

# Auckland Transport Quarterly Report

Quarter ended 30 June 2016

CCO Governance and Monitoring Committee



*The **BUILD** is **ON** for the City Rail Link*

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# 1. Executive summary

## Key Achievements for the Quarter

Auckland Transport (AT) successfully achieved a number of milestones during the quarter. These include:

- City Rail Link (CRL) construction formally launched
- 16.8 million rail passengers on electric trains (21% increase)
- Western line train timetable launched, increasing peak period by 50% from four to six trains per hour
- Joint review of the AMETI delivery strategy completed
- Manukau Bus/Rail Interchange detailed design of main building completed
- NorthWest Transformation (formerly known as NORSGA) Hendrika Court intersection completed on Hobsonville Road
- Morningside Drive level crossing improvements completed.

## Financial Performance

AT's net surplus before tax for the twelve months ended 30 June 2016 was \$384.7 million. This is \$17.2 million lower than budget due to lower capital funding from Auckland Council (AC) and NZ Transport agency as a result of lower capital expenditure. This is partially offset by unbudgeted vested assets revenue. Operating expenditure is below budget and revenue from sources other than AC and NZ Transport Agency are above budget.

Capital expenditure excluding vested assets was \$555.2 million against a budget of \$620.0 million. The reduced capital spend reflects an absence of AC driven Special Housing Areas, delays in property purchases and other factors. A significant level of new infrastructure was delivered last year and the required level of renewal of existing assets was undertaken.

## Non-Financial Performance

There are 29 non-financial performance measures covered by the Statement of Intent (SOI). Of the 29, 13 **exceeded** target, 13 **met** target and 3 **did not meet** target.

Highlights in terms of performance are:

- 82.9 million public transport trips taken (4.6% increase)
- All of the customer satisfaction performance measures meet or exceeded target

The three performances that did not meet target are:

- Reduction in the number of deaths and serious injury crashes on the local road network. There were 538 deaths and serious injuries on the local road network in the 12 months to December 2015. The SOI target is to reduce this to 390 during 2015/16. AT has analysed the poor result (38% higher than target) and established areas and user groups at risk. Underlying themes include strong economic and

population growth and increased travel. AT is working closely with NZ Police and other stakeholders to target safety infrastructure, training, and other interventions.

- Annual number of cycling trips in designated areas in Auckland. The roll-out of Auckland's new cycling network will result in new sites being used for counting journeys from next year. This will better reflect the level of cycling activity across Auckland.
- Travel times along Great South Road (Portage Road to SH1 Ellerslie Panmure Highway Interchange). Actions have been undertaken to better understand and solve previous delays on this route, including installing CCTV cameras at the Great South Road/ SEART intersection, undertaking traffic signal improvements, and detailed investigation on solving the queuing issue. Close monitoring of this intersection will be continued.

### **Risk Management**

AT's risk management process follows the joint Australian/New Zealand International Standard AS/NZS ISO 31000:2009 Risk Management Principles and Guidelines. All AT risks are analysed using the guideline. The AT Board leads the risk management process. Key risks are monitored and reported to Senior Management and the Finance and Risk Committee regularly.

Internal Audits are undertaken in line with the standards promulgated by the Institute of Internal Auditors. All review findings and recommendations are reported to Senior Management and the Finance and Risk Committee.

Prior Audit NZ recommendations - Of the ten recommendations, one has been resolved, five require Audit NZ testing of management process changes and improvements (will be completed as part of the Year End Audit), and four are considered outstanding as follows:

- Expenditure authorisation process: No change to management comment from the 2015 report - *"The board has been notified of the change. The process is within management delegation and does not require further board notification."*
- Depreciation of new renewals: Project is underway with work to continue on a practical solution after Year End.
- No vendor masterfile change form: Process review underway. In the interim Finance are conducting quarterly checks to monitor supporting documentation and approvals.
- Parking building exit vouchers: New process implemented that caters to Audit NZ recommendations.

## 2.Strategic issues and focus areas

In line with our strategic themes, AT has progressed the following projects over the quarter to 30 June 2016:

Strategic themes:

- Prioritise rapid, high frequency public transport
- Transform and elevate customer experience
- Build network optimisation and resilience
- Ensure sustainable funding model
- Develop creative, adaptive, innovative implementation

- **City Rail Link** - The project has now completed the Reference Design. This stage of design will enable the project to go to the market, and also to re-baseline the expected cost. The Britomart alteration to the Designation was implemented without appeal. If the Council's decision is not appealed, work to establish a new temporary station facility at Britomart will commence in July 2016. The Resource Consent for the Main Works (Aotea to Mt Eden) was lodged in May 2016. Several packages of minor alterations to the CRL designation will be lodged up until October 2016. The project is mobilising staff and services for tendering the Main Works in the fourth quarter of 2016.
- **AMETI** - The AMETI programme has completed a joint review of the AMETI delivery strategy with regards to the timing of the Reeves Road Flyover and Stage 2B (busway between Pakuranga and Botany). It was endorsed by the AT Board in April and has been communicated to stakeholders.
- **Electric Trains** - All 57 electric trains (EMUs) have been in service since late 2015. As of 30 June 2016, 47 EMUs had reached contract final acceptance. The new Western Line train timetable was launched on 9 May 2016 increasing peak period services by 50% from four to six trains per hour. Patronage growth on the Western Line in the month of June was +26% compared to a network average growth over the same month of +17.3%.
- **NorthWest Transformation (formerly known as NORSGA)** - Auckland Council is preparing a structure plan for Whenuapai in consultation with AT. The structure plan is to be completed by September 2016 and will provide direction for the Special Housing developments that are planned for the area. The Northside Drive East construction project which is part of the Plan Change 15 is deferred into future years pending the outcome of the TFUG (Transport for Future Urban Growth) study.
- **Otahuhu Bus/Rail Interchange** - Works are progressing well in accordance with the project delivery programme, with demolition of most of the Walmsley road footbridge and replacement with a temporary ramp over the Eastern rail block of line. The concourse structure is in place and roofing, glazing and pre-cast concrete panels are being installed. Bus and rail shelters are underway and the major civil works required for a third rail platform (needed once the City Rail Link opens) have been added to the project scope, and are scheduled for completion ahead of the opening of the facility to buses on 29 October 2016.

- **Public Transport Safety Security & Amenity** - Work has been completed to upgrade the pedestrian level crossings at Morningside Drive, and new electronic gates have been installed. Ticket gating of six stations is underway, currently in the early design phase. Stations to be gated are Henderson, Manurewa, Middlemore, Papatoetoe, Glen Innes and Papakura. The intent is to complete the majority of stations by the end of the 2017 calendar year, although some may run longer into 2018 depending on the final scope to be delivered. Gate devices have a long lead time of ~10 months and were ordered in June 2016.
- **Pukekohe Station Upgrade** - A new bus station adjacent to Pukekohe rail station. This will cater for the new bus network in South Auckland. Up to 30 June 2016, AT continued with the detailed design and consenting requirements for this project.
- **Albany Highway upgrade** - Delays are being experienced with the cut over of 33KvA Vector power cables. Further excavation has been required within completed works with damage from overheating of cables being found at Bass Rd. All parties are working together to resolve the issue as quickly as possible. The project is on track to be completed late 2016.
- **Walking and cycling major projects**
  - **Nelson Street Cycle Route** - Cycle lane layout options are being developed for Market Place (Fanshawe to Pakenham). Layout options for the left turn from Nelson to Fanshawe (general traffic) are being modelled to identify a layout that would enable an optimum level of service possible for people on bikes. The Waitemata Local Board and cycle advocacy groups were updated in June.
  - **Waterview Shared Path** - The project is 90% complete in design and 5% of construction, primarily on enabling works and services relocation. The design and construction implementation phase are delivered through the Well Connected Alliance which AT is now a party to.
- **East/West Connection (North)** - This project is being delivered jointly by AT and NZ Transport Agency. Tendering is underway for the East West Stage 1 Physical Works with an expected award in mid-August 2016. The Stage 1 works provide shoulder bus lanes on SH20 south of Manukau Harbour Crossing and auxiliary lanes on SH20 between Queenstown Road and Neilson Street. The AT works include the removal of a bridge and lowering of Neilson Street and the four lane marking of part of Neilson Street in order to better handle expected traffic increases once the Waterview Tunnels opening. The bridge is to be removed between late December 2016 and early January 2017.
- **Parnell Station** - Kiwirail have provided a programme to return the station building to site by November 2016 and complete the onsite external refurbishment of the building by April 2017. Works to complete the remainder of the station, Carlaw park footpath connection and station ticket gates are currently being programmed and planned for delivery. Works are due to be completed by April 2017, however ticket gates will be completed between June and August 2017 due to the lead time for delivery.
- **Half Moon Bay Ferry Upgrade** - Construction has commenced on site with piling work for the new wharf structure. Plans to relocate all 8 swing moorings are underway in consultation with the Harbourmaster. Detailed design for the landside works is 85% complete with final project completion on target for late 2016.

- **Integrated Ticketing and Fares**
  - **SuperGold** - Public communications for the transition from non-SuperGold AT HOP cards to SaferGold AT HOP cards commenced in May for a required completion date of 1 July 2016. Additional customer services centre staff were recruited to handle additional SuperGold card enquiries.
- **Travel planning initiatives**
  - **Carpooling** - Kiwi Carpool month in June was promoted with events in the city centre, at businesses and tertiary institutions throughout Auckland. Over 950 new users registered during the campaign bringing the total registrants on the programme to over 9,500 in Auckland.
  - **Walking School Bus (WSBs)** – Hosted a Megastars Celebration at Eden Park on June 24 to recognise the contribution of Travel wise lead teachers and parent volunteers as part of National Volunteers Awareness Week.
- **Route optimisation** - 85% (131 intersections) of the intersections programmed for optimisation in 2015/16 have been completed, with a further 31 intersections currently in progress.

### 3.Highlights for the last quarter

- **CRL** - Construction in Albert Street has commenced. The project is engaging with Central Government regarding the funding and governance structure for the project.
- **AMETI** - The joint review of the AMETI Delivery Strategy has been completed and the recommended strategy endorsed by the AT Board. Closeout of the Panmure Stage 1 construction contract is well advanced. Progress on construction of a carpark at 118 Mt Wellington Highway has been delayed by archaeological and contaminated soil discoveries. The Panmure to Pakuranga busway (Stage 2A) NoR is being processed. Responses to section 92 notices are being prepared.
- **Manukau Bus/Rail Interchange** - Detailed design of the main building were completed on 8 June 2016. Iwi Artists have developed their artwork for the station building.
- **EMU** - EMU kilometres have increased from 1,117,556 unit km to 1,252,363 unit km for the quarter. Services ran increased from 33,511 to 36,203 for the quarter.
- **NorthWest Transformation (formerly known as NORSGA)** - Hendrika Court intersection completed on Hobsonville Rd.
- **Otahuhu Bus Interchange** - Concourse and entrance area construction, along with landscaping and completion of the bus roads on site.
- **PT Safety Security & Amenity** - Completion of the Morningside Drive level crossing improvements. Ordering of electronic ticket gates for all 6 stations at Henderson, Middlemore, Manurewa, Papakura, Papatoetoe, and Glen Innes in June 2016.

- **Te Atatu Road Upgrade** - Road widening works on Edmonton Road in the vicinity of Bosynak Drive commenced this month. Stormwater, utility and property remediation works continue.
- **Lincoln Road Upgrade** - The Notice of Requirement (NoR) application was lodged on 24 June 2016. Expected Council notifications to affected parties is scheduled to start in August 2016. Targeted completion of the NoR and the placement of the designation has been forecast for June 2017.
- **East West FN32 Bus Network** - Stage 1 FN 32 Early Work - Detailed design of Mangere Town Centre bus station upgrade and Avenue Road bus stops at Otahuhu Town Centre have progressed with final revision being made. The construction phase is expected to proceed in September 2016.

## 4.Future outlook

- **CRL** – Main Works procurement strategy and development progressing to a tender in last quarter of 2016.
- **AMETI** - Notice of Requirement and consent applications will be notified for Stage 2A (Busway between Panmure and Pakuranga). Design, consenting and property purchase activities for future stages. Complete construction of carpark at 118 Mt Wellington Highway.
- **Manukau Bus/Rail Interchange** - Enabling works are due for completion by 22nd July 2016. Award of Main Building works programmed for 7 October 2016.
- **EMU** - Contract final acceptance for a further 8 EMUs will be completed in the next quarter. Trials of the Customer Information LCD screens (on AM144) will continue into this quarter.
- **Otahuhu Bus Interchange** - Over the next quarter the majority of the facility will be completed, with final demolition of the remaining section of Walmsley Road footbridge, construction of a new 3rd rail platform and electronic ticket gate additions the only major items to follow.
- **Mangere Safe Routes** – Out of the nine elements of the project, five elements (Walkway to town centre; Waddon to Mascott path including Cape Road pathway, Mascot Avenue, Mascott to Mall walkway, Massey Road Side Treatments) will be completed by 30 September 2016. The other four elements will be completed before December 2016.



## 5.Key deliverables

### Progress for Key Projects/Activities from Last Quarter




Key project/activity	Status	Comments
Electric train	In Closure	<ul style="list-style-type: none"> <li>• 12 EMUs received final contractual acceptance</li> <li>• The trial Customer LCD Screens are fitted to AM144</li> </ul>
Manukau Bus/Rail Interchange	On-going	<ul style="list-style-type: none"> <li>• Detailed design of the main building were completed on 8 June 2016</li> <li>• Iwi Artist have developed their artwork for the station building</li> </ul>
Matakana Valley Road Seal Extension	Completed	<ul style="list-style-type: none"> <li>• The Matakana Valley Road Project was completed with practical completion issued on 13 April 2016</li> <li>• Wharehine Contractors are under a 12month defects liability period until the 13 April 2017</li> </ul>
Takatu Road Seal Extension	On-going	<ul style="list-style-type: none"> <li>• Takatu Stage 1 construction started 29/03/2016. Expected completion October 2016</li> <li>• Takatu Stages 2 &amp; 3 detailed design programmed to be completed on 7 July 2016</li> </ul>
East West FN32 Bus Network (Early work packages)	On-going	<ul style="list-style-type: none"> <li>• Stage 1 detailed design of Mangere Station and Otahuhu Town Centre Stops has commence and is expected to be completed in June 2016 and the physical works put out to tender and awarded in late August 2016</li> </ul>







## Planned Progress on Key Projects/Activities for Next Quarter

Key project/activity	Comments
CRL	<ul style="list-style-type: none"> <li>• Release of tender for Line wide systems</li> <li>• Construction commencement of temporary station facility for Britomart</li> <li>• Alteration packages for CRL Designation</li> <li>• Notification of Aotea to NAL Regional Resource Consent</li> <li>• Re baselining of expected project outturn cost</li> </ul>
AMETI Stage 2B	<ul style="list-style-type: none"> <li>• Approve Stage 2B procurement strategy and commence scheme update</li> </ul>
Manukau Bus/Rail Interchange	<ul style="list-style-type: none"> <li>• The review process of detailed design will continue until 18 July 2016.</li> <li>• Tender documents will be issued for AT review on 22 July 2016.</li> <li>• Enabling works are due for completion by 22 July 2016.</li> <li>• Award of Main Building works programmed for 7 October 2016.</li> </ul>
Otahuhu Bus Interchange	<ul style="list-style-type: none"> <li>• Completion of majority of facility, CRL 3rd rail platform underway</li> </ul>
Pukekohe Station Upgrade	<ul style="list-style-type: none"> <li>• Commence stage 1 construction for interim bus station and upgrade to road intersection.</li> <li>• Finalise detailed design for Stage 2 works.</li> <li>• Tender Stage 2 works for construction</li> </ul>
Double Decker Buses	<ul style="list-style-type: none"> <li>• Optioneering exercise and gain endorsement from project sponsors for Great North Route</li> <li>• Further investigation and design for veranda modifications for Great North Route and Onewa Route</li> <li>• Analysis and Scoping for Dominion Route</li> <li>• NZTA funding application for Dominion Route</li> </ul>
East West FN32 Bus Network (Early work packages)	<ul style="list-style-type: none"> <li>• Commence construction of Stage 1 Early Work - Mangere Town Centre Bus station upgrade and the construction of the new bus stops on the Avenue Road in Otahuhu Town Centre.</li> <li>• Stage 2 of the Early Work– commence the detailed design for Walmsley Road, Station Road, Mason Avenue, Atkinson Road and Mt Wellington Highway.</li> </ul>

## 6. Financial performance

The following criteria has been used to rate the financial performance for this report:




Key	Criteria
	Target met or exceeded (100%+)
	Target substantially achieved (97.5%-99.9%)
	Target not achieved (0%-97.4%)







\$'m	Budget	Actual	Variance	Comment
<b><u>Operational</u></b>				
Revenue/ External funding	415.2	421.8		Additional revenue for AT Metro due to increased patronage.
AC funding	249.8	249.8		
Expenditure excluding depreciation, amortisation	659.6	651.5		
Depreciation and amortisation	313.5	319.0		
Loss on derivatives and disposal of assets	-	13.1		
Income tax expense	-	1.1		











\$'m	Budget	Actual	Variance	Comment
<b>Capital</b>				
Expenditure excluding vested asset	620.0	555.2	●	The variance is mainly due to delays in project commencement due to the uncertain LTP funding between Basic and Auckland Plan networks, and absence of AC driven Special Housing Areas and delays in property purchases.
Vested asset expenditure	100.0	151.5	●	Roading vested assets received from Auckland Council higher than expected.
Vested asset revenue	100.0	151.5	●	See explanation above.
AC funding – subsidy	452.6	403.0	●	AC's capital funding is lower as a result of capital expenditure being below budget.
AC loan funding (Electric Trains)	10.0	10.0	●	
External funding	157.4	142.2	●	











## 7. Performance measures




The following criteria has been used to rate the performance for this report:

Key	Criteria
	Target exceeded (more than 2.5% above target)
	Target met (within +/- 2.5% of target)
	Target not met (more than 2.5% below target)

Performance measure	SOI Target	On track	Last actual	Date of last measure
<b>Strategic Theme - Prioritise rapid, high frequency public transport</b>				
1. Total public transport boardings (millions)	84.47		82.90	Jun 2016
2. Boardings on rapid or frequent network (rail, busway, FTN bus)	Increase at faster rate than total boardings		9.9% growth compared to 4.6% total boarding growth	Jun 2016
<b>Strategic Theme - Transform and elevate customer focus and experience</b>				
3. Public transport punctuality (weighted average across all modes)	92%		95%	Jun 2016
4. Customer satisfaction index: Public transport	83%		84%	Jun 2016
5. Customer satisfaction index: Road quality	70%		69%	Jun 2016
6. Customer satisfaction index: Footpath quality	65%		65%	Jun 2016

Performance measure	SOI Target	On track	Last actual	Date of last measure
7. Customer satisfaction index: Road safety	60%		65%	Jun 2016
8. Change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	Reduce by at least 9 (390)		Dec 2015 12 month rolling total: 538	Jun 2016
9. Percentage of customer service requests relating to roads and footpaths which receive a response within specified time frames <sup>1</sup>	85%		88%	Jun 2016
<b>Strategic Theme - Build network optimisation and resilience</b>				
10. Arterial road productivity <sup>2</sup>	54% of the ideal achieved		60%	Jun 2016
<b>Travel times on key freight routes (performance measures 11 to 20)</b>				
11. SEART (from Sylvia Park to East Tamaki) – East Bound	11		11	Jun 2016
12. SEART (from East Tamaki to Sylvia Park) – West Bound	12		10	Jun 2016
13. Wairau Rd (from SH1 to SH18) - West Bound	8		8	Jun 2016
14. Wairau Rd (from SH18 to SH1) - East Bound	8		8	Jun 2016
15. Harris Rd (from East Tamaki to SH1 Highbrook interchange) – West Bound	10		10	Jun 2016
16. Harris Rd (from SH1 Highbrook interchange to East Tamaki) – East Bound	11		11	Jun 2016

Performance measure	SOI Target	On track	Last actual	Date of last measure
17. Kaka St/James Fletcher Dr/Favona Rd/Walmsley Rd (SH20 to Walmsley) – East Bound	13		8	Jun 2016
18. Kaka St/James Fletcher Dr/Favona Rd/Walmsley Rd (Walmsley to SH20) – West Bound	13		7	Jun 2016
19. Great South Rd (SH1 Ellerslie Panmure Hwy Interchange to Portage Rd) – South Bound	11		11	Jun 2016
20. Great South Rd (Portage Rd to SH1 Ellerslie Panmure Hwy Interchange) –North Bound	11		12	Jun 2016
21. New cycle ways added to regional cycle network (km)	7.4 km		11.8 km	Jun 2016
22. Annual number of cycling trips in designated areas in Auckland (All day)	1.1 million (all day)		995,828	Jun 2016
23. Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all <b>urban</b> roads	83		87%	Jun 2016
24. Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all <b>rural</b> roads	93		96%	Jun 2016
25. Percentage of the sealed local road network that is resurfaced	8%		8.1%	Jun 2016
26. Percentage of footpaths in acceptable condition (as defined in AT's AMP)	99%		99.5%	Jun 2016

Performance measure	SOI Target	On track	Last actual	Date of last measure
<b>Strategic Theme - Ensure a sustainable funding model</b>				
27. PT farebox recovery <sup>3</sup>	46-48%		51.2%	Jun 2016
<b>Strategic Theme - Develop creative, adaptive, innovative implementation</b>				
28. Parking occupancy rates (peak 4-hour, on street) <sup>4</sup>	70%-90%		89.1%	Jun 2016
29. No. of car trips avoided through travel planning initiatives	17,500		24,227	Jun 2016

<sup>1</sup> As defined in AT's customer service standards: 2 days for incident investigation as a high priority; 3 days for an incident investigation as a normal priority; 1 hour emergency response time.

<sup>2</sup> Road productivity is a measure of the efficiency of the road in moving people during the peak hour. It is measured as the product of number of vehicles, their average journey speed and average vehicular occupancy. Key arterial routes include:

- Airport to CBD (via Manukau Rd)
- St Lukes to St Johns (via Balmoral/Greenlane West/Greenlane East/Remuera Rd)
- Albany to Birkenhead (via Glenfield Rd)
- Henderson to CBD (via Great North Rd)
- SH1 to Ti Rakau Dr (via Te Irirangi Dr)
- SH20 to Portage Rd (via Tiverton/Wolverton Rd)

<sup>3</sup> Farebox recovery measures the contribution passenger fares make to the operating cost of providing public transport services. The measure calculates farebox recovery in accordance with NZ Transport Agency guidelines.

<sup>4</sup> 4-hour peak period is defined as the top 4 busiest hours of the day. These hours are not often coincidental and can vary depending on contributing factors. On-street parking occupancy is surveyed once a quarter in 3 central city parking zone precincts: Shortland/High Streets, K Road & Wynyard Qtr.



## 8. Contribution to Māori outcomes

Auckland Transport is contributing to Te Toa Takitini Auckland Council's Māori transformational shift programme, designed to improve Māori wellbeing across Tāmaki Makaurau (Auckland). This includes giving effect to kaitiakitanga, marae development and papakainga development in Whai Tiaki (cultural wellbeing area). Contributions are also being made to Whai Painga (social wellbeing) including the road safety programme, and Whai Rawa Māori economic wellbeing.

AT's Statement of Intent 2015/16-2018/19 demonstrates its commitment to Māori responsiveness. AT will continue to engage with mana whenua on major transport infrastructure projects using Te Aranga Māori urban design principles, including te reo Māori and signage, and utilising AT's Māori Engagement Framework (which includes Māori Value assessments) across the following activity classes.

Activity classes	FY2015/16 Spend \$	How it contributes to Māori outcomes / Progress
<b>Roads and footpaths</b>		
<b>AMETI</b>	70,400	Monthly meetings are being held with project team and mana whenua grouping. NOR and mitigation for stage 2a is on hold at Council. Ngāti Paoa leading the completion of Te Waipuna a Rangiātea signage at Van Damms Lagoon. Contamination removed from Van Damms Lagoon, with signage to be erected acknowledging the cultural significance from recent discoveries.
<b>East West and Mill Road</b>	6,200	A Māori specialist presented the Cultural Values Assessment presented at the NoR hearing. Mill Road is route protected with only indicative plans so consultation will be on-going. Mana whenua will play an important role in preparing plans/details as directed by the designation conditions.
<b>Roads &amp; Footpaths (general)</b>	18,400	Engagement with mana whenua on a range of proposed works including Lincoln, Murphy's Tamaki/Ngapipi and Franklin roads.  Engagement with mana whenua has also occurred commenced on some unsealed roading projects in the north.
<b>Glenvar Ridge Road</b>	47,100	The Ministry of Education and AT worked jointly on engagement matters for Glenvar Ridge Road. Protocols for discovery of taonga-koiwi and cultural monitoring were established for archaeological works and landscape matters.  Boffa Miskell was engaged to assist with Te Aranga Māori Urban Design matrix development with mana whenua on landscape/planting aspects. An Expression of Interest brief has been developed with mana whenua for a mana whenua artist to complete concept designs for cultural narratives such as tribal occupations, cultural harvesting of resources,

Activity classes	FY2015/16 Spend \$	How it contributes to Māori outcomes / Progress
		and traditional pathways.
<b>Walking and Cycling (Glen Innes to Tāmaki Drive)</b>	38,200	<p>Monthly meetings continue to be held. Design elements presented for section 1 and 3 identified as generic themes. Cultural induction presentation by mana whenua occurred prior to commencing works and cultural monitoring negotiated. CIA waived as a result of negotiations.</p> <p>An archaeological shell midden was discovered outside of the project area however as a result of project works. A cycleway archaeological damage report commissioned by AT.</p> <p>An EOI brief was developed with mana whenua, with an mana whenua cultural design expert procured to complete section 2. Māori Values Assessment were completed to assist with articulating cultural design elements. Mana whenua have collectively chosen a name for the shared path.</p>
<b>New Lynn to Waterview Shared Path</b>	35,100	A Māori Urban Design specialist was engaged to assist in Te Aranga application for bridge design and a regular hui are being held. This includes a facilitation workshop, 3D design and the development of Māori Urban Design themes with mana whenua.
<b>Walking &amp; Cycling (general)</b>	10,500	<p>This includes a range of engagements such as the Nelson Street walking and cycleway, Quay, and Fanshawe Streets.</p> <p>A NZTA/AT joint approach has been adopted in engagement with mana whenua in the cycle network. It is intended that several projects will be co-ordinated as to timing of engagement, with a goal to being more efficient in the NZTA-AT response about the values raised by mana whenua. The approach has sifted the projects into categories from those that are purely corridor reconfiguration with little physical works to major engineering and urban design works including stormwater solutions. This assists in the consents strategy and the management of CIA (potential waivers) and/or programme responses to stormwater, urban design and naming conventions.</p>
<b>Public Transport/ Other Public Transport</b>		
<b>City Rail Link</b>	61,800	The city rail link team continues to engage with eight mana whenua groups of Auckland through monthly forums and separate working group meetings on specific topics such as sustainability, consents and design. This engagement is driving the design of the CRL stations and urban realm, influencing consent conditions so they reflect manawhenua desires, and modifying sustainability targets to reflect cultural aspirations.

Activity classes	FY2015/16 Spend \$	How it contributes to Māori outcomes / Progress
<b>Ōtāhuhu Bus Interchange</b>	10,700	A Māori Urban Design specialist was engaged for design workshops with mana whenua and applying Te Aranga Māori Urban Design principles. A mana whenua artist has been appointed to provide mana whenua artworks. Karakia undertaken by mana whenua prior to works commencing and involvement at sod turning ceremony. Construction underway including Te Aranga Māori Urban Design elements, such as kōhatu (stone) markers with maunga names from the surrounding environment, art inlays, as well as an elevated concourse in a waka form.
<b>Parnell Station</b>	14,700	Cultural monitoring on earthworks at Parnell Station was undertaken, led by Ngāti Whātua o Ōrākei on behalf of other mana whenua. A Māori Urban Design specialist was appointed for the project. Mana whenua visited Pukekohe station to view the refurbishment of the buildings and cultural design elements. A workshop on cultural design was held in August, and a further workshop is planned once final layout of building and timetable is finalised.
<b>Māori Wardens</b>	395,000	Māori Wardens provide a customer service role on some train services particularly in the evenings, and for special events. This is met through a contract between AT and TransDev.
<b>Public Transport (incl. Newmarket Level Crossing, Half Moon Bay Ferry Terminal, Manukau Bus Interchange</b>	35,100	<p>Māori Urban Design specialist engaged to assist in early stage of Te Aranga application of Half Moon Bay Ferry terminal, design of wharf and bus station discussion on site being discussed jointly. Regularly monthly hui are being held. Mana whenua have developed a EOI alongside the project for a mana whenua artist to complete further concept design works.</p> <p>Manukau Bus Interchange karakia undertaken to commence physical works. Project team has engaged 3 Mana whenua artists to develop common design element themes agreed by the grouping.</p> <p>Te Aranga guidelines are applied to the Pukekohe Train station in its early stage of engagement. Mana whenua currently identifying common themes and narratives. Stormwater improvements a priority discussion point.</p>
<b>Other</b>		
<b>Road Safety &amp; Community Transport</b>	104,000	<p>AT has been working with the NZ Police and NZTA on a strategic road safety programme to reduce the high level of Māori road deaths in the Auckland region. This programme of work is AT's contribution to Te Toa Takitini (Māori Transformational Shift), Whai Painga (social domain) from Auckland Council.</p> <p>A pilot Ready for the Road Course was held at Ruapotaka marae (Glen Innes) for at risk</p>

Activity classes	FY2015/16 Spend \$	How it contributes to Māori outcomes / Progress
		<p>Māori youth, with Police providing referrals. The programme promoted responsible and safe road use, and mentored participants to sitting their learner licence. Kaumātua at the marae provided manaaki/support to the participants and their whānau. All participants passed their learners license at the conclusion of the course. Ready for the Road courses were also successfully held at Ōrākei and Papakura marae.</p> <p>A dedicated FTE to lead the road safety (Māori) programme was appointed. Dual language videos on drivers licensing aimed at rangatahi Māori, were developed and released in July.</p>
<b>Wynyard Quarter</b>	6,000	Cultural monitoring of works by kaitiaki.
<b>Regional Signage</b>	16,600	<p>Mana whenua were engaged through a series of hui on regional signage, with a workshop held in 2016 to explore a tohu (regional sign) and 20 locations for signage opportunities.</p> <p>Whaotapu (a group of mana whenua carvers) was engaged to create five designs so one regional graphic design or tohu can be utilised on the regional sign. The regional tohu chosen is the Unaunahi (fish scales). It will be utilised on regional signs where there are multiple iwi interests.</p> <p>Mana whenua also have the opportunity to choose a suitable location to develop an individual local sign based on their tribal interests. The majority of tribes have chosen locations, and have worked on content (te reo Māori and te reo Pākehā). A trial will be held of one of the signs at Te Waipuna a Rangīātea/Van Damms Lagoon, led by Ngāti Paoa.</p>
<b>Communications</b>	47,800	<p>A te reo Māori digital app was launched during te wiki o te reo Māori (Māori language week) in 2015 that tells the story of a whānau who travel by train from Pukekohe to the Dick Smith NRL Auckland Nines at Eden Park. Along the route the whānau tell stories of the Māori history of Auckland, including dual names for train stops. Designed primarily for children at kura (Māori schools), the App is available on iTunes and Google play, and was a collaborative effort between AT, Kiwa Digital, Pukekohe North School, ATEED, Duco Events and NRL Nines.</p> <p>The App was a finalist in Te Taura Whiri Māori Language Awards for 2015 (Māori Language Commission awards).</p> <p>Successful activations were held at The Cloud at the Tāmaki Herenga Waka Festival and at the Downer NRL Nines at Eden Park in February, where the App was showcased.</p> <p>Effort in this quarter was focused on implementing the App into kura (Māori schools) in Auckland and mainstream schools through dual language teaching notes and activities.</p>

Activity classes	FY2015/16 Spend \$	How it contributes to Māori outcomes / Progress
<b>AT Statement of Intent</b>	30,800	Consultant engaged to work with mana whenua on completing mana whenua engagement indicators for AT's SOI. Regular engagement with mana whenua has occurred since early 2016, including collective hui, to finalise indicators and to develop a report on mana whenua engagement. SOI amended to include indicators.
<b>Other</b>	54,100	<p>The Transport for Future Urban Growth (TFUG) project has been engaging on a regional basis with mana whenua since January 2016, to determine decision-making criteria for mana whenua values and to discuss long and short list options in growth areas throughout Auckland and impacts on their values.</p> <p>The inaugural meeting of the AT/NZTA/Mana whenua governance table was held to discuss strategic transport issues in Auckland. This is likely to be held on a quarterly basis.</p> <p>Some marae have access to and from roads which have become increasingly busy in recent years. AT is conducting a feasibility study at Kia Ora marae (Ngāti Whātua o Kaipara) as part of its contribution to Te Toa Takitini (Whai Tiaki) Hui have been held with marae representatives with modelling completed and surveying as a next step.</p>
	200	Te reo Māori translations completed for traffic infringement notices.
<b>TOTAL</b>	<b>\$1,002,700</b>	

## 9. Key Local Board issues

A number of Local Board funded (or part funded) transport projects will be completed before the end of the current electoral term (October 2016). These include:

- Half Moon Bay Ferry facility (Howick Local Board contributed \$5.9 million) – Wharf and pontoon structure completed by September but landside works (bus turnaround etc.) will take until October/November
- Mt Albert pedestrian bridge to station (Albert-Eden \$1.1 million) – Completed in September
- Manurewa cover over bridge to station (\$1.5 million) – September completion
- Orewa Domain Shared Path (Hibiscus & Bays \$500,000) – Combined ped/cycle path through Orewa Domain
- Mangere Future Streets (Mangere Local Board \$1.7 million, NZ Transport Agency \$3.5 million, AT \$1.8 million) – Joint project - Walking & Cycling links around town centre and improved community safety
- Mountain Road footbridge walkway (Waitakere Ranges \$600,000) – Pedestrian links in Waitakere Ranges. Official opening on July 16.
- Waiuku Pavers (Franklin \$240,000) – Replacement of Town Centre pavers
- Mill Rd/Harrisville Rd intersection (Franklin \$80,000) - Speed Warning sign for 12th worst intersection in NZ
- Pigeon Mountain Road Metered Signals (Howick \$480,000) – Completed: Intermittent ramp metering type signals to control traffic flow to and from ferries
- Papakura (\$760,000) - Covered walkway between town centre and rail station. Completion end of August.

Other projects:

- Whau pedestrian/cycle bridge (Whau Local Board \$2.0 million) – delays due to land access/ownership and consenting issues
- Newmarket Laneways (Waitemata \$500,000– Design Only) – Joint project with AC, with AC contributing construction money but not until 2016/17 financial year.
- Gills Road pedestrian Bridge and walkway (Upper Harbour \$300,000) – Walking connections in developing area.
- Glen Road (Henderson-Massey \$2.05 million) – Safety improvements and links to local amenities
- Owairaka Park Pedestrian Bridge (Albert-Eden \$138,000) – Walking connection.

An estimated \$35 million of the \$40 million allocated to 30 June 2016 will be spent by the end of October.

## 10. Risk Management

- **How AT identifies, assesses and manages risks.**

The risk management process adopted by AT follows the joint Australian/New Zealand International Standard AS/NZS ISO 31000:2009 Risk Management Principles and Guidelines.

The AT Board leads the risk management process. Key risks are monitored and reported to the Finance and Risk Committee regularly.

No risks have been identified that are of a senior management or governance level that could impact on the well-being or reputation of the Council Controlled Organisation or Auckland Council.

- **Progress on current internal and external audit issues**

**Progress on planned internal audit work**

The audit topics contained within the 2015/16 internal audit plan are being carried out in line with expectations. A number of special investigations (i.e. unplanned work) are also in progress or have been completed.

**External audit**

- Audit NZ has now completed the interim audits and the Auckland Council review engagement. The significant risks identified in the report are:
  - **Sensitive expenditure** - Audit NZ recommend that AT ensure staff are aware of sensitive expenditure policies and guidelines and in particular the need for supporting documents.  
*All staff have been made aware and provided link to relevant policies.*
  - **Asset capitalisation** - Audit NZ recommend that the Asset Creation Form is completed and signed by the Project Manager for all new capital projects. This will provide greater consistency and accuracy to the finance team when they record this information within SAP.  
*Already implemented.*
  - **Supplier Masterfile** - Audit NZ recommend that appropriate documentation is obtained for all masterfile changes and that all masterfile changes are reviewed for accuracy and appropriately approved.  
*Periodic (quarterly) checks have been implemented by Finance to monitor supporting documentations and approvals.*
  - **Contract management** - Audit NZ undertook a high level review of AT's contract management practices. Overall they found that AT's day-to-day management of contracts is good and raised recommendations around contract management planning and contract review and completion.

*Various improvement processes are underway based on Audit NZ recommendations*

**Group financial impacts**

AT is unaware of any financial impacts that would affect the group. No changes have been made in the quarter (i.e. 30 June 2016 quarter) to the approaches taken to risk management, internal audit, or external audit.