget as a result of lower than planned asset capitalisation.
- F:** NZTA capital co-investment is behind budget mainly due to:
- Assumption in the budget that Auckland Transport's programme would be funded 50/50 from Auckland Council and NZTA. Actual NZTA funding received is 40%.
 - Delays/underspend in some capital projects have delayed NZTA funding claims.
- G:** Vested assets received from property developments is \$305 million, \$125 million favourable to budget. This is mainly from property developments in Long Bay, Red Beach, Flat Bush, Mount Wellington, Glenbrook, Redvale, Kaukapakapa, Paerata and Whangaparua. Increased vested assets bring additional future consequential operating costs for Auckland Transport.

Regional Fuel Tax (RFT) Q4 Summary



Financial performance

| \$(million) | FY 19 | | |
|--|--------|--------|----------|
| | Actual | Budget | Variance |
| Total RFT-enabled capital expenditure | 152 | 251 | 99 |
| Project 1: Bus priority improvements | 8 | 24 | 16 |
| Project 2: City centre bus infrastructure | 9 | 5 | (4) |
| Project 3: Improving airport access | 6 | 6 | - |
| Project 4: Eastern Busway | 36 | 79 | (43) |
| Project 5: Park & Ride facilities | - | - | - |
| Project 6: Electric trains and stabling | - | - | - |
| Project 7: Downtown ferry terminal and redevelopment | 19 | 11 | (7) |
| Project 8: Road safety | 37 | 46 | 9 |
| Project 9: Active transport | 1 | - | (1) |
| Project 10: Penlink | 1 | 2 | 1 |
| Project 11: Mill Road corridor | 11 | 6 | (5) |
| Project 12: Road corridor improvements | 11 | 50 | 39 |
| Project 13: Network capacity and performance improvement | 12 | 9 | (2) |
| Project 14: Growth-related transport infrastructure | 1 | 12 | 10 |
| Total RFT-enabled operating expenditure | 2 | 3 | 1 |
| Project 8: Road safety | 2 | 3 | 1 |



RFT Commentary

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

Full year RFT-enabled capital expenditure of \$152 million was lower than expected, with deferrals or timing delays leading to underspends in Bus Priority Improvements, Eastern Busway, and Road Corridor Improvements (Lincoln Road, Matakana Link Road). Items to note:

- Contracts have been signed for business cases for the integrated bus priority, safety, and walking and cycling routes that are part of the Connected Communities programme.
- Detailed design for Puhinui bus/rail interchange is progressing. The official announcement of the start of the station upgrade by the Mayor and the Minister of Transport was on 17 May 2019.
- Design, consultation and voluntary land purchases are underway for the RFT-enabled stages of the Eastern Busway that follow the Panmure to Pakuranga stage. Value engineering work for Eastern Busway 2 & 3 (Pakuranga Station and Reeves Road Flyover and Ti Rakau Busway respectively) is nearing completion, with land acquisition paused until this process is completed.
- The Main Works contract for the Downtown Programme, which includes the RFT-enabled ferry basin redevelopment, was signed in April. The resource consent for the ferry basin redevelopment was granted in May 2019, providing a high level of confidence that the project can be delivered by December 2020.
- Detailed design for Matakana Link Road (MLR) is continuing. However, appeals to designations and consents received by NZTA and Auckland Transport may result in delays to the project. NZTA has approved a 51% subsidy for MLR. However, it has agreed to an arrangement whereby it pays all of the costs upfront, but Auckland Transport must repay the 49% Council share in later years. This arrangement defers the requirement for council funding.

Auckland Transport Q4 performance measures

Note: Auckland Transport has a total of 22 SOI measures, 16 of which are also LTP measures. SOI measures have annual targets. Progress reporting is based on an assessment whether or not the measures are on track to meet the annual target.

For the 12 months to 30 June 2019, 16 have met or exceeded the annual target/ 6 have not met the annual target.

| Key performance indicators | Previous Quarter | FY 19 Quarter 4 | | Status | Commentary |
|--|---------------------|---------------------|--------------------------------------|----------|--|
| | | Actual Year to Date | Full Year Target | | |
| Total annual public transport boardings | 98,173,115 | 100,751,945 | 96,300,000 | Exceeded | Actual boardings of 100.8 million for the 12 months to 30 June 2019 increased by 9.1% over the prior year. Public transport boardings exceeded the SOI target. |
| Total annual rail boardings | 20,951,431 | 21,392,902 | 21,110,000 | Met | Actual rail boardings of 21.4 million for the 12 months to 30 June 2019 increased by 6.4% over the prior year. Total annual rail boardings met the SOI target. |
| Boardings on the Rapid and Frequent Network | 21.8% annual growth | 21.5% annual growth | Increase faster than total boardings | Met | 21.5% growth in the year to June 2019, vs 9.1% growth in total boardings. This has met the SOI target. |
| New cycleways added to regional cycle network | 7.2 km | 9.65 km | 10 km | Not met | GI to Tamaki Section 3 was completed in Q4 bringing the year-end total to 9.65 km of new cycleways completed in 2018/19. This is below the SOI target of 10 km, due to delays in the Northcote Bridge, Waitemata Safe Routes and New Lynn to Avondale Bridge. |
| Number of cycle movements past selected count sites | 2.851 million | 3.771 million | 3.644 million | Exceeded | 2018/19 cycle movements were 3.5% above the SOI target, and 8.9% higher than 2017/18. This exceeded the SOI target. |
| Active and sustainable transport mode share at schools where the Travelwise programme is implemented | N/A | 47% | 40% | Exceeded | To achieve a sustainable mode share at Travelwise Schools of 47% Auckland Transport promoted the benefits of active transport to whole-school communities by working intensively with over 350 active schools on the programme, including developing a Safe School Travel Plan for each school, holding a Travelwise Conference, delivering BikeReady safety training, Walking School Bus programme, scooter safety training, and Safety and School Gate parking enforcement programmes. |
| Active and sustainable transport mode share at organisations where the Travelwise Choices programme is implemented | N/A | 72% | 40% | Exceeded | The 2018/19 Travelwise Choices result exceeded the SOI target. |

| Key performance indicators | Previous Quarter | FY 19 Quarter 4 | | Status | Commentary |
|---|---------------------|---------------------------|------------------|----------|--|
| | | Actual Year to Date | Full Year Target | | |
| Average AM peak arterial productivity | 31,022 | 32,863 | 21,000 | Exceeded | 2018/19 average AM arterial productivity of 31,271 was 49% above the SOI target. |
| Proportion of the freight network operating at Level of Service C or better during the interpeak | 93% | 93% | 85% | Exceeded | 2018/19 result has exceeded the SOI target. |
| Percentage of public transport passengers satisfied with their public transport service | 91% | 91% | 85% | Exceeded | Overall satisfaction with public transport has remained at 91% since September 2017. The 2018/19 result has exceeded the SOI target. |
| Public transport punctuality (weighted average across all modes) | 97.0% | 97.0% | 94.5% | Exceeded | Public Transport punctuality in 2018/19 has exceeded the SOI target. |
| Percentage of local board members satisfied with Auckland Transport engagement: Reporting to Local Board | N/A | 41% | 70% | Not met | The percentage of Local Board members satisfied with Auckland Transport reporting (41%) and consultation (35%) with Local Boards have not met the SOI targets of 70%. Considerable effort is being put into improving the ability of Local Boards to deliver positive changes to their local environments, such as the Local Board Transport Capital Fund and a new Community Safety Fund. It is expected that these initiatives will help improve results in the next Elected Member Survey. |
| Percentage of local board members satisfied with Auckland Transport engagement: Consultation with Local Board | N/A | 35% | 70% | Not met | |
| Percentage of customer service requests relating to roads and footpaths which receive a response within specified time frames | 81.5% | 82.3% | 85% | Not met | Suppliers are performing at or close to expected levels of customer responsiveness for road and footpath requests. Improvements in customer responses are evident in Q4 with Auckland Transport meeting the target (85% for April and May and 88% for June). Auckland Transport is working constructively with suppliers to maintain and improve target times. |
| Number of high risk intersections and sections of road addressed by the safety programme | N/A | 11 | 10 | Exceeded | Within the safety programme, Auckland Transport has an SOI target to deliver improvements targeted at ten of the highest risk intersections and corridors (sections) of road in the region. In 2018/19, eleven of the highest risk sections were addressed, in addition to 26 pedestrian upgrades and a further 54 safety projects across the wider network. For this purpose, highest risk refers to NZ Transport Agency's list of 100 highest risk intersections and sections of road in the Auckland Region. |

| Key performance indicators | Previous Quarter | FY 19 Quarter 4 | | 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 | 550 | 553 | Reduce by at least 9 (681) | Exceeded | The 12 month total to December 2018 was 553. This was 137 less than the previous year of 690. |
| Public transport farebox recovery | 44.3% | 43.4% | 46-50% | Not met | Public transport farebox recovery in 2018/19 was 43.4%, below the SOI target band of 46-50%. Total public transport revenue has increased however rising costs including higher than expected indexation have outstripped that growth. Fare increases to improve the farebox recovery to achieve the SOI target were not pursued as these were considered not in the interests of customers. Fare increases were kept to a minimum to contribute towards meeting a portion of the increase in the direct costs of providing the service. |
| Percentage of the sealed local road network that is resurfaced | 5.0% | 5.5% | 6% | Not met | The completed length was 84% of the 2018/19 programme. This was 8% less than the SOI target – principally due to escalating costs of bitumen. |
| Percentage of road assets in acceptable condition (as defined by Auckland Transport's Asset Management Plans) | N/A | 94% | 95% | Met | The 2018/19 result is within 2.5% of the SOI target. |
| Percentage of footpaths in acceptable condition (as defined by Auckland Transport's Asset Management Plans) | N/A | 96% | 95% | Met | The 2018/19 result has met the SOI target of 95%. |
| Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all urban roads | N/A | 87% | 81% | Exceeded | The 2018/19 result has exceeded the SOI target of 81%. |
| Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all rural roads | N/A | 94% | 92% | Met | The 2018/19 result has met the SOI target of 92%. |