

# Auckland Transport's COVID-19 Response Review

March 2021



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## **Review of Auckland Transport's COVID-19 Response -Final Report**

Dear Andrew,

Thank you for providing us with the opportunity to undertake a review of Auckland Transport's COVID-19 response. The purpose of our engagement was to assist you to determine the quality of AT's response and identify opportunities for enhancement as you continue to face the challenges of COVID-19 in particular, and Auckland Transport's crisis management programme in general.

This report has been prepared in accordance with our letter of engagement dated 14 July 2020 and should be read in conjunction with the key terms of business, restrictions, and disclaimers included in Appendix 1 of this report, in particular that our report should only be reproduced in full.

Overall, AT's response to the COVID-19 crisis was handled well and the way the response was managed meant that improvements were able to be made in real time, rather than after formal lessons learned exercises. We have, however, identified some opportunities for improvement. These are mostly minor in nature and we acknowledge that they are made with the benefit of hindsight.

We would like to take the opportunity to thank all of the interviewees for their open and honest feedback and insights into AT's response.

Yours Sincerely

A blue ink signature of Stephen Drain, written in a cursive style.

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# Limitations on our report

The following limitations apply to this report:

- Our review was conducted over a three month period from mid September to mid December 2020. It represents information collected as a snapshot over that time.
- Our report reflects the feedback provided to us in interviews by AT staff, ELT and Directors and our review of documentation provided by AT. We have not verified the accuracy of specific events raised with us. However, our findings are based on themes which reflect the same or similar feedback provided by multiple interviewees.
- The themes we have reported are qualitative, based on what we were told during our review.
- The verbatim comments presented in the report are illustrative of the general themes we observed.

# Contents

1.	Executive Summary	05
2.	What we heard	15
3	Evaluation against PwC's global crisis framework	18
4.	Other Observations	35
5.	Appendices	39

1

# Executive Summary

# Our review was completed in three phases

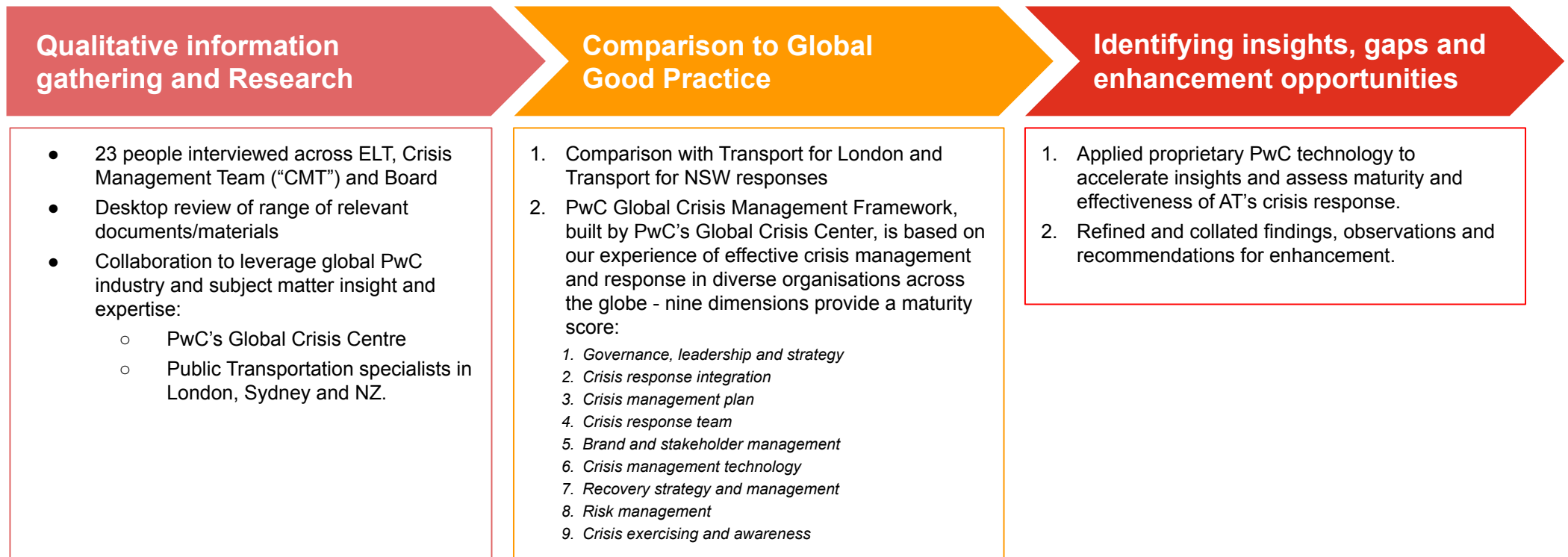
## Background

As an organisation providing essential services, Auckland Transport's (AT) COVID-19 response was critical in protecting the health, safety and wellbeing of Aucklanders, keeping the city moving and enabling essential travel including ensuring that essential workers were able to travel around Auckland safely. This crisis is one without precedent in recent memory. AT wishes to assess its COVID-19 crisis response during March, April and May 2020 ("initial review period") to determine the quality of this response and to identify opportunities to enhance its crisis response the future.

## Scope

The initial objective of this engagement was to assist AT to learn from the events of the initial review period to strengthen its ability to respond to future crisis events. However, on 12 August, before this review commenced, Auckland went back into level 3 lockdown and the rest of the country into level 2. These lockdown levels were in place until 30 August. Our focus has mainly been on the initial review period but we have, by necessity, also incorporated the lessons learned subsequent to the initial review period and up to and including the level 3 lockdown period.

## Approach



# Overall AT managed the crisis well, and achieved a number of critical positive outcomes

**Keeping staff and customers safe**

**Keeping the PT network running for essential workers**

**Looking after suppliers**

**Ensuring the construction sector could get up and running again quickly**

**Keeping key stakeholders and customers informed**

Examples of some of the stand out actions taken by AT include:

## Staff

- A focus on saving jobs - high uptake of remuneration reduction
- Special leave for staff who weren't able to work from home
- Focus on redeploying staff
- Hardship grant
- Communication and staying connected online
- Dual CMT team to ensure staff welfare/recuperation
- Keeping connected - Online hub, pulse check, coffee korero

## Suppliers/Partners

- Treating staff of partners as if they were AT's in the context of safety and welfare
- Quick implementation of cashless travel and back door only to protect drivers
- Using AT's size to leverage procurement of essential supplies
- Working with construction to make provision for early payment to provide an economic safety net and to support the return to project work when alert levels permitted

## Customers

- Kept PT running to frequent timetable for essential workers and others who needed it
- Clear and timely communication - emails, apps, posters, decals
- Built and sustained trust and confidence in AT with customers with positive returns to patronage as Alert Levels adjusted
- Leveraged AT mobile app - bus occupancy
- Off peak fares to help spread occupancy levels

## Wider social responsibilities

- Keeping buses running even though patronage was very low - maintaining employment through significant economic uncertainty for key PT partners
- Proactive engagement with Civic leaders, Elected Members and other key community partners
- Reinforcement of Government messages to ensure customers understood what it meant for them
- Changing train timetables to ensure hospital staff could get to work for shift starts

# PwC's Crisis Management Framework provides a broader perspective of the maturity of AT's response

## PwC Framework - Maturity Assessment

The PwC Framework is based on nine foundational pillars of effective crisis management and the maturity of AT's response to COVID-19 was assessed against each of these pillars, with an overall weighted maturity score calculated. The nine pillars include Governance, Leadership & Strategy, Risk Management, Programme Integration, Crisis Management Plan, Crisis Management Team, Brand & Stakeholder Management, Crisis Management Technology, Recovery Strategy & Management, Crisis Exercising and Awareness (see Appendix 7 for further information).

The maturity score ranges from 1 to 5 and a simplified interpretation of the maturity score is detailed below (and further information on the scoring model is provided at **Appendix 7**):

1. **Initial** - A score of 1 represents an ad-hoc or informal approach to crisis management
2. **Defined** - A score of 2 represents an emerging or somewhat organised approach to crisis management
3. **Implemented** - A score of 3 represents a defined, organised and repeatable approach to crisis management
4. **Managed** - A score of 4 represents a mature, measured and sustainable approach to crisis management
5. **Optimised** - A score of 5 represents an integrated, optimised and industry-leading approach to crisis management

## Context of COVID-19 Crisis

Based on our research and the work of PwC's Global Crisis Center, we observed three contextual factors regarding the COVID-19 pandemic which are significant in examining and assessing the effectiveness of any organisation's response to this particular crisis and our assessment of AT's response should be read in this context.

1. **Comparison with other jurisdictions is challenging.** Each country and/or jurisdiction has responded differently, and the various political, medical and administrative decisions made in response to COVID-19 have placed unique demands on organisations which means that making direct comparisons is challenging.
2. **Responding to COVID-19 is likely to continue.** We have assumed that the "acute" phase of COVID-19 in New Zealand appears to have passed, although as we are not experts in pandemics it may not have and/or there may be further outbreaks of equal or greater severity. In any event, the need to respond to COVID-19 has not ended and challenges remain for AT in managing longer term threats arising from COVID-19. There is significant uncertainty about future, external developments to which AT may need to sustainably adapt.
3. **COVID-19 has unique characteristics as a crisis.** COVID-19 is unlike other crises. For example, a significant cyber breach is an example of a crisis which might have consistent impacts between organisations. For some organisations, leaving aside economic challenges, COVID-19 actually caused very little actual operational disruption. However, for AT as an essential service and diverse organisation with a range of distinct operational functions, COVID-19 created a need for a series of tailored responses which in many ways are unique to AT.



# Assessed against global peers and the PwC Crisis Framework, AT's response was well managed

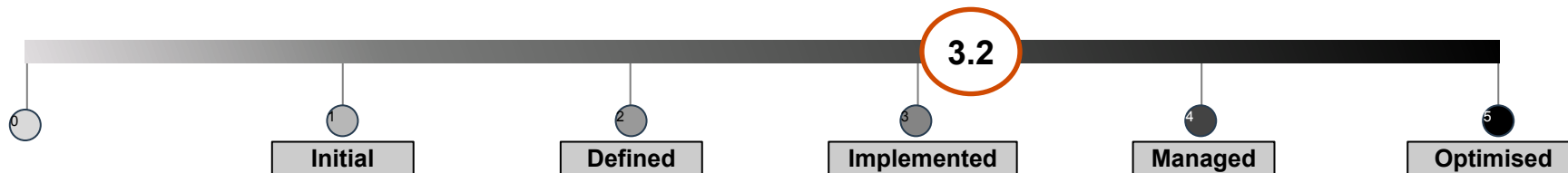
Overall, when assessed against **Global Peers, the PwC Crisis Management Framework, and our assessment based on the interviews and documents reviewed**, AT's response to this crisis was defined, well organised and included repeatable approaches to crisis management.

In particular, the agile way in which the response was managed meant that improvements were made in real time as feedback was received and issues were identified, rather than after the formal lessons learned exercises. Demonstrated in the response to the second lockdown, the lessons learned, and updates being made to the Crisis Management Plan ("CMP") and Pandemic plan leave AT well positioned to respond to future crises.

PwC's Crisis Management Framework is a scored, maturity assessment. Our overall assessment from the Framework is that AT's response was above average at an overall, weighted maturity score of 3.2 which demonstrates a level of maturity which is reasonable for an organisation of AT's size and operations. For context, based on our global experience, there are very few organisations globally which would score above a 4. And those organisations at 4 and above are generally in highly regulated sectors where there may be life and death imperatives in maintaining a significant level of investment to achieve a fully "Optimised" crisis response.

AT's overall maturity score and score in each dimension of the framework should be considered in AT's operational context, risk tolerance and level of investment (in potentially redundant resources) which is appropriate and fit for purpose. AT might not need or want to achieve a 5/5 for all categories.

## Overall Assessment against PwC's Crisis Management Framework



# AT's score against the framework is above average in all dimensions

## PwC Framework - foundational pillars

AT's maturity score for each pillar is shown on the right. The overall score is based on a weighted calculation of the score for each pillar. PwC's detailed analysis of AT's response for each of these foundational pillars is shown on the following slides, including PwC's recommendations and observations.

**AT's overall maturity score and maturity in each dimension should be considered in the context of its operational requirements, risk tolerance, level of investment and what is fit-for-purpose for it.**

Two of the foundational pillars, Risk Management and Crisis Exercising & Awareness are oriented towards crisis programme preparedness rather than crisis response. We considered these to be outside the scope of our work and therefore, we did not specifically examine these two components in our work. However, an assessment of the maturity score of these two pillars is shown on the right and we have recorded the enhancement opportunities identified.



# AT's performance against critical components of the framework was mature

At the upper end of the maturity scale, there were key components of AT's response in which AT demonstrated a mature and sustainable approach to crisis management in our assessment. Three of these components in particular align with our experience from the work of PwC's Global Crisis Center in responding to crises, including COVID-19, which shows that organisations that perform the best have the following three components in place, namely:

1. **A set of principles (Governance, Leadership & Strategy)** - crisis response should be founded on a set of principles which align with organisational values - the creation of the eight guiding principles by AT Leadership and the CMT very early in the process focused the organisation of the crisis response and provided guidance throughout.
2. **Cross-functional collaboration (Crisis Management Team)** - organisations which effectively bring together key people from across functional areas to collaborate outside and beyond existing management structures and divisions have consistently shown more effective crisis response. The CMT and Working Groups clearly operated collaboratively and cross-functionally, bringing aspects of agile to execution as needed, providing a working model for how agile, cross-functional operation could be further embedded into AT's operations going forward.
3. **Stakeholder engagement (Brand & Stakeholder Engagement)** - proactive, customised engagement across stakeholders, internal and external, supported with relevant technology is critical. AT's engagement with stakeholders across government, public transport users, and the general public was a key element of successfully meeting the challenges of COVID-19..



At a more specific level, AT's COVID-19 crisis response compared favourably to global peer organisations: Transport for New South Wales and Transport for London. Each organisation faced its own challenges, however, we observed that AT's focus on the welfare and safety of its employees, and the safety of contractors' employees, along with the effectiveness of engagement with stakeholders were particularly notable by comparison.

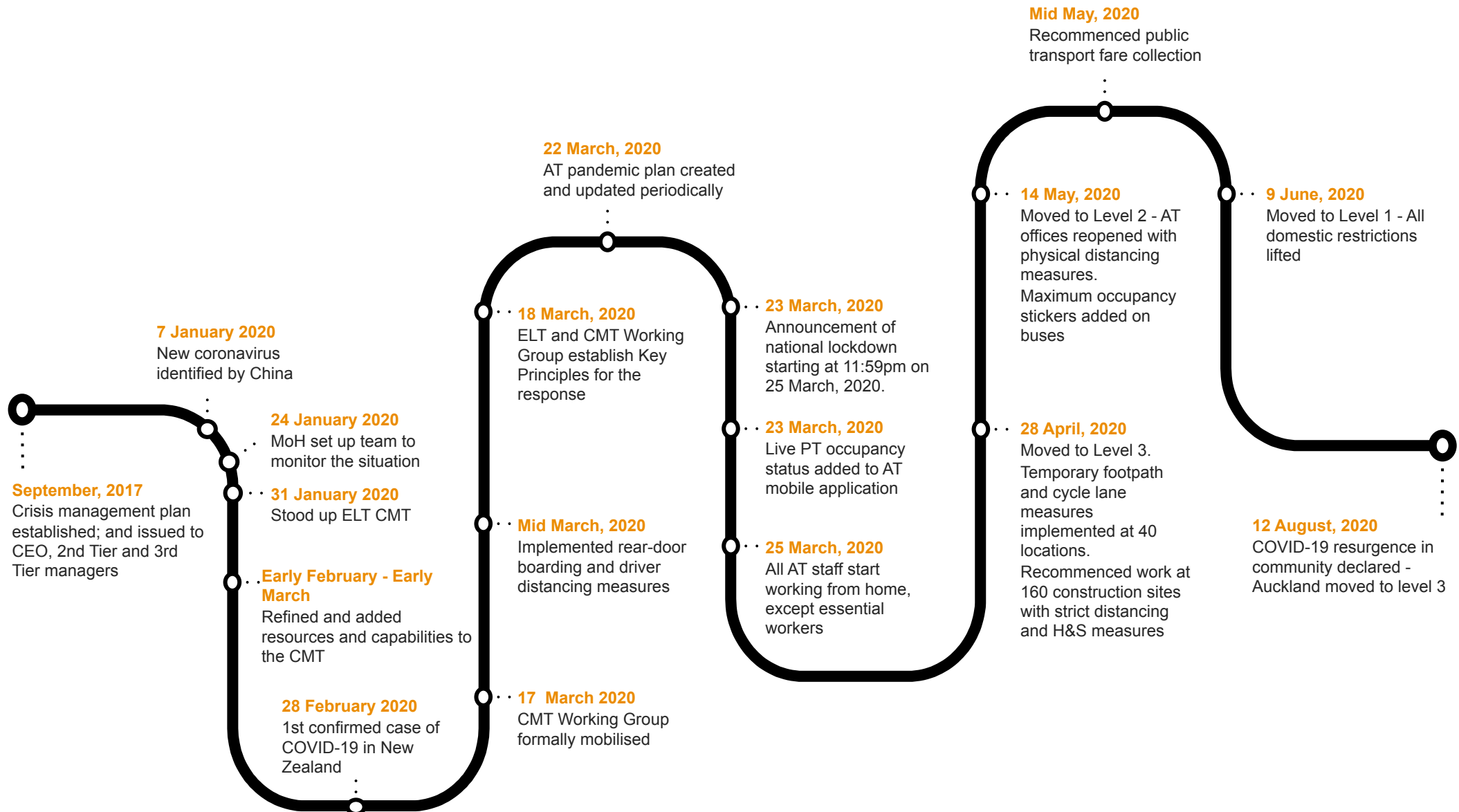
# There are a number of key areas for improvement, some of these are underway or were changed during the initial response

We have identified some opportunities for AT to enhance its crisis management programme and crisis response approach.

1. AT should consider incorporating **dedicated programme management resources** into its crisis management programme, plan and CMT. The initial approach to managing the multiple components of the COVID-19 response was informal, relying on members of CMT not specialist in programme management. We note that the need for programme management resources was identified quickly and was remediated, however, the overall response could have been more effective if specialist programme resources were engaged sooner.
2. AT's crisis response could be enhanced through **scenario planning, including exercises**. Such exercises could be either desktop or simulated, and would allow relevant personnel to practise, assess effectiveness and receive feedback on key components of the crisis response plan. These exercises have the added benefit of raising awareness and assist in incorporating the lessons learned, both operational and cultural, into the day to day business activities of the organisation.
3. AT's communications throughout the crisis response were largely effective in engaging timely with relevant stakeholder groups. However, the speed and effectiveness of stakeholder engagement could be enhanced by **incorporating stakeholder mapping and engagement plans** into the crisis management programme and plan. This would be most effectively linked to scenario planning, where "personas" can be an effective tool to identify, in advance, the different stakeholder groups and their needs in the crisis to tailor and customise communications and engagement based on already identified needs. A further consideration is to examine whether the technologies and tools available for stakeholder engagement will be fit for purpose as the COVID-19 pandemic continues to evolve or as AT faces other crises in the future.
4. AT's principles established for the COVID-19 response had a strong emphasis on the **welfare of its staff, customers and suppliers and the Auckland business community**. AT was genuinely thoughtful and diligent in ensuring it lived up to its responsibilities to its staff, suppliers and customers. There is an opportunity for AT to formally capture this focus on the welfare and wellbeing of key stakeholders, including the CMT themselves in its crisis management programme and plan, and in future crisis management scenarios and exercises.

The COVID-19 pandemic has not ended and there is an opportunity for AT to **focus on the longer term recovery strategy** as the organisation adapts to external circumstances. This would also enable AT to sustain the significant cultural and organisational benefits observed during the crisis response from cross-functional collaboration and agile decision making in particular. We understand that this is a focus of a transformation programme currently being rolled out across the organisation.

# Key dates and events in the evolution of the COVID-19 pandemic and in AT's COVID-19 response.



# Assessment against the PwC Crisis Preparedness assessment framework (1 of 2)

3.2

= Maturity score

Response Category	Key things that went well	Opportunities to enhance response
<p><b>Governance, leadership and strategy</b> <span style="border: 1px solid orange; border-radius: 50%; padding: 2px 5px;">3.2</span></p> <p><i>Success factors that were considered: Governance structure, decision making, sustainability of response and distribution of responsibility.</i></p>	<ul style="list-style-type: none"> <li>• Having an ELT member as the lead of CMT Working Group, and him being enabled to make decisions for ELT, meant decisions could be made quickly.</li> <li>• Relationships between Auckland Council (AC) and AT have improved as a result of close working on the Emergency budget.</li> </ul>	<ul style="list-style-type: none"> <li>• The AT CMP and Pandemic Plans should be updated and refined to reflect the lessons learned about crisis decision making, particularly the agile approach adopted and CMT governance. We understand AT is already in the process of updating the CMP.</li> </ul>
<p><b>Crisis response integration</b> <span style="border: 1px solid orange; border-radius: 50%; padding: 2px 5px;">2.9</span></p> <p><i>Success factors that were considered: CMT interaction with core operations, response information/data, monitoring and implementing crisis regulatory requirements, progress tracking, identification of workstreams, and integration and communication between workstreams.</i></p>	<ul style="list-style-type: none"> <li>• Early planning was crucial in building a fit for purpose CMT and having time for scenario planning.</li> <li>• Open discussion on the response approach led to agile and collaborative working.</li> </ul>	<ul style="list-style-type: none"> <li>• Regular scenario planning is needed during BAU to proactively respond to ongoing risks and opportunities arising from this crisis and other potential crises. Ensure that scenario planning exercises (desktop or simulated) includes key ELT members to develop ownership.</li> <li>• There is opportunity to build an ongoing approach that is agile and collaborative during BAU.</li> </ul>
<p><b>Crisis management plan</b> <span style="border: 1px solid orange; border-radius: 50%; padding: 2px 5px;">2.8</span></p> <p><i>Success factors that were considered: Decision making priorities in CMP, data sharing, exception management, CMT cadence, responsibility of administrative logistics, and reporting and documentation.</i></p>	<ul style="list-style-type: none"> <li>• Guiding principles were developed early and utilised as part of the pandemic plan and guided all action</li> <li>• The Pandemic Plan documented the key changes made between January and March in establishing the CMT and CMT Working Group - next level of detail from the CMP.</li> </ul>	<ul style="list-style-type: none"> <li>• The CMP had not been updated since 2017, however, we note that AT is commenced a review and refresh of the Crisis Management Plan to incorporate the lessons learned from the COVID-19 response.</li> <li>• The Pandemic Plan and CMP should be aligned.</li> </ul>
<p><b>Crisis response team</b> <span style="border: 1px solid orange; border-radius: 50%; padding: 2px 5px;">4.0</span></p> <p><i>Success factors that were considered: Staff wellbeing considerations, hand-off protocols, clarity of roles for leadership and cross functional team members, external support sought and scenario / contingency planning.</i></p>	<ul style="list-style-type: none"> <li>• Establishing the CMT working group with workstreams led by tier 3 managers meant there were close links with operations to take appropriate actions.</li> </ul>	<ul style="list-style-type: none"> <li>• A dedicated Project Manager and project management support in the CMT, was added to the CMT early in the response. Early identification of this need mitigated the potential impact on the effectiveness of AT's crisis response</li> <li>• The CMP should be updated to reflect the tier 3 manager and Project Manager roles/activities.</li> </ul>

# Assessment against the PwC Crisis Preparedness assessment framework (2 of 2)

Response Category	Key things that went well	Opportunities to enhance response
<p><b>Brand and stakeholder management</b> <span style="float: right; border: 1px solid orange; border-radius: 50%; padding: 2px;">3.4</span></p> <p><i>Success factors that were considered: Stakeholder feedback, timely two-way communication with stakeholders, identifying key list of stakeholders, guiding principles for response, brand impact analysis and alignment of response with guiding principles.</i></p>	<ul style="list-style-type: none"> <li>• Stronger relationships with AC, NZTA and the DHBs developed. The strong relationship with NZTA was of particular significance in securing an extension of the fares subsidy to the end of the year.</li> <li>• The treatment of staff, customers and suppliers demonstrated AT were living their principles and being a good corporate citizen.</li> </ul>	<ul style="list-style-type: none"> <li>• We were told that there was no stakeholder map created. While stakeholder communications were a key focus of the CMT, having a plan may have meant that some issues did not develop e.g. playing out impacts by creating personas) may have helped with the establishment of the walking and cycling extensions and in identifying the need for hospital staff to get to their shifts earlier than weekend timetables allowed for.</li> </ul>
<p><b>Crisis management technology</b> <span style="float: right; border: 1px solid orange; border-radius: 50%; padding: 2px;">3.0</span></p> <p><i>Success factors that were considered: Areas where technology enabled / hindered response, use of technology for communicating with internal and external stakeholders, choice of technology and access to internal or external information using available technology.</i></p>	<ul style="list-style-type: none"> <li>• All staff were able to work remotely immediately.</li> <li>• AT mobile app was used effectively for sharing information and engagement and Hop card information provided data for analytics to inform actions.</li> <li>• The AT mobile app was quickly upgraded to show occupancy levels on buses to help with social distancing requirements.</li> </ul>	<ul style="list-style-type: none"> <li>• Balance the desire of staff to work remotely and operational benefits gained during the crisis with the benefits of face to face collaboration.</li> <li>• Consider a framework to ensure agile changes in technology achieved during COVID-19 continue in BAU.</li> <li>• AT should consider technology enhancement of the execution of the CMP, particularly to support key programme management activities, governance, decision making and reporting.</li> </ul>
<p><b>Recovery strategy &amp; management</b> <span style="float: right; border: 1px solid orange; border-radius: 50%; padding: 2px;">2.8</span></p> <p><i>Success factors that were considered: Identification of levers that protect stakeholder interests, key learnings from COVID-19 crisis that will be incorporated into new normal, identification of opportunities available post-crisis and continuous improvement of response in the present and future.</i></p>	<ul style="list-style-type: none"> <li>• The CMT and ELT, supported by the Board, were open to continuous learning throughout the response, adapting the approach and learning from mistakes. The interviewees showed a high level of reflectivity about things that didn't go so well e.g. footpath widening.</li> <li>• The alert level planning means that it is easy for AT to move between alert levels at short notice.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to review what the AT of the future looks like given the impacts of COVID-19 are with us for some time.</li> <li>• Future proofing response capability:             <ul style="list-style-type: none"> <li>○ By developing and testing further scenarios</li> <li>○ Succession planning for the CMT working group to ensure AT continues to have the high levels of capability it has had in this current crisis.</li> </ul> </li> </ul>

# AT's response was compared with two Global peers

We were able to access PwC global experts with direct experience of working with Transport for London (TfL) and Transport for New South Wales (TfNSW), along with the Programme Manager for TfNSW's crisis response. The information gathered through these interactions has enabled us to compare AT's response across a number of key crisis response elements. Notwithstanding the differences of each organisation (see Appendix 4), in our view this shows AT's response compares favourably, particularly in terms of employee safety and welfare, and communications and engagement with customers.

For consistency, we have applied the same maturity scoring framework as the Crisis Preparedness Assessment and similarly note that maturity assessment should be considered in the context of an organisation's operations, needs and what each considers to be fit for purpose. For example, for each organisation the use of data in modelling scenarios and informing response tactics was driven by the needs of the environment in which the organisation was operating, particularly the extent and conditions of the lockdown.

Element of response	AT	Transport for London	Transport for NSW
Provision of full service to ensure essential workers could access	M/O	M/O	M/O
Taskforce/dedicated response team established	M/O	M/O	M/O
Regular meetings - virtual or in person	M/O	M/O	M/O
Programme/project management capability	Imp	M/O	M/O
Use of analytics to develop scenarios	Imp	M/O	M/O
Use of real-time data to inform response tactics	M/O	?	M/O
Safety for staff (e.g. drivers) quickly e.g. PPE	M/O	In/Def	In/Def
Direct links with Government	Imp	In/Def	Imp
Clear messaging from Government	M/O	In/Def	M/O
Communications to customers	M/O	Imp	?

M/O	Managed/Optimised
Imp	Implemented
In/Def	Initial/Defined



2

What we heard

# What we heard - what went well?

To provide an overall sense of the sentiment regarding AT's COVID-19 response, we captured some of the consistent observations that we heard from our interviews with AT's CMT, ELT and the Board

*"We managed the closure of construction sites well and looked after suppliers - people will remember how we behaved when the chips were down"*

*"The principles helped the decision making process. Our key driver was to save jobs and keep staff safe. The principles provided the guide rails"*

*"In the second wave we were able to respond like clockwork"*

*"There was a lot of trust and no ego"*

*"It was one of the best experiences of my working life"*

*"We had a really supportive board and executive - really interested and curious at times. Sometimes they went down the odd rabbit hole but this was borne of genuine interest and curiosity"*

*"I wish we could bottle the innovation and the way teams worked together"*

*"We just had a "get on with it" culture promoted by Rodger"*



# What we heard - what could be improved?



# 3

Evaluation  
against PwC's  
Crisis  
Management  
Assessment  
Framework

# Governance, leadership and strategy

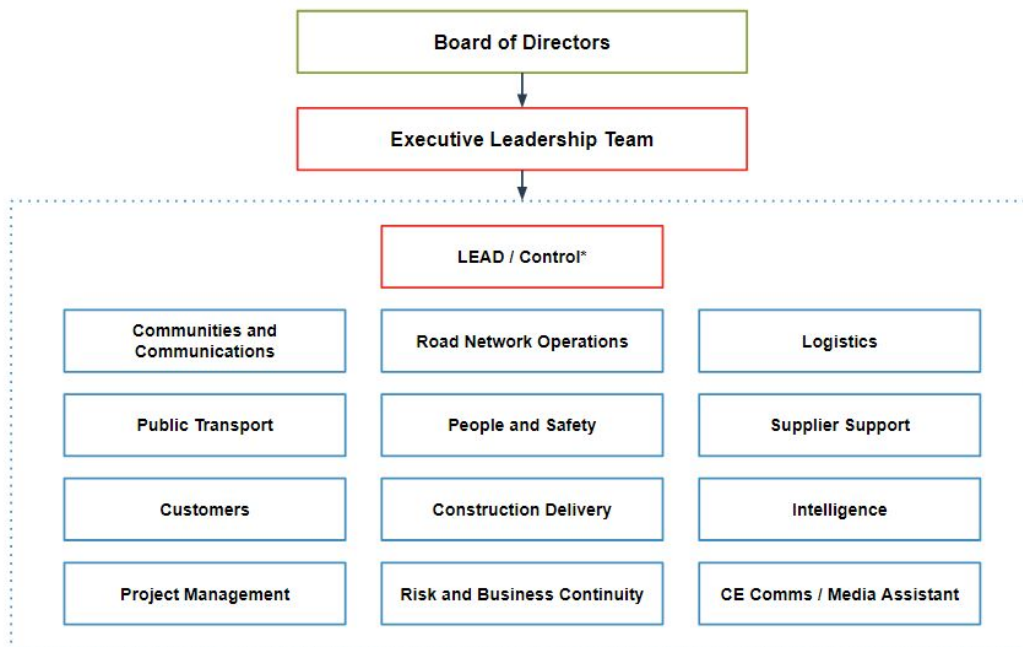
3.2

Maturity score

## Key success factors

- Establishment of responsibility for leading the response
- Governance structure
- How you are responding to long term threats to the business
- Decision making
- Sustainability of the response model

## Governance and programme structure



## Overview:

The Crisis Management Team (see Appendix 5) was stood up in late January 2020 based on the AT Crisis Management Plan drafted in 2017 which envisaged a CMT made up of the ELT with incident management teams stood up as required and led by tier 3 managers.

Very quickly after the ELT CMT was stood up, it became apparent that there needed to be greater tier 3 manager involvement for immediacy of action.

A CMT Working Group with a number of workstreams was established, lead by tier 3 managers and headed by Rodger Murphy, EGM Risk and Assurance.

The revised structure of the CMT with the addition of the Working Group, and changes in the cadence of ELT and Board meetings, enabled fast decision making with the EGM of Risk and Assurance being able to make most decisions on behalf of the ELT, as well as being the main conduit to ELT and the Board to keep them informed.

More sensitive/strategic decisions, e.g. salary sacrifice, went straight through the Board/ELT. In this way, AT could react quickly to changing circumstances and adopt a more “just get on with it” approach.

The model also incorporated a shadow lead person for each workstream and for the CMT lead to ensure resilience in case of sickness and to protect the team from burnout.

# Governance, leadership and strategy

3.2

Maturity score

## What worked well:

- Decision making processes were clear and responsive enabling a “let’s try it” approach in a situation no-one had experienced before.
- EGM Risk and Assurance was able to keep the ELT informed, meeting on a daily basis to provide updates and as required if input to decision making was required, but they didn’t need to be in the detail and could carry on with BAU.
- Board Chair initially met with ELT daily ensuring no vacuums in information and Board trusted the ELT to take some risks.
- The workstream leads were empowered with authority and had the necessary experience and technical skills to drive initiatives through cross functional teams.
- The workstreams worked closely and met twice a day at the height of the outbreak ensuring all stakeholders had clarity over decisions made and changing circumstances.
- AT and its Board have been working closely with both Auckland council (AC) and NZTA regarding the long term financial and strategic impacts on AT resulting in an extension of subsidies to the end of the year.
- Relationships between Shane Ellison, AT Chief Executive (CE), and Central Government provided a means to obtain some prior notification on potential Government actions in the weeks before the first lockdown, enabling AT to commence some preparations.

## Opportunities to enhance response:

- The Crisis Management Plan was approved in 2017 and had not been updated since that time and so when the CMT was initially stood up it quickly became apparent that the team and governance structure was not going to be fit for purpose for this crisis. Because the team was stood up very early on, the team had time to adapt to meet the current needs.
- We understand that the CMP is currently being updated as a result of the experiences during the crisis and we recommend that this is done on a regular basis and in particular, when there are significant organisational changes.
- There was some external and political pressure on AT from a range of external stakeholders to swiftly enact changes to facilitate social distancing, e.g. widening roads and cycleway. AT responded quickly but acknowledges that its implementation lead to confusion for pedestrians/cyclists and inconvenience for road users/businesses. The response was much more measured and evidence-based in the second lockdown when AT had had time to learn from the first lockdown.

# Crisis response integration

2.9

Maturity score

## Key success factors

- Does your planning (CMP, Business continuity, risk management plans) inform your response?
- How did you identify work streams?
- Measurement of progress/success
- Integration and communication between workstreams
- Monitoring COVID-19 regulatory and legal updates and ability to implement requirements
- What information/data is helping you to respond?
- How does CMT interact with core operations?

## Overview:

AT initiated significant COVID-19 response planning in the first few months of 2020, standing up the initial CMT in January, followed by the establishment of the CMT working group. The initial response was informed by the Crisis Management Plan and later by the Pandemic plan.

Prior to there being active cases in NZ, AT also conducted various analyses based on potential government response to examine how this would impact on customer confidence, economic outlook and passenger behaviour over 3, 6 and 12 month horizons. Each business unit also had business continuity plans but these were at varying levels, currency and applicability to the pandemic response which limited the value of leveraging these plans as part of the response.

Once the Government introduced the alert levels AT did further planning to help it move easily between alert levels and this has served it well as a playbook as alert levels in Auckland have changed.

The CMT Working Group was initially set up under a CIMS model which is AT's typical model for crisis and incident management. This was adapted to enable a more collaborative approach (as opposed to the typical command and control of CIMS).

Workstreams were cross functional and led by a tier 3 GM. They were based around where they thought the need would be e.g. Public transport (PT), Suppliers. An intelligence and legal workstream was added. CMT met twice daily at the height of the response, ensuring strong communications between workstreams.

The CMT Working Group was fully integrated with AT operations through its cross functional membership, close relationship with ELT who were kept fully informed through daily meetings and through informal catch ups between ELT and workstream leads. Much of the response also directly involved BAU activities e.g. parking control at testing stations.

The CMT Working Group had access to weekly "pulse of the customer" data which enabled it to pivot initiatives to better meet customer needs.

# Crisis response integration

2.9

Maturity score

## What worked well:

- Alert level planning enabled smooth movement in and out of alerts “like clockwork”.
- Early planning enabled AT to determine a fit for purpose CMT model and workstream structure, develop scenario plans and a specific pandemic plan.
- Open discussions led to an approach which enabled more agility and collaboration than CIMs and also aligned with AT’s incident management approach (particularly in relation to network incident response from ATOC).
- The response was based around eight key principles (see Appendix 6) which guided all actions. Primary among these was the imperative to protect jobs and keep people safe.

## Opportunities to enhance response:

- Business continuity plans should be regularly reviewed in conjunction with scenario planning.
- Scenario planning during BAU will be important to ensure there is current thinking on response to risk scenarios and that key staff are able to kick back into action quickly.
- We understand that when scenario testing was carried out prior to the response, there was limited involvement from the ELT. There is an opportunity to make this mandatory to ensure full ownership across the ELT.



# Crisis management plan

2.8

## Key success factors

- Do the CMP or other guides outline the priorities to consider during decision making?
- How do workstreams share information?
- How are unexpected challenges handled?
- Is responsibility for administrative logistics designated to individuals/Teams?
- How does the CMT convene?
- What templates are used to support efficient documentation, comms, reporting?

## Overview:

The AT Crisis Management Plan was last updated in September 2017 and it was a good basis for establishing AT's initial response including event triggers, the basis for workstreams, specified that the ELT would lead the CMT and established the principle of having an alternate for each ELT member. As discussed earlier, the early response by AT meant that this document could be supplemented by more targeted planning including the development of guiding principles and the Pandemic Plan. The Pandemic Plan established the CMT working group workstreams including separate teams focused on logistics, communications and intelligence to supplement the operationally focused workstreams.

From 23 March all AT staff were required to work from home (with the exception of a small number of essential workers). CMT meetings were conducted virtually and Microsoft Teams was used to ensure access to meeting minutes, actions and decisions.

## What worked well:

Maturity score

- Starting planning early meant AT had time to update its planning and become fit for purpose to respond to the reality.
- Incident response is built into what AT does which meant they had existing systems and processes which could be adapted to assist in the COVID-19 response, e.g. familiarity with the Coordinated Incident Management System ("CIMS") model.
- Guiding principles were developed early and included in the Pandemic Plan.
- The CMT and ELT worked in an agile way - CMT members were not afraid to try something and if it didn't work they tried something else.
- Use of Microsoft Teams enabled effective sharing of information and virtual meetings to ensure the team remained connected.

## Opportunities to enhance response:

- The Crisis Management Plan should be updated to reflect the lessons learned from the COVID-19 response and a mechanism for periodic review and refresh so the plan remains adaptable to external and internal changes. AT should also ensure that it is aligned with the Pandemic Plan. We understand this work is well under way.
- The plan has an assumption that all Units in AT have Business Continuity Plans in place. We were told that the quality of these varied.

# Crisis management plan

2.8

Maturity score

## Opportunities to enhance response (continued):

- We were informed that AT were later than some other organisations activating remote working. Interviewees believed that this was partly due to a potential perceived conflict between communications and messaging to public transport users and the general public that Public Transport remained safe to use and messaging to AT employee that they should work from home. This was also related to AT's decision to follow Ministry of Health advice and the fact that AT had not previously advised people to work from home, except in the case of vulnerable staff. AT may wish to consider defining in the crisis management plan the circumstances and timing of guidance to employees regarding remote working.

# Crisis response team

4.0

## Key success factors

- How is the team structured?
- Have alternates/hand off protocols been identified?
- Are roles and responsibilities clear for: leadership, Incident co-ordinator, cross functional response team members?
- How are extra resources identified?
- Are HR involved in staffing conversations?
- How did you consider the wellness and physical/emotional needs of the crisis response team?
- Did you engage any external support
- Do you have resources dedicated to scenario planning and developing contingencies?

## Overview:

Maturity score

In accordance with the Crisis Management Plan, preparatory work to mobilise the CMT commenced in mid January. The initial make up of the CMT was ELT members (“ELT CMT”) which was formally mobilised in response to COVID-19 on 31 January 2020. Soon afterwards, and as events progressed over the period of February to mid-March, it became clear that the needs of AT’s response to the crisis required additional resources and capabilities. It was determined that a sub-group was required with specific, non-operational workstream portfolios to drive the day to day response and so the CMT Working Group was formally mobilised on 17 March 2020. From this point, this group was generally referred to as the CMT.

Workstreams were based on the CIMS model and adapted to ensure the key areas of need were covered. The focus needed to be on key elements such as the road network and PT, but also ensured a focus on customers, suppliers and staff.

Additional support was provided to the team through an intelligence team scanning for intelligence and insights globally as well as updating on what was happening in New Zealand with respect to the COVID-19 crisis.

In the early stages of AT’s response to COVID-19, ELT CMT was supported by members of the Risk team, however, after the formal mobilisation of the CMT on 17 March, a capability need was quickly identified for an experienced Project Manager to support the CMT and project manage the response. A contractor, was engaged and brought into the CMT in the second week to provide project management throughout the remainder of the initial response and during the second lockdown.

## CMT Working Group Workstreams



# Crisis response team

4.0

Maturity score

## What worked well:

- Establishing the CMT working group with workstreams led by tier 3 managers enabled ELT to continue with BAU activities at an appropriately strategic level.
- Tier 3 managers were senior enough to get things done and had the detailed knowledge of operations.
- Having the EGM Risk and Assurance heading up the CMT on behalf of the ELT meant that most decisions could be made quickly and the ELT were available at short notice where further input was required.
- Engaging a project manager gave good structure to the CMT.
- The intelligence gathered from overseas and NZ was seen as universally helpful to the team.
- The leadership from the EGM Risk and Assurance enabled the workstreams to try things and take some risks enabling quick action and collaboration between teams.
- The alternate system with the week about on/off, while it didn't mean one workstream lead was completely "off", it did mean they could take a more back seat role and assisted with creating resilience.

## Opportunities to enhance response:

- While it was addressed early, there was initially a gap in project management capabilities in the CMT; the CMT did not include dedicated personnel with project management responsibilities, experience and tools. This should be a core skill set for future responses and other major events, and the role and tools of project management should be included in the CMT and CMP.
- The CMT developed a playbook for moving between alert levels. These supported an easy transition back up the levels in August. It will be essential to ensure that these are reviewed and "practised" to avoid complacency.
- Alternate personnel were identified for each workstream to build in resilience during the lockdowns and to provide some respite to key personnel. In practice, notwithstanding this approach, during our interviews in September and October, interviewees reported a level of fatigue from the intensity and cadence of the crisis response. AT should consider the approach to staffing the CMT to manage succession planning and to prepare and respond effectively if another lockdown is required.
- Continually review the make up of the CMT workstreams to ensure resilience and retention of the key capabilities.
- Wellbeing considerations of the CMT working group should be specifically addressed in the crisis management plan, to ensure long-term sustainability of the response

# Brand & stakeholder management

3.4

Maturity score

## Key success factors

- Feedback from key stakeholders about response
- How are you communicating the impact of COVID-19 on the business and understanding impact on key stakeholders?
- Do you have a formalised list of key stakeholders?
- How do decision making processes differentiate between stakeholders?
- Have you got guiding principles which reinforce brand, purpose and values?
- Have you been able to identify brand impacts
- How did you ensure that information important to stakeholders was delivered in a timely way?
- To what extent was your response aligned to the guiding principles?

## Overview:

AT's guiding principles put its numerous stakeholders at the heart of its response. This included AT staff, customers, Council, Central Government and AT's suppliers.

AT used some existing communication tools which were ramped up e.g. a customer sentiment survey to get real time feedback from PT customers was increased from 3 monthly to weekly, the Hop card was used to send notifications to users on a more frequent basis.

AT was actively involved with stakeholder groups including AC, NZTA, suppliers and contractors, bus operators, Auckland emergency management, MoH, DHBs and the national PT forum

## What worked well:

- All interviewees told us that communications to staff were excellent and they noted, in particular, the CEO's videos as being helpful, informative and reassuring.
- Strong relationships with NZTA and good modelling by AT enabled discussions which led to the successful extension of the PT subsidy
- Building relationship with the DHBs meant that AT was able to quickly change PT timetables to ensure that on a reduced timetable DHB staff could make early shifts.

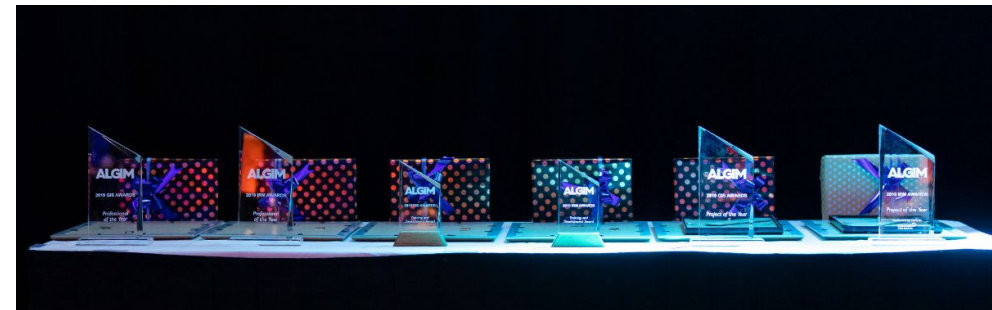
# Brand & stakeholder management

3.4

Maturity score

## What worked well (cont.):

- Building of the relationship with AC during the development of the Emergency budget which appears to have created a more constructive working relationship.
- Taking proactive measures to ensure the commercial viability of suppliers e.g. through advance payments (varying payment terms to provide earlier payment) and ensuring invoices were not blocked meant that suppliers such as construction companies were able to promptly resume operations at level 3.
- AT was able to continue operating the PT network during the crisis, keeping passengers and staff safe.
- Occupancy data on the AT app and electronic communication boards at various PT locations meant PT users could see how likely it was they would be able to get on an approaching bus or train and plan accordingly. This occupancy functionality was developed and implemented via the AT app for buses in just 2 weeks (with train occupancy data added soon thereafter) and won an ALGIM\* 2020 Special Award for AT's *"Rapid digital response to COVID-19: providing Aucklanders with the confidence to use public transport"*.
- AT took its role as principal in its relationship with bus operators seriously and provided the companies with PPE, sanitiser, moving to rear door entry, cashless, blocking seats near drivers and access to communications and information from Central Government. Interviewees have observed that this has strengthened the relationship between AT and the transport operators.
- Media analysis obtained by AT consistently throughout the crisis has shown a significant increase in positive stories about AT. AT considers that it has developed a better relationship with the media through the crisis.
- For AT Customer Services, as part of the crisis response, AT accelerated cross training of staff which meant it was able to carry out more outbound calls to specific customer groups e.g. Mobility customers. This has led to a reduction in the requirement to engage temporary staff to fulfil customer engagement requirements.
- AT held regular meetings with PT operators to drive a consistent approach to the crisis response and to cascade information effectively to PT users.



2020 ALGIM SPECIAL AWARDS

# Brand & stakeholder management

3.4

Maturity score

## Opportunities to enhance response:

- Ensure that AT keeps up with the enhanced level of communications to staff to continue to build trust across the organisation.
- Developing a stakeholder map with accompanying personas for key stakeholder groups, linked to various crisis scenarios within the crisis management programme and plan, may help AT to anticipate and plan for the impacts on/needs of stakeholders in advance, and the communications and engagement required with each group. A stakeholder mapping exercise may have accelerated identification the needs of particular essential workers (e.g., health workers) during the first lockdown and the impact on their travel of changes to the timetable.
- All construction work ceased in the first lockdown and AT sought to engage with key suppliers regarding the impact of the crisis and to provide certainty and clarity of AT's response. On subsequent review, AT has identified that some suppliers impacted by the crisis were not included in this engagement e.g. professional services (such as architects and engineers) based on an assumption that they could continue operating via remote working. However, the reality was that for many of them work ceased. There is an opportunity for AT to broaden its view of suppliers and stakeholders in any future lockdown.

## Opportunities to enhance response:

- AT manages multiple, and sometimes competing stakeholders. This was apparent with the footpath extensions and other measures taken in the first lockdown to increase the capacity for physical distancing, measures that were implemented quickly outside the usual process of stakeholder engagement. In the second lockdown AT was able to take a more measured approach and implement extensions where there was high use through analysis of pedestrian call buttons, additional camera installation and other sources of key data. AT should explore other potential data sources which could inform tactical elements of crisis response in the future.

# Crisis management technology

3.0

Maturity score

## Key success factors

- How does technology support your crisis response?
- Did you leverage technology to communicate with internal and external stakeholders? One way or two way?
- How familiar are your stakeholders familiar with the technology you're exposing them to?
- How has technology been an enabling or limiting factor in your ability to make use of the right internal and external information?

## Overview:

Although AT did not have a formal technology disaster recovery plan, it had been implementing steps to ensure staff could operate remotely e.g. rolling out laptops. This meant that AT was able to effectively respond and had all but essential workers working remotely, having carried out a number of tests before lockdown commenced.

The implementation of Microsoft Teams meant that teams could communicate virtually and share information.

Technology to support customer use of public transport was already in place and AT quickly leveraged this to provide value add services such as occupancy management and notification to customers. Communications through the AT app increased and provided customers of PT with clear instructions on the practical steps customers needed to take including entry and mask wearing.

The technology also enabled AT to respond to Government requests for contact tracing and determine customer behaviour.

While on the whole the technology worked well, there were some data accessibility gaps with information being located across numerous systems or not captured at all prior to the crisis e.g. identifying all contractors working in construction or all essential workers in the AT workforce. While this didn't stop AT being able to do what was required, it made processes for the team more labour intensive e.g. getting travel authorisations for those who needed them was more complicated which slowed down production of authorisations.



# Crisis management technology

3.0

Maturity score

## What worked well:

- With the exception of a small number of systems all were available remotely at the outset enabling staff to immediately work from home. All systems were available within a few days.
- Parking officers were used in the early days of level 4 to deliver additional equipment to staff
- Broadband capability had been increased in January 2020 so there were no capacity issues in accessing systems.
- Use of HOP card - AT had been working to increase the use of and registration of HOP cards prior to Covid 19. Registration increased further to 93% during the crisis with frequent reminders for users to register their card when they tagged on and off (with a 3 beep signal to request people to register their card).
- Rapid action to include occupancy on PT within the AT app. This feature has been retained.
- Notifications were pushed quickly through the AT app - often within minutes of the daily press briefings e.g. a new requirement to wear masks.
- AT was required to display the QR code on all transport, as well as customers tagging on with their HOP cards. When a bus driver tested positive AT were able to use the AT HOP card data to provide details of the routes, the buses and the 300+ passengers to the MoH within 2 hours for contact tracing.
- Use of technology to assess both customer and staff sentiment (through a daily pulse check).

## Opportunities to enhance response:

- AT staff have embraced remote working. This can be leveraged in terms of creating flexibility for staff and operational benefits e.g. parking staff starting shifts from home but needs to be balanced so that the benefits and ease of face to face collaboration and relationship building are not lost.
- Put in place a framework so that agile changes in technology achieved during the crisis can continue during BAU.

# Recovery strategy and management

2.8

Maturity score

## Key success factors

- What actions are you taking to protect your stakeholder interests e.g. identifying specific improvement levers etc?
- How are you learning from COVID-19 to make lasting improvements for what might be the new normal?
- Has your response presented opportunities e.g. accelerating the deployment of products and services, creating long term strategic changes to core business?
- Have you collected and used lessons learnt to continuously improve your response?

## Overview:

AT has identified a number of positive outcomes from the crisis response including greater collaboration across the organisation, a realisation that it can act with greater speed and urgency than it typically does and a strong desire to capitalise on these organisation changes.

AT told us that their media analysis shows a marked increase in positive stories this year.

AT showed leadership in its handling of the crisis and built good relationships with AC through the Emergency Budget process and proactive work by the ELT to identify AT's contribution to the significant savings required.

AT has dealt with four separate crises this year and has demonstrated that it has the systems, processes and people capability to respond well:

- COVID-19 - two Auckland lockdowns
- Water restrictions which impacted construction sites
- The partial closure of the Harbour Bridge for urgent repairs following a wind-related incident
- Impacts of KiwiRails decision to carry out a major upgrade to its tracks'

# Recovery strategy and management

2.8

**Maturity score**

## What worked well:

- AT showed willingness to make changes to its response throughout the first lockdown. Due to early engagement it had time on its side, and could construct its response team in the most appropriate way.
- AT added capability as required to e.g. project management.
- AT carried out a learning review at the end of the first wave of COVID-19 cases and implemented changes. A key change was in how it responded to the need to make space for social distancing (footpaths/cycling).
- Because AT had honed the team and processes, including the alert level preparedness, little needed to be changed for the second Auckland lockdown.
- An outcome of the way AT personnel worked together has been the launch of an organisation wide re-shape programme to capture and leverage the gains made, including the ability to work in an agile way, and to ensure sustainability of the momentum developed to make changes.
- During lockdown, AT started to make operation changes to staff deployment to avoid excessive travel to and from AT work sites and the commencement and end of shifts to uplift necessary equipment.
- AT has experienced significant volatility in its business this year, going from 100% revenue to 5% overnight under level 4. It worked hard with NZTA to show these impacts, and gain commitment for funding subsidies; which enabled AT to continue to provide services to essential workers and pay bus and train operators.

- AT has made a number of bids for the Crown Infrastructure Fund ("shovel ready" projects). Those involved in that process told us that the cohesiveness created during the crisis meant that this process was smooth when compared with similar bid processes in the past - completing the applications in just a week.
- AT introduced off-peak fares to help with social distancing. This required a change in policy which was done quickly, whereas it would normally have taken months.

## Opportunities to enhance response:

- AT has already started the Re-shape programme. Given the significant changes in the environment AT is operating in (with revenue unlikely to get back up to pre-COVID levels without international students) AT needs to test and challenge assumptions about what the public transport user of the future needs.
- Leverage the gains made during the initial crisis to change ways of working, harnessing innovation and greater collaboration.
- Continue to plan for numerous scenarios e.g. how will an effective vaccine impact AT, what will the impact of a full or partial border opening be? What if Auckland goes in and out of lockdown every few months? Planning and testing needs to be ongoing to ensure AT is able to kickstart its response quickly.

# Recovery strategy and management

2.8

Maturity score

## Opportunities to enhance response (continued):

- The CMT working group membership comprised an experienced group of tier 3 managers. AT needs to plan the succession to a number of key roles to ensure that should these people leave the organisation there are suitably experienced people who can replace them.
- Continue to explore new ways of working such as parking and transport officers commencing work from home to maximise efficiencies.
- Some jurisdictions used the lockdowns as an opportunity to accelerate street/infrastructure projects. While the rules in NZ were different (given all sites had to close in level 4), we were told that AT could have planned more to be ready to start/accelerate projects in level 3. We realise that this is not uncomplicated and involves multiple moving parts e.g. consents and permits. However, we recommend progressing this with Council to determine an approach to enable such work to happen if there are future lockdowns.

4

Other  
Observations

# Other observations

## Bringing the Principles to life

AT's principles established for the COVID-19 response had a strong emphasis on the welfare of its staff, customers and suppliers and the Auckland business community. AT was genuinely thoughtful and diligent in ensuring it lived up to its responsibilities to its staff, suppliers and customers. We believe that AT's leadership in this warrants a specific call out in this report. We were told of an number of initiatives and critical positive outcomes of which all interviewees were very proud. These actions signalled a real intent to put the AT Covid 19 principles into practice and for AT to step up and deliver against wider social responsibilities..

<b>Remuneration reduction</b>	This was a voluntary initiative where staff earning over \$100k sacrificed between 5%-20% on a sliding scale proportionate to their salary. Although this was voluntary, the messaging "saving jobs for all staff" resonated well and there was a high opt-in rate.
<b>Special leave for staff</b>	Staff who could not do their jobs remotely and could not be redeployed were given special paid leave which meant they did not need to use their annual leave. It should be noted that while this was the case for the first two lockdowns, AT identified that this was possibly not going to be financially sustainable for successive lockdowns given ongoing revenue constraints.
<b>Hardship grant for staff</b>	The CE established a hardship grant which all staff could access with grants up to \$3,000 being available for staff who met the requirements of the fund.
<b>Staff redeployment</b>	During the second lockdown AT had less people on special leave and got better at redeploying staff. An example of this was staff worked with AC on the food bank at Eden Park.
<b>Suppliers - bus operators</b>	AT took its role as Principal (under the Health and Safety at Work Act) seriously and leveraged its size to ensure that the bus operators had access to the information and messaging needed for staff and crucially PPE and sanitiser. This was a crucial difference between TFL and TfNSW. 39 London bus drivers died as a result of COVID-19 and we were told that TfNSW were slow getting masks to staff, many of whom provided their own in the interim.

# Other observations

<b>Suppliers e.g. construction</b>	AT took steps to ensure that construction companies across its 160 active sites were supported through an early payment scheme. Essentially paying for work completed earlier than required in the contract. They also reviewed blocked invoices to ensure these were resolved and paid. AT worked closely with the companies during the level 4 lockdown to develop new H&S systems and processes so that once NZ went to level 3 they could be up and running quickly.
<b>PT customers</b>	AT was proactive in getting feedback from its PT users in terms of whether they felt safe using public transport and made adjustments to services based on their responses. Communications to customers through the AT app were clear and were often provided minutes after the daily press conferences held during the lockdown. Once masks were required they took an educational response, providing masks to those without them.

There is an opportunity for AT to formally capture this focus on the welfare and wellbeing of key stakeholders in its crisis management programme, and in future crisis management scenarios and exercises.

# Other observations

## **Additional Pillars of Crisis Management Programme and Preparedness**

There are components of PwC's Crisis Preparedness Framework which are primarily focused on the crisis management programme and preparedness, rather than crisis response and therefore, were outside the scope for PwC's review. However, in evaluating the information gathered against the framework, we observed elements of AT's overall crisis management programme which provide insights into further areas for enhancement as you consider how to sustain the ongoing response to the COVID-19 Crisis, and capture some of the key lessons learned from the crisis into business as usual activities.

### **a. Risk Management**

During the response there was key risk expertise (and a risk workstream) as part of the CMT working group who ensured that all risks were captured and managed. The cadence of Audit and Risk meetings was increased including joint meetings with Council's risk committee. In the context of the overall crisis management programme, AT may wish to ensure that the crisis management plan and programme:

1. Effectively identifies and protects critical assets in the context of crisis management;
2. Leverages opportunities to build in and align the outputs from other risk and compliance assessments performed across the organisation into the crisis management programme; and,
3. Incorporates AT's tolerance to risks, explicitly to define responses to potential scenarios.

### **b. Crisis Exercising and Awareness**

As AT continues to refine and refresh the Crisis Management Programme and Plan with the lessons learned from the COVID-19 response, it may also wish to consider opportunities to "bake" the lessons learned into business as usual practices and to capture the lessons learned within the intellectual knowledge base of the organisation through crisis exercises, training and awareness. In particular, AT may wish to consider:

1. Developing a plan to conduct crisis exercises on a periodic basis so that key employees maintain and build their knowledge, and to sustain the cross-functional collaboration that was a hallmark of the COVID-19 response;
2. Targeted training for identified members of the CMT, and broader groups as relevant to meet any training needs that have been identified from the lessons learned exercises or that are identified from other activities that are inputs into the Crisis Management Programme (see considerations regarding Risk Management set out above); and,
3. Identifying opportunities to promote awareness of the crisis management programme.



5

Appendices

# Appendix 1 - Disclaimer

This document has been prepared solely for the use of AT and for the purposes stated herein. It should not be relied upon for any other purpose. We accept no liability to any party should it be used for any purpose other than that for which it was prepared. This document is strictly confidential and (save to the extent required by applicable law and/or regulation) must not be released to any party without our express written consent, which is at our sole discretion.

We have not independently verified the accuracy of information provided to us, and have not conducted any form of audit in respect of AT. Accordingly, we express no opinion on the reliability, accuracy or completeness of the information provided to us, and upon which we have relied.

Our engagement did not constitute a statutory audit (the objective of which is the expression of an opinion on financial statements) or an examination (the objective of which is the expression of an opinion on management's assertions).

To the fullest extent permitted by law, PwC accepts no duty of care to any third party in connection with the provision of this document and/or any related information or explanation (together, the "Information").

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We reserve the right, but are under no obligation, to revise or amend the document if any additional information (particularly as regards the assumptions we have relied upon) which exists at the date of this document, but was not drawn to our attention during its preparation, subsequently comes to light.

This document is issued pursuant to the terms and conditions set out in our Letter of Engagement with AT, dated 14 July 2020.

# Appendix 2 - AT Documents reviewed (1 of 4)

Name of document	Category of assessment
ELT CMT notes - first meeting.pdf	Establishment of CMT
Key Principles.pdf	Establishment of CMT
Establishment of CMT info.xlsx	Establishment of CMT
CMT Scenario Breakdown Structure v12.pptx	Establishment of CMT
AT Pandemic Plan 2020.pdf	Establishment of CMT
AT Crisis Management Plan Sept 2017 RM.pdf	Establishment of CMT
Workstream KPIs	Policy and Process
Policy and Process info.xlsx	Policy and Process
CMT WG Alert Level Planning v2	Policy and Process
AC CMT - Ian Maxwell - Scenario planning stage 3 - 3 March 2020.pdf	Governance
The key messages - 15 July 2020. pdf	Governance
Mayor memo to elected reps - 3 March 2020. pdf	Governance
Governance info.xlsx	Governance

# Appendix 2 - AT Documents reviewed (2 of 4)

Name of document	Category of assessment
CMT_COVID-19 Key Learnings.pptx	Governance
CMT meeting minutes - February meetings	Governance
CMT meeting minutes - March meetings	Governance
CMT meeting minutes - April meetings	Governance
CMT meeting minutes - May meetings	Governance
CMT meeting minutes - June meetings	Governance
AT COVID report August 2020.pdf	Communications
AT COVID report 1 April-2 May 2020.pdf	Communications
Factsheet Public Transport Operators 17 March 2020.pdf	Communications
No Cash payment on Buses.pdf	Communications
Supplier COVID19 Comms final.pdf	Communications
Social Media reports (March to June 2020)	Communications
Customer Impact Assessment CBD.pdf	Change management and feedback

# Appendix 2 - AT Documents reviewed (3 of 4)

Name of document	Category of assessment
PT Online Satisfaction Survey - Topline results Final.pdf	Change management and feedback
Queen Street Pilot - Final_July 2020.pdf	Change management and feedback
Customer Voice surveys (June)	Change management and feedback
Supplier support scope on a page.pdf	Operating model and organisational structure
Road Network Ops Scope_21032020.pdf	Operating model and organisational structure
Public Transport scope.pdf	Operating model and organisational structure
Presentation at the 17 March,2020 extended WG meeting.pdf	Operating model and organisational structure
People and Welfare Scope.pdf	Operating model and organisational structure
Operating model requests.xlsx	Operating model and organisational structure
Logistics -AT Scope.pdf	Operating model and organisational structure
Extended COVID-19 Working group.pdf	Operating model and organisational structure
Customer Experience Scope.pdf	Operating model and organisational structure
Construction Delivery scope.pdf	Operating model and organisational structure

# Appendix 2 - AT Documents reviewed (4 of 4)

Name of document	Category of assessment
Comm approach and scope.pdf	Operating model and organisational structure
CMT structure.pdf	Operating model and organisational structure
CIMS Functions and Responsibilities.PNG	Operating model and organisational structure
RNO Recovery Scenario Planning_Exec summary.docx	Operating model and organisational structure
RNO COVID-19 AL2_Recovery Plan_final.pdf	Operating model and organisational structure
COVID19_Phys Distancing memo_SE_150820.pdf	Operating model and organisational structure
C19_Cylist analysis-Detailed Report - 10 March -31 August.pdf	Operating model and organisational structure
C19_October Daily Traffic Volume Report.pdf	Operating model and organisational structure
CMT_COVID-19 Key Learnings.pptx	Overview
AT's COVID Response Presentation.pdf	Overview
AT_Metro_response and lessons learnt.pptx	Overview
AT_Metro_COVID19.pptx	Overview

# Appendix 3 - Interviewees (1 of 2)

Name	Organisation	Role
Shane Ellison	AT	Chief Executive
Rodger Murphy	AT	EGM Risk and Assurance
Roger Jones	AT	EGM Business Technology
Mark Lambert	AT	EGM Integrated Network
Mark Laing	AT	EGM Finance
Andrew Allen	AT	EGM Service Delivery
Vanessa Ellis	AT	EGM Customer Experience
Natasha Whiting	AT	EGM Culture and Transformation
Adrienne Young-Cooper	AT Board	Chair
Wayne Donnelly	AT Board	Deputy Chair
Mary Jane Daly	AT Board	Board member

# Appendix 3 - Interviewees (2 of 2)

Name	Organisation	Role
Randhir Karma	AT	Road Network Operations - Workstream lead
Andrew Carr	AT	Logistics - Workstream lead
Stacey Van Der Putten	AT	Public Transport - Workstream lead
Cat Boyd	AT	People and Safety - Workstream lead
Craig Ryan	AT	People and Safety - Workstream lead
Andy Richards	AT	Supplier Support - Workstream lead
Janine Allan	AT	Customers - Workstream lead
Teresa Burnett	AT	Community & Communications - Workstream lead
David Nelson	AT	Construction Delivery - Workstream lead
Michael Li	AT	Intelligence Workstream
Brigitte Theuma	AT	Risk and Business Continuity Workstream
Guy Thorpe	AT	Project manager



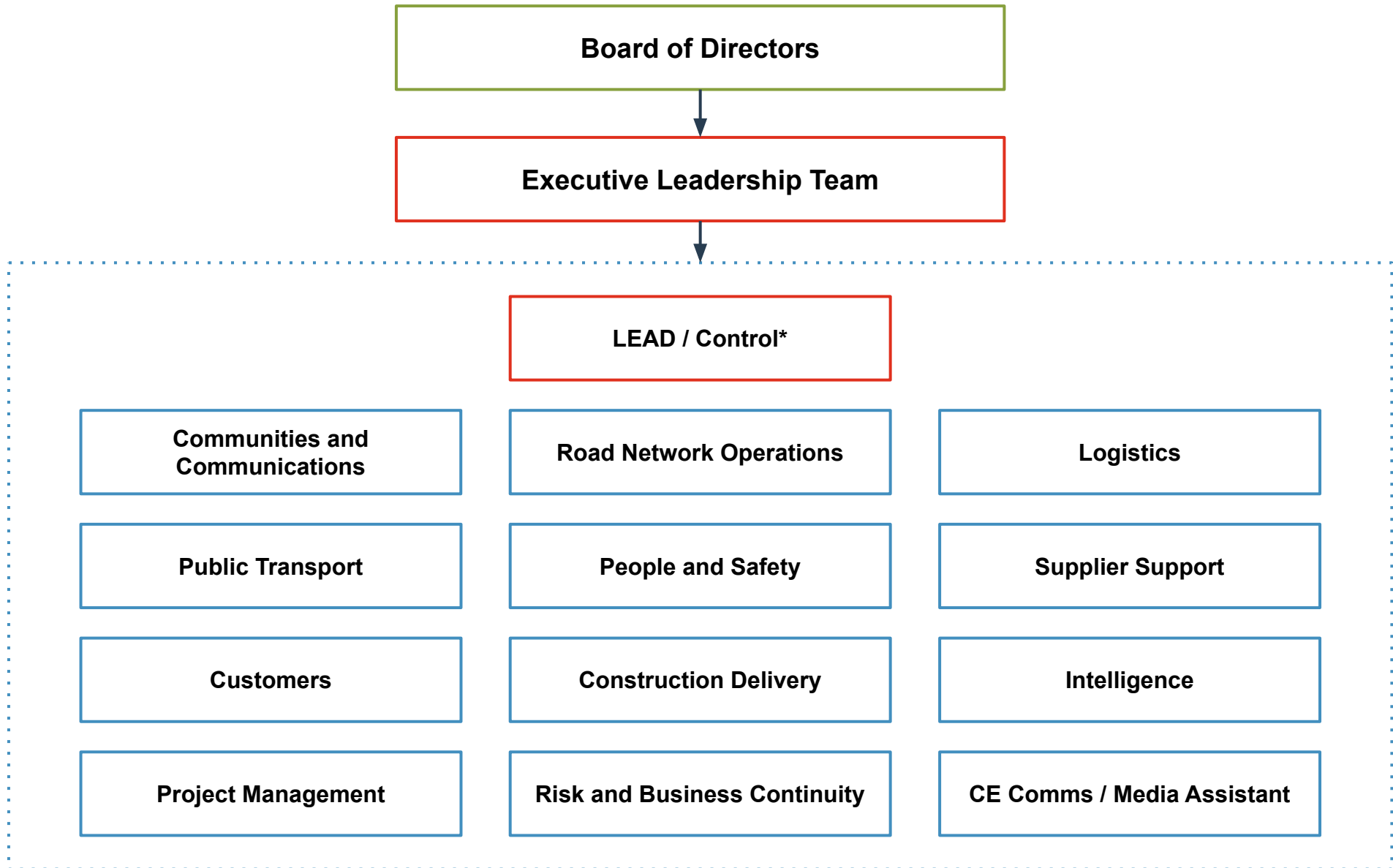
# Appendix 4 - Global comparisons

We interviewed people in the PwC global network who had direct experience of working with Transport for London and Transport for NSW during phases of the crisis. While information was gained from interviews rather than a detailed survey of each organisation's response, there are a number of key response elements we are able to compare against AT's response.

It should be noted that each of these organisations is operating in a different context in terms of ownership/governance and in jurisdictions with different responses to COVID-19. Some of the key identified differences are:

	Access to Govt	Funding impacts	Lockdown restrictions	Clarity of Govt comms
TFL	TFL is an agency of the Greater London Authority and has direct access to the Mayor of London as head of the Authority. However, the relationship between the Mayor and the Govt impacted on access to information and collaboration.	Less of a financial impact as TFL only operates the underground - everything else operates on concessions / licences. Half of staff furloughed with Govt funding.	No restrictions on construction. TFL shut down non essential sites but large projects kept going, e.g. Crossrail.	Well documented in media that has been very poor and confusing - told to keep city moving and shut down transport.
TFNSW	TFNSW is an agency of the NSW government and as such had direct access to the NSW Premier.	80% reduction in usage of PT at peak resulting in significant financial impact.	No restrictions on construction. Occupancy restrictions in place for PT.	Premiere pulled all agencies together to enable information sharing. Regulations at state level so TfNSW had direct access.
AT	AT had good access and relationship with agencies, e.g. NZTAi but access to other areas of Government was through AC.	NZTA providing additional subsidy to enable PT to operate.	No construction sites could operate and people had to stay home at level 4. Restrictions on passenger numbers until level 2.	NZ Government comms have for the most part been very clear and easy to understand, with the possible exception of mask wearing and use of the COVID app on PT.

# Appendix 5 - Governance and programme structure



The LEAD was managed by two members from the ELT. The blue dotted line represents the COVID-19 Extended Working Group. Each workstream had two teams (blue and green) as a precaution.  
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# Appendix 6 - AT's COVID-19 Response Principles

**Safety and Wellbeing** of our people and their families is at the forefront of our approach

**Supporting our communities** - Enabling our communities to function the best way we can

**Resilience of our services** - Be agile to respond to the situation as it unfolds

**Optimise financial management** - Support Council to not breach its debt covenant

**Collaborative partnering** - We will ensure joined up thinking across our ecosystem

**Build Capacity** - Be agile in how we respond and deploy our resources

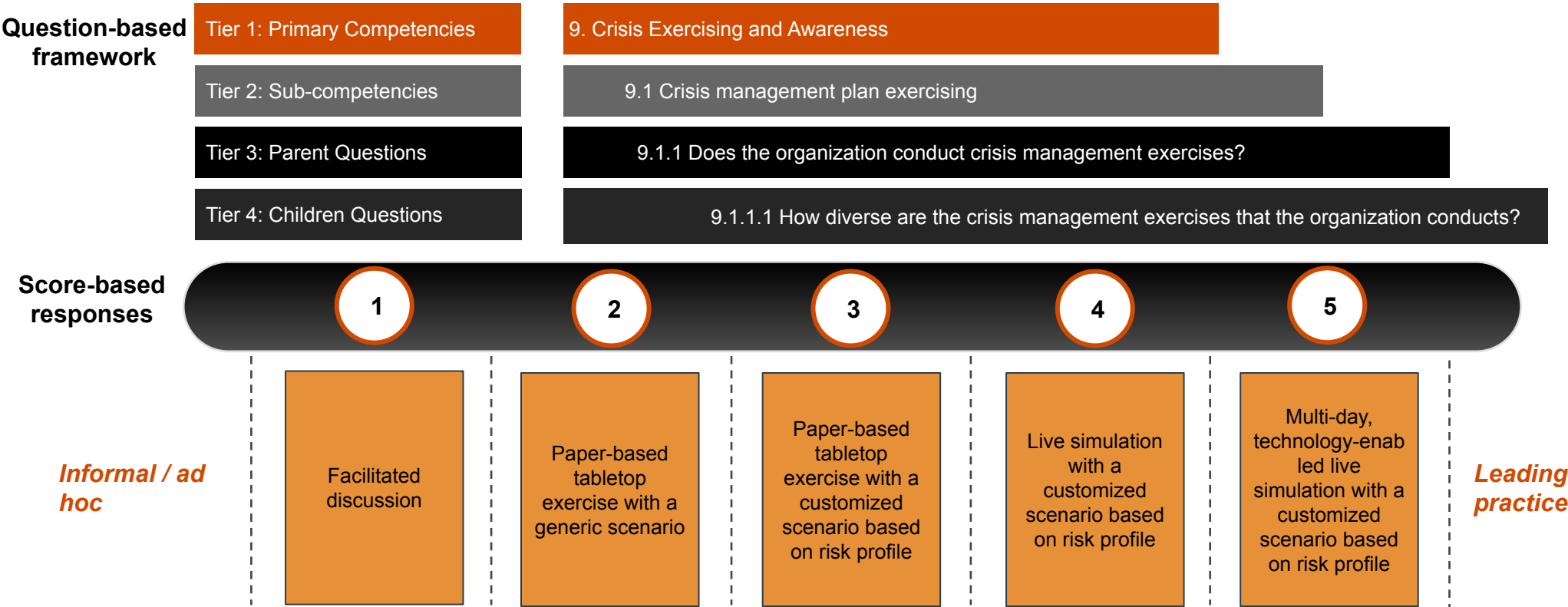
**Support & maximise** MoH guidelines and Government approach

**Sustaining Auckland's economy** - We have a critical role to play in sustaining employment and business with our suppliers

# Appendix 7 - PwC's Crisis Management Framework

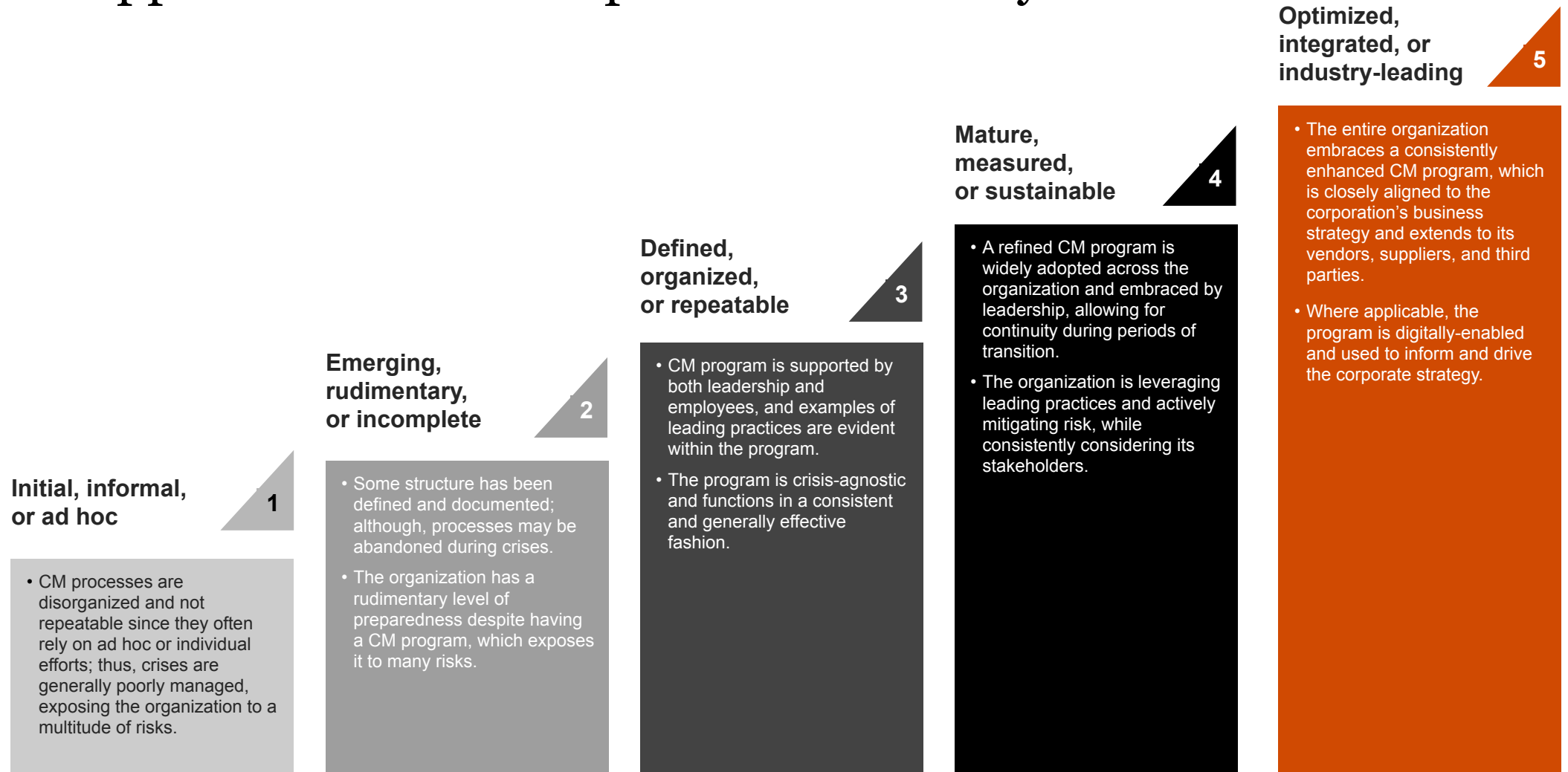
## An approach rooted in experience: Customized scoring system

The methodology used for this assessment leverages a four-tiered framework, rooted in international standards, leading practices and most of all - experience responding to crises. The taxonomy, below, indicates the elements Auckland Transport's crisis management program was assessed upon, and the relationship between the different levels of data. The methodology also uses a customized 5-scale scoring system that has been specifically designed to align to each question. This way, the assessment matches each question response / answer to a direct scenario that reflects your crisis management program.



# Appendix 7 - PwC's Crisis Management Framework

## An approach rooted in experience: Maturity scale



# Appendix 7 - PwC's Crisis Management Framework

## An approach rooted in experience: Intelligent weighting system

The intelligent weighting system prioritizes and emphasizes the crisis management preparedness elements required for a foundational program, and allows the other differentiators and accelerators to build upon and add value to a strong foundation. This system is showcased below only at the Tier one level, but does cascade through the entire framework and down to the Tier 4 level.

