

Quarter 1 Performance Report

For the period ending 30 September 2020

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

Auckland Transport Q1 summary

Highlights, issues & risks for the quarter

Highlights:

- A safe speed zone was successfully implemented in Otahuhu Town Centre.
- Two new road safety projects, commenced in August, under the Partnership Agreement with ACC will provide invaluable insights into the safety of active road users on the Auckland network.
- Positive community feedback received regarding the new walking and cycling facility, including the landscaping on the Pakuranga Road end of the Eastern Busway Project. Basin View and Domain Road opened ahead of schedule.
- An online part-payment initiative launched in September to support customers with paying infringements.
- Completed the Point Resolution Bridge part of the Tāmaki Drive cycleway project.
- Upgrade of Murphys Road from south of Ormiston to north of Flat Bush School Road completed in August 2020.
- AT Mobile included the use of te reo Māori in the journey planning functionality reaching 215,000 active users.
- A new AT Mobile feature gives customers the ability to plan walking and cycling journeys. The recommended route will prioritise safe routes.
- New 'Report a problem' page on the AT website successfully launched resulting in an increase in online reports.
- Added live parking availability to AT Park providing easier access to parking and reducing local congestion.

Issues/Risks:

- The poor state of the rail network and recent harbour bridge incidents highlight the critical need to build more resilience into all aspects of our transport system.
- Reputational risk if we are unable to meet various elected member and stakeholder expectations in a responsive manner as a result of lower available 2020/21 budget funding and compressed capital envelope. Managing elected member and stakeholder expectations will be important, with regards to what can be delivered in 2020/21 and future years.
- Decline in revenue both through the reduced use of core services across our network (such as Public Transport and Parking), as well as uncertainty around levels of funding that can be provided by our main funding partners in the short and medium term.
- Covid-19 has impacted the safety capex investment for 2020/21, reducing it from \$107 million to \$64 million and could result in lower DSI reductions than originally targeted.
- Resolution of track maintenance issues in February will be key to availability of rail services in March 2021 for return to school and university as well as AC36.

Financials (\$million)	YTD	YTD budget	Actual vs Budget
Capital delivery	178	220	↓ (42)
Operating revenue	251	249	↑ 2
Operating expenditure	327	346	↓ 19
Net operating surplus (deficit)	(76)	(98)	↓ 22
NZTA capital co-investment	77	90	↓ (13)

Financial Commentary

- **Capital delivery:** \$42 million lower than budget mainly driven by a timing difference in electric trains, renewals, walking and cycling, Eastern Busway, and street lighting improvements spend. The YTD underspend reflects the late release of the emergency budget and will be addressed in the balance of the year.
- **Operating revenue:** \$2 million higher than budget mainly due to higher other income (rental, permit and mooring fee revenue) and higher parking and enforcement income.
- **Operating expenditure:** \$19 million lower than budget mainly due to lower professional services, Covid-19 related cleaning and safety equipment costs, maintenance and streetlight electricity expenditure.
- **Net operating deficit** is \$22million favourable to budget mainly due to lower than expected operating expenditure.
- **NZTA capital co-investment** is \$13 million below budget mainly due to project delays.

Key performance indicators (Refer to pg. 12 for complete list)	Previous Quarter	FY 21 Quarter 1		Status	Commentary
		Actual	Full Year Target		
Total annual public transport boardings	82,290,180	12 months to September 2020: 69,703,630	60,600,000	Not on track	Public Transport boardings for the 12 months to September 2020 were 69.7 million, a reduction of 31.9% over the prior year. Although the September result is higher than the target, post-Covid numbers are starting to take up a larger part of the 12-month rolling average every month. As a result, annual boardings are expected to continue to drop. Due to the re-emergence of Covid, the September result is below the September target trajectory of 78.2 million, and therefore not on track to meet the target.
Boardings on the Rapid and Frequent Network (RFN)	-19.3%	12 months to September 2020: -36.2%	Increase faster than total boardings	Not on track	RFN Boardings for the 12 months to September 2020 decreased at a faster rate (36.2%) than overall patronage (31.9%). During the Covid-19 lockdowns, many rapid and frequent services were reclassified to normal services. Post-lockdown, recovery of growth on RTN and FTN has been slower than total recovery.
Number of cycle movements past selected count sites	3.669 Million	12 months to September 2020: 3.710 Million	3.992 million	Not on track	Annual cycle movements to September 2020 were 3.710 million. This is 4.5% higher than September 2019 results, but the year to date total for this financial year is 2.1% below the target value.
Change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number	525	12-month rolling total to 30 June 2020: 467	627	On track to exceed	The 12-month rolling total to end of June 2020 is 467, 28% lower than the June target trajectory of 645. For the 12 months to the end of June 2020, Local Road deaths have decreased by 42% (from 45 to 26) and Local Road serious injuries decreased by 10% (from 488 to 441). Lockdown periods have contributed to reductions in DSI.

Strategic focus area – Customer Experience

Key commentary

Highlights

Faced with the challenge of ongoing uncertainty resulting from Covid-19, to keep our staff and passengers safe and informed throughout the crisis, several actions were undertaken to ensure we are providing customers with critical information to give them certainty about using our products and services. This included:

- The re-introduction of off-peak fares was undertaken during Alert Level 2 to help spread public transport demand and allow for physical distancing.
- Weekly consumer research was extended to gauge and track customer sentiment and anxiety about being safe from Covid-19 when using public transport.
- Updating the new 'occupancy' feature on AT Mobile and Public Information Displays (PIDs) to provide customers with a live view of space available on-board buses and trains during Alert Level 2 and 3.
- During each Alert Level change, to instil confidence about our services, regular electronic direct mails were sent to over 900,000 customers, supported by alert messages on AT Mobile, social media posts, information on our website as well as posters and information displayed at stations and on buses, trains and ferries.

Strategic context

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

Key programme	Status	Description	Outlook
Customer Service	On track	Deliver responsive Customer service experience	<ul style="list-style-type: none"> • Service levels in the Contact Centre service level (answered within 20 secs) was 85% against a total number of 50,059 calls. • Average resolution time frames for formal complaints were 14 working days, LGOIMA cases 11 working days, sensitive cases 3 working days and Councillor cases, 9 working days. • The new 'Report a problem' page on the AT website successfully launched on 24 July with immediate adoption from customers. The number of online reports increased as a result of the new process. Additionally, the back of house process has improved significantly. • A new online part-payment option was tested with the public and launched at the start of September. This is aimed at customers who have difficulty in paying an infringement in a single payment and gives them the opportunity to pay in four payments.
Mode Shift	On track	Deliver sustained mode shift from single occupancy cars to public transport, active modes and flexi working to reduce congestion	<ul style="list-style-type: none"> • The 30% discount on off-peak fares was repeated during Alert Level 2. The initiative helps spread public transport demand to assist with physical distancing. 77% of customers were aware of the offer, while 19% of those travelling off peak claim the decision was influenced by the offer. • A new initiative will be launched with Genesis Energy in October, where they subsidise fares (a 25% discount) to encourage the use of catching public transport to and from work. The trial will be used to gauge uptake and usage behaviour, with a view to extending to other businesses that have expressed interest in the concept • A new AT Mobile feature gives customers the ability to plan walking and cycling journeys. This is the first time people have been able to plan a journey for an active mode. The recommended route will prioritise safe routes, for example choosing a quieter parallel street rather than a busy main road and prioritising cycle lanes and shared paths.
New Customer Experience Enhancements	On track	Deliver Customer Experience blueprint to provide innovative and customer-centred service enhancements	<ul style="list-style-type: none"> • The latest version of AT Mobile includes the use of te reo Māori in the journey planning functionality for the first time. Use of te reo Māori in the App will increase over time as we update, improve and add functionality. • To support Covid-19 track and trace capability AT encouraged customers to register HOP cards and update their contact details. To support this initiative, we added a quick link to AT Mobile, with over 4,500 customers checking and updating their details to date, making up 40% of visits to the account details page. • We removed the need for customers to hunt for a parking spot, by adding live parking availability to AT Park, reducing local congestion and helping increase AT Park share of revenue to 48% (up 12% from Jan 2020). • We made travel alerts more relevant for customers, by enabling them to opt-in to use their AT HOP card travel data to subscribe to notifications. This means customers are only notified of disruptions if it is relevant to them, based on their travel patterns over the previous 4-weeks. Recent disruptions communications are considered "useful" by 84% of customers.
Community Initiatives	On track	Improving road safety in the community, with schools and students to support modal shift and healthier living	<ul style="list-style-type: none"> • Safe School Streets pop-up test events have now been held at the five trial schools (Rutherford, Sunnyhills, Milford and Owairaka and Willow Park). • New online training courses continue to be leveraged during lockdowns, which complement our face-to-face delivery for young driver licensing, child restraint and host responsibility training and education programmes. This is incorporated in our Te Ara Haepapa programme, which is focused on improving road safety outcomes with Maori and Pacifica input. • To support business recovery, AT brought key business associations together to workshop ideas on how AT might support them. Using the customers' lens and experience design approach, the group identified seven opportunities. The business associations have been invited to share and discuss these opportunities with the AT Executive team. • AT's communication style for consultations with the public have been inconsistent and variable in design and storytelling. A new set of letter templates have been developed and are now being applied to ensure our communications are consistent, engaging, with less jargon and use clearer visuals.

Strategic focus area – Road Safety

Key commentary

Highlights

- Two new projects commenced in August under the Partnership Agreement with ACC, the Walking Programme Business Case and Micro-Mobility risk assessment projects will provide invaluable insights into the safety of active road users on the Auckland network.
- Safety Integration is a proposed approach to grow AT's organisational capability to deliver safety outcomes. It covers people, process and system actions to support change and improve visibility and quality governance. The design and build of our Safety Integration portfolio is underway. A cross functional working group within the safety team has been created to progress the work and to set the high-level approach.
- The Vision Zero (VZ) learning journey started with the launch to AT's people in mid-July, of our eLearning module. More than 700 have completed this and the goal is to have 100% by the end of 2020. The new VZ Principles module explains how AT's roles contribute to the VZ journey in Auckland, the ethics-based approach, and why VZ was adopted. Delivery has commenced and the target audience is made up of VZ key influencers within AT
- Despite budget reductions due to Covid-19, some flagship Vision Zero projects are still programmed for delivery in 2020/21, including West Coast Road – Glen Eden Village, raised urban pedestrian zebra crossings, urban intersection roundabouts and signalisations, and the implementation of Safe Speed limits in seven town centres.

Risks

- Covid-19 has impacted the Safety Capex investment for 2020/21 reducing it from \$107 million to \$64 million and could result in lower DSI reductions than targeted. Staff capacity and capability has also been impacted by Covid-19 related events, which may reduce our ability to deliver safety infrastructure in 2020/21 and projects for future years.

Strategic context

Addressing the very disturbing and continued upward trend in local road deaths and serious injuries, through a comprehensive programme of safety improvements, including improvements to high risk intersections and corridors and speed management.

The Auckland Plan highlights road safety as a key priority for the region including moving to a safe transport network free from death and serious injury by:

- Introducing safe and appropriate speed limits in high-risk locations, particularly urban streets, rural roads and areas with high numbers of pedestrians and cyclists
- collaborating with partners to deliver better safety outcomes.

Key programmes of	Status	Description	Outlook
High Risk Roads and Intersections and Pedestrian programme	On track	The 2020/21 work programme includes: <ul style="list-style-type: none"> • 6 high risk intersections (investigation and design only); • 10 high risk locations, including bend and corridor treatments (investigation and design only); and • 4 high risk locations (delivered/construction). • Deliver new and improved crossing facilities across Auckland and covers the investigation, upgrade and implementation of new crossing facilities at 10 sites. 	<ul style="list-style-type: none"> • 6 high risk intersections are in the design stage and 2 are in construction • 10 high risk locations are in the design stage and 2 in construction • 4 high risk locations are in construction • 8 pedestrian improvements are in design and 2 are in construction.
Safe Speeds programme	On track	<ul style="list-style-type: none"> • Deliver majority of tranche one of the Speed Programme in 2020/21 and defer Hobson, Nelson and Fanshaw Street infrastructure improvements to subsequent years. • Commence monitoring and evaluation of the Safe Speed Programme as detailed in the Speed Bylaw (Safe Speed Programme 2019 – Monitoring and Evaluation plan). 	<ul style="list-style-type: none"> • Safe speed limits were successfully implemented in Otahuhu Town Centre. • Construction of engineering measures in Manurewa Wordworth quadrant residential area is complete. • Construction of engineering measures in Orewa Town Centre has commenced.
Red Light Camera programme	Ahead	Seven locations for new red light cameras for delivery in 2020/21 have been approved by Waka Kotahi.	Seven sites have been identified and construction has commenced.
Road safety behaviour change	On track	Deliver road safety behaviour change programmes across high risk road safety themes and communities to support a reduction in DSI.	<ul style="list-style-type: none"> • Due to Covid-19 restrictions, a number of online initiatives were developed including 9 online workshops for young drivers to help them progress through the Graduated Driver Licence programme and 1 online Licenced Controller Qualification workshop. • Supported communications regarding the rollout of the Speed Management programme. • The Te Ara Haepapa team delivered 42 Hapori Māori Community based interventions, 1 checkpoint and 1 event as well as 9 Ara Haerenga Activities in kura. • Road Safety programme initiatives: Delivered 94 events, 5 checkpoints and 30 community based interventions.
School Safety	On track	<ul style="list-style-type: none"> • Continue rolling out the Active Travelwise schools programme to increase road safety awareness, active travel and public transport use by school students. • Deliver initiatives (campaigns) that lower speed around schools and improve safety for walking/cycling to school. 	Travelwise School programme initiatives: <ul style="list-style-type: none"> • 285 Travelwise Activities; 32 cycle activities, including 1 bike ambassador workshop • 20 scooter training sessions • 56 Walking School Bus (WSB) events • 31 new WBS routes developed.

Strategic focus area – Public Transport

Key commentary

Highlights

- Patronage growth was significantly impacted by Covid-19, evident from late January 2020 with the absence of international students and a decrease of gold card users.
 - Bus services – growth has dropped to -31.9% (12 months to September 2020).
 - Train services – growth has dropped to -33.3% (12 months to September 2020).
 - Ferry services – growth has dropped to -28.8% (12 months to September 2020).
 - Rapid and Frequent services – growth has dropped to -36.3% (12 months to September 2020).

Risks

- Employment Relations Act changes came into effect on Monday, 6 May 2019. AT is working closely with operators, unions, NZTA and MoT; as of end of June 2020, all operators with the exception of NZ Bus are fully compliant with the Act. A compliance solution was agreed in September between NZ Bus and applicable unions which extends the duration of their current collective agreement (until 2022).
- Risk of further industrial action due to current bus operator collective agreement negotiations. AT is instigating an independently facilitated Interest Based Problem Solving process to address the on-going issues attributed to differences in employees' terms, conditions and training, with a view to improving bus driving as a vocation.

Strategic context

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

Key programmes of	Status	Description	Outlook
Bus Priority	On track	New and extended hours of bus priority on key corridors to improve customer journey times.	<ul style="list-style-type: none"> Mt Wellington Highway bus/truck lane design completed and due to enter construction. North Shore small scale intervention programme is in the detailed design phase – Sunnybrae / Raleigh / East Coast Rds. Te Atatu Road South – concept designs in process for transit lane
Double decker (DD) mitigation works – Phase 2	Partially Delayed	Mitigating works on key corridors for double decker implementation increasing public transport capacity – corridor clearance, GIS mapping of compliant routes, ongoing corridor maintenance.	<ul style="list-style-type: none"> Phase 2: continuing to work with Waka Kotahi on new Business Cases for further diversion routes, new routes and special events support. Covid-19 related response – Route 120 cleared for DD operations between Westgate and Constellation, Greenlane West / Balmoral / Mt Eden / Alex Evans – for route resilience and Bond St now cleared for DD access to Eden Park from Great North Rd corridor.
Rail pedestrian gating works	Partially Delayed	Pedestrian level crossing gating across the rail corridor improving pedestrian safety.	<ul style="list-style-type: none"> Phase 3 sites (4 crossings) are complete. Phase 4A – retrofit of magnetic locks at 5 existing automatic gates are funding secured. Phase 4B – concept design for 7 sites has funding secured.
New network implementation Waiheke	On track	Infrastructure enablement and operator implementation.	<ul style="list-style-type: none"> New bus network is operational. Delivery of new bus stops in Donald Bruce Rd on track and Kennedy Point Wharf upgrades now complete. Next tranche of bus stop upgrades in design phase, but construction will require new funding to be secured.
Train station ticket gating	Partially Delayed	Installation of ticket gating at Middlemore, Papakura and Parnell.	<ul style="list-style-type: none"> Middlemore station gating design is complete, but construction timeline is uncertain due to funding constraints
Value for Money reviews	On track	Metro instigated a number of service frequency changes under the 'Value for Money' process. This process is stipulated by the Regional Public Transport Plan.	<ul style="list-style-type: none"> Service changes have been drafted and are currently being communicated to local boards. Service changes are on track to be implemented in late January 2021. The Stanley Bay Ferry interim service withdrawal is due to come into effect 18 December 2020.
Bus services industrial action	In progress	In November, multiple bus operators commenced the Collective Bargaining process with the respective employee Unions. Further industrial action for NZ Bus impacted patronage in February. Collective negotiations are on-going with resolution in progress.	<ul style="list-style-type: none"> Covid-19 interrupted collective bargaining; collective bargaining has now been concluded, with ratification in early September. Metro Services is instigating an Interest Based Problem Solving to realign the bus sector and address outstanding issues to enable a sustainable bus driver workforce solution.

Strategic focus area – Active Modes

Key commentary

Highlights

- Cycling movements past key count sites in the first quarter of 2020/21 totalled 815,311, an increase of 6% compared with the same time last year.
- 3.7 million cycle movements were recorded for the year (October 2019 to September 2020), a decrease of 0.8% on the previous 12 months.
- Construction of Victoria Street cycleway proceed well although Covid-19 restrictions. Opening day planned for October.
- Point Resolution Bridge part of the Tāmaki Drive cycleway project was completed.
- The Innovating Streets programme includes 17 projects across the region.

Risks

- Covid-19 has impacted on the delivery of the projects within the cycleway construction programme.
- The impact of post lockdown changes to working from home patterns remains a risk for achieving count targets.

Strategic context

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

Key programme of works	Status	Description	Outlook
New cycleways	On track	SOI target to complete 5 km of new cycleways in the 2020/21 financial year.	<ul style="list-style-type: none"> • Despite the significant impact of Covid-19 to cycling projects timelines and budgets during Q1, 600m of cycling infrastructure was added to the network (Murphys Road shared path section 2). • The Victoria Street cycleway, with a length of 850m, is coming closer to completion during Q2. • Herne Bay to Westhaven and Northcote Bridge cycleways will be opened to the public in the last 2 quarters of the year.
Walking	On track	Deliver new and improved footpaths (subject to funding) and includes completion a footpath at one location within the Auckland region.	<ul style="list-style-type: none"> • The Footpaths programme plans to construct 4 projects during 2020/21.
Cycling campaigns and training	On track	<ul style="list-style-type: none"> • Deliver events, trainings, campaigns and activities that promote cycling and cycle safety. • Deliver cycle skills training to school students. 	<ul style="list-style-type: none"> • Delivered 5 community events, reaching 659 people - including 3 big Bike Film Nights with bike valet parking and 2 Bike to Soccer events. • 7 Adult Bike Skills courses delivered with 48 participants (7 sessions cancelled due to Covid-19). • 1,697 students were trained through the school cycle training programme. • Supported one Cycling New Zealand Ride Leader Workshop with 10 attendees. • Supported EcoMatters to run the 3 bike hubs. There were 2,027 visitors, 158 bikes distributed, and 670 bikes repaired. • In partnership with businesses, we ran 2 drop-in bike maintenance sessions (10 participants), 3 Try-an-e-Bike sessions (16 participants) and 2 guided e-bike rides (4 participants). • Delivered in schools; 32 cycle activities, 20 Scooter training sessions and 3 Bike Ambassador

Strategic focus area – Key Projects & Strategic Programmes

Key commentary

Highlights

- The Downtown Programme continues to make good progress. Key highlights include the starting of tree planting on the southern side of the street outside the old PWC building, with paving on the southern side largely complete. Consent obtained for the Quay Street eastbound lane closure between Lower Hobson Street and Queens Wharf (14 September to 31 December 2020), expediting the programme by providing extra space to progress the Downtown Public Space and Quay Street works. The Jet Grout piling works outside Princes Wharf are complete, this is the second section of the Quay Street Seismic Strengthening project that has reached completion. The Lower Albert Street eastern footpath was completed on time for the opening of the Commercial Bay development. Te Wananga (Downtown Public Space Project) has complete three deck pours during this period and the team is rapidly working towards the fourth.
- The Eastern Busway Project has made good progress prior to and following the latest round of Covid-19 with the continuation of onsite activities as far as practical and planning to mitigate any lost time being undertaken. Feedback received from the community has been positive regarding the new walking and cycling facility, including the landscaping on the Pakuranga Road end of the Project. Basin View and Domain Road opened ahead of schedule. The Te Whangai Trust delivered its first landscaping plants to the project.

Risks

- Downtown Programme. The customer impacts of delivery across Quay Street, Hobson Street and Lower Albert Street remains a high risk as people move through a changing site. Health and Safety remains a key focus given the work is in a constrained corridor and over water.
- Eastern Busway 1. The programme and cost impacts of the latest round of Covid-19 are minimal. Vehicle speed through the site is an ongoing issue. Health and Safety is a priority given the work in and over the water, the number of utility services and the presence of contaminants (Asbestos).

Strategic context

Providing new transport infrastructure, on the rapid transport network (RTN) that forms the backbone of the public transport network, and also through infrastructure that optimises the performance of the existing network, supports urban development and enables new housing in greenfield areas.

Key programme	Status	Description	Outlook
Downtown Programme	Delayed in part	Auckland Council's 10-year vision to transform the waterfront into an attractive, people friendly environment. AT will be delivering the first part of this vision from 2018 to 2021. The project includes seismic strengthening to improve the resilience of critical infrastructure on Quay St water's edge.	Programme progressing towards completion in early 2021 despite Covid-19 delays and poor ground conditions for Seawall Strengthening works. All opportunities to reduce delays are being actively pursued. This included the closure of eastbound traffic from Lower Hobson Street to Queens Wharf to December 2020 to provide extra room for Quay Street Enhancement and Downtown Public Space works. A number of works will be complete by the end of 2020 including Lower Albert Street and Galway Street. Budget risks remain across the programme, with unders and overs across different projects within the programme – cross programme management between projects of funding is a mitigation towards bringing the programme within budget. Additional Covid-19 costs are likely to be a variation to the budget.
Eastern Busway 1: Panmure to Pakuranga (AMETI)	Delayed in part	First section of busway, along the north side of Lagoon Drive and Pakuranga Rd and upgrade of the Panmure roundabout. Contains 27 retaining structures, 3.2km of Roading improvements, 2 pier, 3 span steel girder bridge over the Tamaki Estuary and carving in amongst Aucklands most archeological sensitive and culturally rich, urban environment.	Productivity is good despite Covid-19 impacts. Traffic has been switched onto part of the new busway to allow rehab of existing pavements and creation of rain gardens. The bridge work is progressing well over the Panmure Basin, ready for 3 rd push first week of October. Traffic switch on 7 th October sees 70% of new bus way pavement in use whilst rehab commences on Lagoon Dr & Pakuranga Highway. IP10 Gas main lowered and H2 Water Main stabilising works commenced. The Panmure Intersection in its new signalised form will be largely in place by November 2020. Completion still targeted towards the middle of 2021.
Eastern Busway 2, 3 & 4: Pakuranga to Botany Busway and Flyover	On track	The Pakuranga to Botany stage of the AMETI Eastern Busway including the Reeves Road Flyover and Botany Interchange.	Selection of the preferred Consortia is complete. Work continues on preparing for an October 2020 start to the Interim Project Alliance. Agreement phase which is expected to take approximately 9 to 12 months with full public and targeted landowner consultation occurring February to May 2021. The next phase of the Alliance is due to commence mid to late 2021 beginning with consent lodgement and early works construction. The remaining stages are due to be complete by the end of 2025 when the Eastern Busway becomes fully operational.
Matakana Link Rd	In progress	The Matakana Link Road is a major part of the new road infrastructure to support the NZTA Puhoi to Warkworth SH1 redevelopment and growth in the Warkworth area.	Site establishment, clearance and setup works are well underway. Ground stabilisation works are underway with the installation of 299 ground piles. Earthworks commenced late September slightly ahead of the opening of the earthworks season.
Lincoln Road	Delayed	Lincoln Road, a major component in the regional major roads network. To be future proofed with a T2 lane, cycle lanes and improved motorway interchange.	Minimum Emergency Budget funding (\$300k) has been allocated in this financial year to close the Lincoln Road design in an appropriate way so that it could be resumed when funding becomes available in the future. The project team is currently completing the tasks which will enable them to efficiently bring the project to a halt.
Murphys Road	Complete	Upgrade of Murphys Road (south of Ormiston to north of Flat Bush School Road) from a rural district arterial to a four-lane urban arterial road including a triple box culvert.	Construction has been completed in August 2020.
Medallion Link Drive	In progress	Construction of 200m road section to link the Oteha Valley/Medallion intersection to Fairview Ave. Includes a new bridge across Lucas Creek, side-by-side box culverts, new roundabout on Fairview Ave, signalisation on Oteha Valley-Medallion intersection, culvert upgrades and cycling facilities	The contract for the construction of the link road has been openly tendered and awarded. Physical works on site have commenced. Part of the works is to relocate a significant WaterCare water main and AT is working with WaterCare on the timing of this work to reduce the risk of water supply issues.

Strategic focus area – Asset Management

Key commentary

Highlights

- Despite Covid-19, AT has continued timely delivery of its asset management functions.
- The draft Asset Management Plan (AMP) has been completed to define future asset investment needs over the next 10-year period from 2021–2031. Aspects of the draft AMP have been discussed with the RLTP development team and ATAP working group. These requirements have also been included in the draft NZTA funding application.
- AT continues to mature its asset management practices in alignment with global best practice (ISO 55001) including asset condition assessment, renewals planning, maintenance and renewals procurement, asset-related cost trend analysis and asset planning for growth.
- AT continues to collaborate closely with Auckland Council Healthy Waters to improve stormwater water quality outcomes.
- Work has commenced on a review of the seal extension programme and development of an Unsealed Road Improvement Framework considering a wider range of improvement works such as road widening, safety improvements, pavement strengthening, drainage, surfacing improvements and seal extensions.

Risks

- Covid 19 impact resulted in a 25% reduction in the asset renewals budget for FY20/21, as a result level of service targets for footpaths and road pavements in acceptable condition have been reduced to 90%.
- Asset condition assessments have identified 93 active landslips across the road network, as a result of emergency budget constraints only the most critical slips will be repaired during FY20/21, the remaining slips will continue to be monitored and managed with appropriate traffic management controls.
- Detailed Seismic Assessment of transport related structures is ongoing. Where 'earthquake prone buildings' are identified the public will be notified in accordance with the Building Act requirements and Auckland Council protocols.

Strategic context

Managing the \$20 billion portfolio of transport assets (roads, footpaths, cycleways, streetlights, traffic systems, carparks and public transport assets), in alignment with global best practice (ISO 55001 and International Infrastructure Management Manual).

Key programmes	Status	Description	Outlook
Renewal Forward Works Programme (FWP)	On track	Programme of renewals and maintenance works for roading and public transport assets.	2020/21 Roading Renewals have all been dispatched and contractors are underway delivering the programme. Condition Rating and Treatment Selection Analysis have been reported and Candidate lists are being reviewed prior to the FWP Update 1 deliverable. 1 year roll over of incumbent Asset Management & Systems – Professional Services (AMS PS) Contracts have been undertaken and a review of current AMS PS Contracts has started.
Asset Condition Inspections	In progress	Condition inspections of roads, structures and public transport assets.	During Covid 19 Level 2 restrictions, asset condition inspections continued as normal and are currently on target to meet this year's programme. To date, we have completed approx. 20% of the inspections on the programme.
Unsealed Road Improvement Framework	In progress	Strategy and Programme development of our unsealed roading network.	The draft Unsealed Road Improvements Framework is complete and consultation workshops have been set up with Local Boards in November. AT is collaborating with Auckland Council to align priorities for Unsealed Roads. GIS Layer is almost complete for both AT and Auckland Council to use for Environmental reviews.
2021 Asset Management Plan	On Track	Development of the 2021 Asset Management Plan (AMP) and the accompanying asset class management plans.	The draft 2021-2031 AMP and ten asset class management plans for key assets are completed and under review. The draft AMP is informing the RLTP and ATAP asset maintenance and renewal budget discussions. Future investment needs have been incorporated in the draft NZTA funding application. The AMP and asset class management plans will be finalised during 2020/21.
Consequential Opex requirements	On Track	Establish the consequential opex requirements of roading and Public Transport assets to inform future budgets.	Consequential opex requirements of the roading and PT Metro networks have been estimated using the best available information and incorporated in future funding needs.
Enterprise Asset Management	On track	Implementation of a new Enterprise Asset Management system (EAM).	The EAM Bridge Pilot was completed on 27 July 2020. Work has commenced on EAM software development for Public Transport facilities, Road Network operations and Forward Works Programming.
Asset Design Standards	In progress	Streamline Design Review process to ensure assets meet Transport Design Manual standards	AT continues to work with Auckland Council regulatory to streamline Engineering Plan Approval (EPA) processes. AT is consulting with Auckland Council and industry partners prior to public release of the Transport Design Manual.
Environment	In Progress	Establish baseline data to support development of environment targets.	AT continues to collaborate closely with Healthy Waters to improve stormwater water quality. Collation of stormwater treatment device data continues with approximately 4000 rain gardens identified in the road corridor.

Other Statement of Intent Focus Outcomes

Contribution towards Māori outcomes

- For the first time, Maori outcomes have been identified as a key deliverable in Auckland Transport's Enterprise Business Plan. A number of key activities contribute to the programme. The identified outcomes are:
 - *Commitment to increase fluency of Te Reo internally and across the network*
 - *Reflect, promote and understand Maori culture, values and identity*
 - *Connect our customers to Maori culture – reinforcing our commitment to Maori*
 - *Enable Maori to experience relevant and welcoming public facilities and services*
 - *Support Rangatahi Maori into career development opportunities*
 - *Enable Mana Whenua and Maori to participate at all levels of AT's decision-making to support the development of strong, thriving and flourishing Maori communities*
- **Mana whenua engagement**

AT contributes to mana whenua engagement through forums for operations and governance matters. Project Fora held across various rohe on a fortnightly basis, focussing primarily on Resource Management matters. Engagement with mana whenua covered mahi toi, mana whenua signage, stormwater, environmental issues, walking, cycling, roading upgrades, infrastructure projects, safer speeds, application of te reo Māori. For this reporting period the Chief Executive and senior staff initiated discussions with iwi leaders around the possibility of a Te Reo name for the organisation.
- **Te Aranga Māori design (Māori Identity and Culture)**

Te Aranga Design Principles are applied in collaboration with mana whenua in AT infrastructure projects (Public Transport, Walking & Cycling, Roads & Footpaths).
- **Road safety programmes – Māori drivers, passengers and pedestrians (Māori Business, Tourism & Employment, Realising Rangatahi potential)**

AT contributes to road safety through the Te Ara Haepapa programme that delivers driver licensing, child restraint training, speed management, drug and alcohol education and promoting walking and safe cycling.
- **Māori wardens on trains (Māori Business, Tourism & Employment)**

Māori wardens provide safety for public transport users on trains. Notwithstanding limited services through the Covid-19 lockdown periods, Māori Wardens delivered many hours of support across the network.
- **Marae and Papakainga development road safety (Marae development)**

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

 - Motairehe Marae (Aotea/Great Barrier) – The detailed design for the carpark has been completed. The resource consent process is underway.
 - Te Aroha Marae - the detailed design for the carpark has been completed.
 - Makaurau Marae – the carpark has been completed. This project was tendered through the He Waka Eke Noa group and the contract awarded to a wholly Maori-owned business – Lite Civil.
- **Te reo Māori framework (Reo Māori outcomes)**

Te reo Māori is being progressively implemented across the public transport network, and on signage relating to infrastructure projects. Mana whenua have been involved in proposing a Te Reo name for the redevelopment of Northcote Point Wharf (Te Onewa). This bilingual messaging will be on all signage on and around the facility. The AT Mobile App now includes a small number of instructions in dual language. AT are trialling dual naming for Northcote Point Wharf in partnership with mana whenua.

Local board engagement

Covid-19 alert levels saw the majority of Local Boards remain online – including regular Local Board meetings and workshops.

There have been two distinct focuses of engagement over the past quarter. The first is around reduced Local Board budgets and how best to manage both work in progress and new projects, with very limited budgets in the 2020/21 year and uncertainty over funding in future years.

The second focus has been on workshops which provided a comprehensive, area by area, view of AT activities. The level of engagement was high and there has been positive feedback from many Local Board members.

The intention is to hold another series of workshops toward the end of this calendar year to discuss the forward work programme for 2021/22. This will be an opportunity for Local Boards to provide input into the draft programme

Climate change

Reducing emissions from asset construction

The Eastern Busway 2 & 3 project, which began recently, is using an industry sustainability certification scheme (ISCA Infrastructure Sustainability Council of Australia), that assesses and rates a project's performance on (among other things) environmental and social outcomes. Council has used ISCA on its recent Scotts Point Park project.

Waka Kotahi New Zealand Transport Agency is asking AT (and other road controlling authorities) to consider using ISCA on all projects they part-fund over a value of \$15 million. Initial discussions with Waka Kotahi indicate that any decision to use ISCA certification will be Auckland Transport's; we will be clarifying this over the coming weeks.

Reducing emissions from the bus fleet

Over the next 12 months, bus operators will be adding 29 electric buses: nine buses for the new Airport Link route, 12 buses for the CityLink bus services, and eight for Waiheke services. Additionally, AT is trialling a hydrogen fuel cell electric bus in late 2020.

AT recently completed a study with Vector (Auckland's electricity distributor) to understand electricity demand and electricity network infrastructure requirements for a fully electric bus fleet. The study identified opportunities to innovate to reduce peak electricity demand, saving considerable investment in electricity network infrastructure upgrades at bus depots.

Auckland Transport Q1 Financials

Key financial metrics

\$(million)	Notes	FY 20	FY 21 YTD			FY 21
		Actual	Actual	Budget	Variance	Budget
Net surplus/(deficit) from operations	A	(343)	(76)	(98)	22	(411)
Operating revenue	B	945	251	249	2	1,025
AC operating funding (CCO only)		299	90	90	-	389
NZTA operating funding		351	103	105	(2)	386
Fees & user charges		245	45	48	(3)	217
Other direct revenue		50	13	6	7	56
Operating expenditure		1,288	327	346	20	1,436
Employee costs		136	35	36	1	138
Grants, contributions & sponsorship		-	-	-	-	-
Other direct expenditure	C	771	190	203	14	851
Depreciation		351	95	100	5	418
Interest expense		30	7	7	-	29
Capital revenue		1,134	229	283	(54)	1,032
AC capital grant (CCO only)		466	84	120	(36)	417
NZTA capital co-investment	D	396	77	90	(13)	605
Vested assets		271	51	64	(13)	275
Other Capital Grants	E	1	17	9	8	35

Financial Commentary

- A:** The year to date net deficit from operations is \$76 million, which is \$22 million favourable to budget mainly due to higher than expected revenue and lower than anticipated operating expenditure.
- B:** Operating revenue is higher than budget driven by:
- Higher than anticipated increase in infringement ticket issuances and usage of on/off street parking (\$2.6 million); and
 - Higher than expected rental, permit and mooring fee revenue, phased for recovery through the year (\$5 million).
 - This is partly offset by lower than budgeted public transport income (\$4.1 million) due to the impact of Covid-19 on patronage and disruptions caused by KiwiRail track closures.
- C:** Other direct expenditure is below budget by \$14 million mainly due to lower than budgeted professional services and maintenance activity (following July approval of the emergency budget), strong management of Covid-19 related cleaning and safety equipment costs and streetlight electricity.
- D:** NZTA capital co-investment is behind budget mainly due to delays/underspend in some capital projects have delayed NZTA funding claims.
- E:** \$17.4 million year to date of capital funding was received from the Crown as part of the post Covid-19 Crown Infrastructure funded capital programme. This includes funding for prior period capital spend.

Regional Fuel Tax (RFT) Q1 Summary

Financial performance

\$(million)	FY 21 YTD			FY 21
	Actual	Budget	Variance	Budget
Total RFT-enabled capital expenditure	43	38	(4)	157
Project 1: Bus priority improvements	2	1	(1)	2
Project 2: City centre bus infrastructure	3	1	(2)	2
Project 3: Improving airport access	8	10	2	54
Project 4: Eastern Busway	1	0	(1)	0
Project 5: Park & Ride facilities	0	0	0	1
Project 6: Electric trains and stabling	-	-	-	-
Project 7: Downtown ferry terminal and redevelopment	16	14	(2)	32
Project 8: Road safety	10	3	(7)	24
Project 9: Active transport	(2)	2	4	7
Project 10: Penlink	0	0	0	0
Project 11: Mill Road corridor	0	0	0	0
Project 12: Road corridor improvements	3	4	1	18
Project 13: Network capacity and performance improvement	2	3	1	14
Project 14: Growth-related transport infrastructure	0	1	1	2
Total RFT-enabled operating expenditure	0.18	1.09	0.91	2.49
Project 8: Road safety	0.18	1.09	0.91	2.49

RFT Commentary

The RFT-enabled capital programme spans ten years, covering 14 separate project groups. The focus in the initial years is completing existing committed projects.

RFT-enabled capital expenditure year to date was \$43 million, 27% of the full year budget of \$157 million.

Project 1 - The bus priority strategic programme is progressing through the procurement phase. The double decker network mitigation (Remuera Road) is completed. The New North Road route is on hold.

Project 2 - Lower Albert Street: The associated underground and paving works for the eastern and northern half of the footpaths have been completed.

Project 3 - Puhinui Station Interchange: Erection of steel for the building superstructure will continue through to the end of October. This project will be partly funded by Crown Infrastructure Partners this financial year.

Project 4 - Eastern Busway: The Bridge work is progressing well over the Panmure Basin. Preferred consortia has been selected and project alliance agreement phase is in progress.

Project 7 - Downtown Ferry Basin Piers 3 & 4 project continues to progress at pace with major milestones being met or on track to be met. This project will be principally funded by Crown Infrastructure Partners this financial year
Project 8 – Construction of the high risk intersections, high risk corridors and pedestrian improvements are in progress. Installation of red-light cameras and speed limit signs are also progressing.

Project 9 - Northcote bridge section: 8 out of 10 piles have been constructed and the abutments and columns are being installed. K Rd cycle way - Construction is progressing well with half the cycleway aspect complete. Construction of Herne Bay to Westhaven, and Tamaki Drive are in progress. Victoria St cycle way is nearly complete.

Project 10 & 11 – Penlink and Mill Road corridor: These projects now delivering by Waka Kotahi NZTA. The RFT Order in Council will be updated as part of the Long term planning process which is currently underway to reflect these changes.

Project 12 - Lincoln Road is on hold due to funding. Construction has commenced on the Warkworth Matakana Link project. Lake Road is on hold.

Auckland Transport Q1 Performance Measures

Note: Auckland Transport has a total of 25 SOI measures, 16 of which are also LTP measures. SOI measures have annual targets. Progress reporting is based on an assessment on whether or not the measures are on track to meet the annual target.

For this quarter, 6 measures are on track to exceed their targets, 2 to meet the target and 5 are lagging behind. 12 have not yet produced a result.

Key performance indicators	Previous Quarter	FY 21 Quarter 1		Status	Commentary
		Actual Year to Date	Full Year Target		
Total annual public transport boardings	82,290,180	12 months to September 2020: 69,703,630	60,600,000	Not on track	Public transport boardings for the 12 months to September 2020 were 69.7 million, a reduction of 31.9% over the prior year. Although the September result is higher than the target, post-Covid numbers are starting to take up a larger part of the 12-month rolling average every month. As a result, annual boardings are expected to continue to drop. Due to the re-emergence of Covid, the September result is below the September target trajectory of 78.2 million, and therefore not on track to meet the target.
Total annual rail boardings	17,444,294	12 months to September 2020: 14,385,452	12,700,000	Not on track	Rail boardings for the 12 months to September 2020 were 12.7 million, a reduction of 33.3% over the prior year. Similar to total patronage, the 12-month average is expected to drop further as post-Covid numbers make up a larger share of the 12 month average. The September result is below the target trajectory of 16.4 million, and therefore not on track to meet the target.
Boardings on the Rapid and Frequent Network (RFN)	-19.3% (RFN boardings: 39,731,172)	12 months to September 2020: -36.2% (RFN Boardings: 32,272,957)	Increase faster than total boardings	Not on track	RFN Boardings for the 12 months to September 2020 decreased at a faster rate (36.2%) than overall patronage (31.9%). During the Covid-19 lockdowns, many rapid and frequent services were reclassified to normal services. Post-lockdown, recovery of growth on RTN and FTN has been slower than total recovery.
New cycleways added to regional cycle network	6.09 km	0.6km	5 km	On Track	During Q1 of the 2020/21 Financial Year, 600m of cycling infrastructure was added to the network (Murphys Road shared path section 2). This is in on track with the monthly delivery targets set out by the programme.

Key performance indicators	Previous Quarter	FY 21 Quarter 1		Status	Commentary
		Actual Year to Date	Full Year Target		
Number of cycle movements past selected count sites	3.669 million	12 months to September 2020: 3.710 million	3.922 million	Not on track	Annual cycle movements to September 2020 were 3.710 million. This is 4.5% higher than September 2019 results, but the year to date total for this financial year is 2.1% below the target value.
Active and sustainable transport mode share at schools where the Travelwise programme is implemented	49%	N/A	45%	Survey not yet conducted this Financial Year	Reported annually in June.
Active and sustainable transport mode share at organisations where the Travelwise Choices programme is implemented	69%	N/A	45%	Survey not yet conducted this Financial Year	Reported annually in June.
Average AM peak arterial productivity	32,951	12 months to September 2020: 32,396	25,000	Exceeding	The average arterial road productivity for the 12 months to September 2020 was 32,369. This is 29% higher than the target, and 2% below the result for September 2019 due to a reduction in overall travel demand.
Proportion of the freight network operating at Level of Service C or better during the interpeak	94%	12 months to September 2020: 93%	85%	Exceeding	The Average Freight Level of Service for the 12 months to September 2020 was 93%, exceeding the target value of 85%.
Percentage of public transport passengers satisfied with their public transport service	JULY-MARCH: 90.50% APRIL – JUNE: 86%	91.3%	85-87%	Exceeding	Passenger satisfaction is measured through quarterly face-to-face interviews. Although the result of 91.3% is exceeding the target, it should be noted that interviews took place prior to the second Covid outbreak and commencement of KiwiRail maintenance works. More recent online surveys indicate that satisfaction has been trending down since the second lockdown. A sharp decline in train customer satisfaction has been seen in September, now that KiwiRail line-closures have started affecting customers.

Key performance indicators	Previous Quarter	FY 21 Quarter 1		Status	Commentary
		Actual Year to Date	Full Year Target		
Public transport punctuality (weighted average across all modes)	97.8%	98.2%	95.0%	Exceeding	Year to date punctuality of 98.2% is exceeding the target of 95%.
Percentage of local board members satisfied with Auckland Transport engagement: Reporting to Local Board	N/A	N/A	70%	Survey not yet conducted this Financial Year	Local board satisfaction results, sourced from the Auckland Council Elected Members Survey, are not available every year as the survey is only undertaken every 18 months. The next results are expected late 2020.
Percentage of local board members satisfied with Auckland Transport engagement: Consultation with Local Board	N/A	N/A	70%		
Percentage of customer service requests relating to roads and footpaths which receive a response within specified time frames	86.4%	12-month rolling average: 86.3%	85%	On Track	The performance of our road maintenance contractors in respect to their responsiveness to customer service requests is on track to meet the target, with a 12-month rolling average of 86.3%. After a month of poor performance due to technical issues (78% in August 2020), results for September have jumped back up to 90% after a system fix was applied.
Number of high-risk intersections and sections of road addressed by the safety programme	16	N/A	4	Not yet reported this Financial Year	Reported biannually in December and June.
Change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number	533	12-month rolling total to end of June 2020: 467 (note: 3-month lag)	627	On track to exceed	The 12-month rolling total to end of June 2020 is 467, 28% lower than the June target trajectory of 645. For the 12 months to the end of June 2020, Local Road deaths have decreased by 42% (from 45 to 26) and Local Road serious injuries decreased by 10% (from 488 to 441).
Public transport farebox recovery	33.71%	29.61%	30-34%	Not on track	Low patronage numbers related to the impact of Covid on public transport use continue to have an impact on the farebox recovery rate, with the September result of 30-34% falling outside of the target range.
Percentage of the sealed local road network that is resurfaced	5.6%	1.0%	4.6%	On track to exceed	In the first quarter of the 2020/21 Financial Year 70.3km of local roads were resurfaced or rehabilitated. This is 22% of the 2020/21 target of 312.5km and 1.0% of Auckland's local roads. The result exceeds the monthly delivery targets set out by the programme.

Key performance indicators	Previous Quarter	FY 21 Quarter 1		Status	Commentary
		Actual Year to Date	Full Year Target		
Percentage of road assets in acceptable condition (as defined by Auckland Transport's Asset Management Plans)	94.2%	N/A	94%	Not yet reported this Financial Year	Reported annually in March.
Percentage of footpaths in acceptable condition (as defined by Auckland Transport's Asset Management Plans)	97.6%	N/A	94%	Not yet reported this Financial Year	Reported annually in March.
Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all urban roads	87%	N/A	80%	Not yet reported this Financial Year	Reported annually in March.
Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all rural roads	94%	N/A	90%	Not yet reported this Financial Year	Reported annually in March.
Number of buses in the Auckland bus fleet classified as low emission	3	N/A	20	Not yet reported this Financial Year	Reported annually in June.
Reduction in CO2e (emissions) generated annually by Auckland Transport corporate operations (from 2017/18 baseline)	2%	N/A	7%	Not yet reported this Financial Year	Reported annually in June.
Percentage of Auckland Transport streetlights that are energy efficient LED	61.70%	N/A	66%	Not yet reported this Financial Year	Reported annually in June.

CCO review implementation

Context

The key recommendations from the review specific to Auckland Transport (AT) were that the organisation should focus on:

- Improving collaboration with the council on transport strategy and bylaws; and
- Improving the way it consults and implements small projects.

The report of the independent panel has identified:

- 8 recommendations that specifically mention AT by name;
- 24 general recommendations that apply across the CCO group, including AT.

Q1 implementation progress

- All 32 recommendations applicable to AT have had an initial discussion workshop to determine work already underway (where applicable) and confirm initial workstream activities.
- Recommendations have been assessed against an impact / complexity matrix to determine prioritisation of activities.
- There are some recommendations identified with a lower degree of complexity which could be delivered on in shorter time frames.
- Accountability for each recommendation has been assigned at an Executive Leadership Team (ELT) level, with a Group Manager (GM) or Head of level assigned to lead specific streams of work.
- Recommendation workstream updates will be captured in Teams planner and these will be used to provide monthly reporting to the ELT and quarterly reporting to the AT Board and CCO Oversight Committee.
- ELT members will present progress on the workstreams that they are accountable for.
- As part of recent proposed organisational changes, AT is proposing establishment of a programme manager function which will include governance oversight of the recommendations as part of its role.
- The CCO CE group have met on a fortnightly basis to discuss progress on recommendations.

Outlook

Next steps:

- Continue to work with council and CCO colleagues to:
 - determine a prioritisation framework for recommendations to ensure a consistent approach;
 - determine reporting requirements; and
 - identify which recommendations AT will lead on behalf of the council and CCO group.
- Once the above elements are confirmed, discuss this with the AT ELT and GMs and commence work on initial workstream activities identified during the initial discussion workshops.
- AT staff will continue to work with other CCOs on the recommendations that address place making and improving local engagement.