

Draft Statement of Intent 2013/14 – 2015/16

Glossary

Auckland Council	(AC)
Auckland Transport	(AT)
Council Controlled Organisation	(CCO)
Local Government Act 2002	(LGA)
New Zealand Transport Agency	(NZTA)
Statement of Intent	(SOI)

Executive Summary

This report presents a draft 2013/14 - 2015/16 Statement of Intent, for the Board's review and comment.

AT is required to prepare an annual SOI which forms the basis for organisational accountability to AC. A draft of this year's SOI must be delivered to AC for comment no later than 1 March 2013.

The attached draft SOI incorporates matters raised in the Mayor's letter of expectation. The format has been streamlined from previous SOIs, while retaining the contents required by statute. Some refinements to performance measures have been made since the last SOI.

Upon receipt of the Board's comments and any required amendments, a revised draft will be prepared and delivered to AC for shareholder comment.

Recommendations

It is recommended that the Board:

- i). Receive the report and advise of any changes
- ii). Approve the draft SOI for submission to AC.

Background

As a CCO, AT is required by the LGA to prepare an annual SOI. The SOI forms the basis for accountability to the shareholder (AC) and sets out the organisation's objectives, the nature and scope of the activities and performance targets.

The requirements for preparation and adoption of the SOI are set out in Schedule 8 of the LGA. A draft SOI must be prepared and delivered to the shareholders (AC) not later than 1 March each year, and finalised, following consideration of shareholder comments, by 30 June each year.

This SOI relates to the next financial year (2013/14), and the subsequent two years (2014/15 and 2015/16). The draft SOI is attached **Attachment 1**.

The draft has been re-structured from the previous SOI, to keep the document as concise as possible, while retaining the statutory requirements and incorporating matters that have been raised in the Mayor's letter of expectation dated December 2012 (**Attachment 2**).

One of the key areas of focus listed in the Mayor's letter of expectation is the park and ride facility to support the Hobsonville ferry service. This has not been included in the Programme of Action in the draft SOI, as a park and ride facility is already in place to support the ferry service at Hobsonville. Investigations will continue into the longer term requirements for park and ride, in consultation with the Hobsonville Land Company, but it is not considered necessary to reflect this in the Programme of Action, which focuses on major projects.

The new SOI also proposes some refinements to performance measures and targets since the last SOI, to enable more meaningful reporting, to reflect improved data collection methods, and to provide measures that better reflect the matters that AT is responsible for managing. Some adjustments to targets have also been made since the last SOI to better reflect recent performance trends. Table 1 provides a schedule of these changes, and the rationale behind them.

One of the changes involves a shift to a new 11-point survey method to measure customer satisfaction. This will bring AT into line with NZTA reporting requirements. Surveys conducted in October and November 2012 have been used to establish a new baseline for these measures. **Attachment 3** provides further detail on this change.

Table 1: **Review of SOI performance measures**

Current Measure	Recommendation	Comments/Rationale
Total passenger transport patronage (000's)	Revise target to reflect performance trends	Forecast 2012/13 patronage will be below baseline in current SOI.
Rapid Transit Network rail boardings per annum (000's)	Revise target to reflect performance trends	As above
Rapid Transit Network busway boardings per annum (000's)	Revise target to reflect performance trends	As above
Quality Transit Network and Local Connector Network bus boardings per annum (000's)	Revise target to reflect performance trends	As above
Ferry boardings per annum (000's)	Revise target to reflect performance trends	As above
Public transport subsidy per passenger kilometre (CPI adjusted to June 2012)	No change to measure	
Public and customer safety and security incidents across public transport network per 100,000 passenger boardings	No change to measure	
Percentage of public transport passengers satisfied with their PT service	Revise target to take account of new 11-point survey range	Enable measurement approach consistent with NZTA requirements

Current Measure	Recommendation	Comments/Rationale
Morning peak (7-9 am) car trips avoided through travel planning initiatives	Measure retained but target increased	Previous target already exceeded.
Walking trips into the CBD in the morning peak	No change to measure	
Cycling trips throughout the region during the morning peak	Amend measure and target to reflect new survey approach and measure all day and AM peak cycle trips	Improved data scope and reliability. AT has invested in automatic cycle counting which will provide more accurate data. Targets based on data for Jul 2011 - Jun 2012 - 88,357 cyclists am peak and 791,605 cyclists all day counts
Arterial road network productivity (Percentage of road corridor productivity maintained or improving on key arterial routes)	No change to measure	
Travel times along strategic freight routes during the inter-peak (9am-4pm)	Amend target to refer to "baseline" rather than "current" travel times	"Baseline" provides a more consistent base for comparison
Percentage reduction in total fatal and serious injuries on local road network (calendar year)	No change to measure	
Percentage of residents satisfied with the quality of roads in the Auckland region	Revise target to take account of new 11-point survey range	Enable measurement approach consistent with NZTA requirements
Percentage of residents satisfied with the quality of footpaths in their local area	Revise target to take account of new 11-point survey range	Enable measurement approach consistent with NZTA requirements
Percentage of residents satisfied with the quality of footpaths in the Auckland region	Revise target to take account of new 11-point survey range	Enable measurement approach consistent with NZTA requirements
Off-street parking occupancy rates	Amend measure to peak 4 hours; and change target to a range (suggested range is 80-90% (i.e. 85% + or - 5%))	Current all-day measure does not provide useful information related to the outcome. Measure should focus on the peak period which requires management attention. 85% occupancy considered to provide optimum balance between efficient use of resources and availability.
On street parking occupancy rates	Amend measure to peak 4 hours; and change target to a range (suggested range is 80-90% (i.e. 85% + or - 5%))	Current all-day measure does not provide useful information related to the outcome. Measure should focus on the peak period which requires management attention. 85% occupancy considered to provide optimum balance between efficient use of resources and availability.

Next Steps

Once approved by the Board, the final SOI will be delivered to AC by the statutory deadline of 1 March 2013. AC is required to provide any comments back to AT by 1 May 2013, ahead of the finalisation of the SOI by 30 June 2013.

Attachments

Attachment 1 – Draft Statement of Intent 2013/14 to 2015/16

Attachment 2 – Mayor’s letter of expectation

Attachment 3 – Customer satisfaction survey methodology

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Approved for Submission	David Warburton Chief Executive	