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# Quarterly Report to Auckland Council for the Quarter Ended 31 March 2016

## Recommendations

That the Board:

- i. Approves this Quarterly Report for submission to Auckland Council (Attachment 1).
- ii. Agrees to make this report public after it has been received by Auckland Council.

## Executive Summary

AC requires AT to deliver, no later than eight weeks after the end of the third quarter of each financial year, a report against the performance targets set out in AT's Statement of Intent (SOI). The report, included as Attachment 1, provides an overview of AT's performance against the SOI during this period.

This report is prepared to a standard format required by AC. This gives rise to considerable duplication of content in the attached Report.




The budget being reported against is the original Annual Plan budget. This differs from the revised budget approved by the Board in December 2015.

## Attachment

Number	Description
1	AT Quarterly Report to AC for the quarter ended 31 March 2016

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## Document ownership

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# Auckland Transport Quarterly Report

Quarter ended 31 March 2016

CCO Governance and Monitoring Committee



*Artist impression of the **Manukau bus station***

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# 1.Executive summary

## Key Achievements for the Quarter

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

- CRL - construction in Albert Street has commenced
- AMETI delivery strategy completed
- Trains - March service punctuality improved markedly (95.1% compared to the 12 month average of 89.4%); service reliability was 98.9% compared to 12 month average of 97.2%
- Bus – On Board with accessibility video successfully launched
- Ferry - Devonport Wharf integration of closed circuit tv (CCTV) into overall video management system completed
- Manukau Bus Interchange enabling works has commenced
- Pukekohe bus and rail station developed design completed
- Mount Albert Link Bridge detailed design and consenting completed
- Morningside Railway Station pedestrian safety programme completed

## Financial Performance

AT's net surplus before tax for the nine months ended 31 March 2016 was \$246.9 million. This is \$57.9 million lower than budget due to lower AC capital funding. Forecast net surplus at year end is \$364.8 million, \$37.1 million lower than the \$401.9 million surplus full year budget. Operating expenditure is below budget and revenue from sources other than AC and NZ Transport Agency is above budget.

Capital expenditure excluding vested assets was \$352.2 million against a budget of \$468.0 million. The underspend arises mainly from renewals and property acquisition. Renewals is expected to catch-up in the next three months. Forecast full year capital expenditure is \$553 million, \$67 million lower than the \$620 million full year budget. Forecast underspend is primarily due to the Local Residential Growth Fund (\$33.7 million) and CRL (\$32.4 million) projects.

## Non-Financial Performance

There are 29 non-financial performance measures covered by the Statement of Intent (SOI). Of the 29, 10 are on target to **exceed** the performance measure, 14 are on target to **meet** the performance measure, 4 are **not on target** to meet the performance measure, and 1 is an annual measure.

Highlights in terms of performance are:

- AT Metro 12 month rolling patronage continues to grow, an increase of 4.1% on the previous year
- Public transport punctuality (all modes) at 94.8% for March 2016, 2.8% higher compared to SOI target
- All of the customer satisfaction performance measures are on track to meet or exceed target.

Performance not on target to meet performance measures are:

- Annual public transport patronage contains a target of 84.47 million passenger journeys. This is a significant increase on the 79.25 million achieved last year. In the 12 months to 31 March 81.41 million journeys were undertaken. Full year performance is expected to be close to the 2.5% allowance for achieving the result.
- Annual number of cycling trips in designated areas in Auckland. Events and campaigns continue to take place to encourage people to get back on their bikes. These include share the path, bike safety campaigns and consultations for cycle routes and shared paths.
- Travel times along Great South Road (Portage Road to SH1 Ellerslie Panmure Highway Interchange). Actions have been undertaken to better understand and solve ongoing delay on this route, including installing CCTV cameras at the Great South Road/ SEART intersection, undertaking traffic signal improvements, and detailed investigation on solving the queuing issue. Close monitoring of this intersection will be continued.
- Reduction in the number of deaths and serious injury crashes on the local road network. There were 530 deaths and serious injuries on the local road network in the 12 months to Dec 2015. The SOI target is to reduce this to 390 during 2015/16. In response, the current safety measures including education targeted at high risk groups (pedestrians, cyclists, motorcyclists, young drivers and alcohol) and engineering solutions will continue. AT is working closely with Counties Manukau Road Police, Waitemata Road Police and ACC to promote safe motorcycle, pedestrian and cycling awareness amongst both drivers, riders and road users. A longer term measure would better reflect the long term decline in DSI in Auckland.

## **Risk Management**

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

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

Prior Audit NZ recommendations - Of the eleven recommendations from the prior year interim audit and review engagement report to the Board, eight have been resolved with Audit NZ. Of the remaining three, two are in progress and due for resolution/implementation before the end of May 2016, and the remaining one has only been partially resolved as the full Audit NZ recommendation was unable to be implemented. Management have implemented a work around that we believe covers Audit NZ's recommendation. We will test this with Audit NZ during the second interim audit (April 2016).

## 2.Strategic issues and focus areas

In line with our strategic themes, AT has progressed the following projects over the quarter to 31 March 2016:

Strategic themes:

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

- **Electric Trains** - All 57 electric trains (EMUs) are now in service in Auckland.
- **City Rail Link** - The project is now in the final stages of completing the Reference Design. This stage of design will enable the project to go to the market, and also to re-baseline the expected cost. The Britomart alteration to the Designation is now in the appeal period, which closes in April 2016. If the Council's decision is not appealed, work in Britomart may commence in July 2016. If the Council's decision is appealed, this will be delayed until 2017. The Resource Consent for the Main Works (Aotea to Mt Eden) will be lodged in June 2016. Several packages of minor alterations to the CRL designation will be lodged up till August 2016. The project is mobilising staff and services for tendering the Main Works in the fourth quarter of 2016.
- **North West Transformation (formerly known as NORSGA)** - Auckland Council is preparing a structure plan for Whenuapai in consultation with AT. The structure plan is to be completed by September 2016 and will provide direction for the Special Housing developments that are planned for the area. The Northside Drive East construction project which is part of the Plan Change 15 is deferred into future years pending the outcome of the Transport Future Urban Group study.
- **Otahuhu Bus Interchange** - Works are progressing well in accordance with the project delivery programme, with demolition of most of the Walmsley road footbridge and replacement with a temporary ramp over the Easter rail block of line. The concourse structure is in place and preparation for glazing installation underway. Project is expected to be completed in August 2016.
- **Manukau Bus Interchange** - Detailed design of the main building and enabling works are progressing. Detailed design is expected to be completed in May 2016. Enabling works are expected to be completed in June 2016.
- **AMETI** - The AMETI programme has refined options for the best transport solution around Pakuranga Plaza. A joint review of the AMETI delivery strategy with regards to the timing of the Reeves Road Flyover and Stage 2B (busway between Pakuranga and Botany) components was completed and will be considered by the AT Board in April.
- **Albany Highway Upgrade** - Construction is progressing well with a focus on completing the sections south of Rosedale Road and the second half of Days Bridge. A night time road closure for a beam lift was completed in March and a longer closure is planned after ANZAC weekend for the concrete pour to stitch the old and new bridge sections together.

- **Walking and Cycling Projects**
  - **Nelson Street Cycle Route** - Phase 2 (Victoria Street to Waterfront) design is 85% complete with a small section under review to determine the best location of the cycleway on Nelson St north of Victoria Street. Construction is planned to commence around October 2016.
  - **Glen Innes to Tamaki Drive Shared Path** - Construction of Section 1 (Merton to St John's Roads) is due for completion in August 2016. The design of Section 3, the Orakei Basin boardwalk widening, is nearing completion and will proceed ahead of Section 2 for a planned September 2016 construction start. Consents for both Section 3 and the designation for Section 2 will be lodged in April 2016.
- **Public Transport Operating Model (PTOM)**
  - **Bus** - The first 8 (South Auckland) of 50 bus contracts were awarded.
- **Travel planning initiatives**
  - **Auckland Bike Challenge** - The Auckland Bike Challenge was undertaken in February encouraging businesses and workplaces to support staff to cycle.
  - **Walking Challenge** - The Auckland 'FeatBeat' walking challenge for workplace teams was run in March. The challenge has proved popular with commuters and businesses.
  - **Walking School Bus (WSBs)** - The first regional Walking School Bus week was undertaken with primary schools across the Auckland region. Its purpose was to increase awareness and number of WSBs and improve safety of existing WSBs.
- **Route optimisation** - Nearly half of the signal optimisation programme has been completed for the year.

### 3.Highlights for the last quarter

- **Rail Network** - On time performance has improved markedly following the network-wide introduction of electric train services. For March 2016 service delivery (reliability) was 98.9% and punctuality was 95.1% compared to the 12 month average of 97.2% and 89.4% respectively.
- **City Rail Link** - Construction in Albert Street has commenced. The project is engaging with Central Government regarding the funding and governance structure for the project.
- **AMETI** - Technical work supporting the joint review of the AMETI Delivery Strategy has been completed. Closeout of the Panmure Stage 1 construction contract is well advanced. A contract has been awarded for construction of a carpark at 118 Mt Wellington Highway. Good progress has been made with mana whenua on agreeing cultural mitigations and finalising consent documentation, and the Panmure to Pakuranga busway (Stage 2A) NoR has been lodged.



- **Te Atatu Road Upgrade** - Relocation of utility services, stormwater lines and installation of retaining walls and fences continues. Over the last 3 months, a total of four traffic lanes were available on Te Atatu Road whilst extensive service location investigation works were undertaken within the berm area. In late March the re-establishment of the three traffic lane configuration was undertaken from Edmonton Road to Vera Road. One north bound lane and two south bound lanes are provided. The 355mm bulk watermain has been fully installed and commissioned along the length of the project. A large stormwater filtration tank will be installed in Vera Road carpark outside the All Seasons Pharmacy over consecutive weekends in April.
- **Manukau Bus Interchange** - Enabling works has commenced and an on site mana whenua blessing for the work site was held prior to a formal sod turning event.
- **Pukekohe bus, rail station** - Developed design completed in March. Design and communications planning for the proposed signalised intersection of Manukau, Harris and Customs St have been shared and further refined.
- **Mount Albert Link Bridge** - Detailed design and consenting finalised and approved in February. Building consent approved March 2016. Tender and award of construction contract in March. Site establishment and enabling works commenced during the Easter rail line closure.

## 4.Future outlook

- **Rail Network** - Increase in peak services on Western line to 6 per hour from May 2016 and the “proof of concept” installation of flat screens on an EMU to provide visual media.
- **City Rail Link** - Main Works procurement strategy and development progressing to a tender in Q4 2016. Reference Design to be completed in May 2016. The next phase of bus stop relocations will take place in April 2016.
- **AMETI** - Notice of Requirement and consent applications will be notified for Stage 2A (busway between Panmure and Pakuranga). Endorsement of the AMETI delivery strategy. Design, consenting and property purchase activities for future stages. Undertake construction of carpark at 118 Mt Wellington Highway.
- **Otahuhu Bus Interchange** - Over the next quarter the civil works and over bridge will be completed, the lift installation will be underway, bus shelters will be installed, Titi St Bridge will be completed, although not open, and the rail station platform works will be substantially completed. Internal fit out and landscaping will be underway. Completion is on target for August 2016.
- **Pukekohe bus, rail station** - Detailed design for the rail/bus station and park n ride will be completed together with the road intersection. Next steps are to continue tender and award contract/s for the interim bus station works, including the proposed new intersection system, confirm NZTA funding, and continue engagement with internal/external stakeholders.
- **Quay Street Cycle Route** – Construction of the section of cycleway between Lower Hobson Street and Commerce Street must be completed before the end of May to avoid conflict with CRL enabling works starting in Lower Queen Street at this time. The remaining

section of cycleway between Commerce Street and Tapora Street will be completed in June 2016. An Opening Event is confirmed for July 2016.

## 5. Key deliverables

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

Key project/activity	Status	Comments
City Rail Link	On-going	<ul style="list-style-type: none"> <li>Construction on Albert Street commenced.</li> <li>Council decision released on change to Britomart NOR.</li> </ul>
Otahuhu Bus Interchange	On-going	<ul style="list-style-type: none"> <li>Major Bridge beam lifts were completed over Easter.</li> <li>Pre-cast stairs to the rail station were installed in March 2016.</li> </ul>
AMETI Pack 1-Phase 1-CONST-AMETI Link Rd	Completed	<ul style="list-style-type: none"> <li>Demobilised from site and continuing to rectify defects and undertake minor safety works</li> </ul>
AMETI Pack 1-Phase 1-CONST – Minor Works	Completed	<ul style="list-style-type: none"> <li>Tender contract for construction of carpark at 118 Mt Wellington Highway</li> </ul>
Double Decker Buses	On-going	<ul style="list-style-type: none"> <li>Botany routes from Howick to the CBD are already in operation with double decker buses as part of the wider programme to increase the bus capacity.</li> </ul>
East West FN32 Bus Network (Early work packages)	On-going	<ul style="list-style-type: none"> <li>Stage 1 detail design of Mangere Station and Otahuhu Town Centre Stops commenced and expected to complete in June 2016.</li> </ul>




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







Key project/activity	Comments
City Rail Link	<ul style="list-style-type: none"> <li>Completion of reference design</li> <li>Detailed Design completed for enabling works.</li> <li>Development of main works procurement strategy.</li> </ul>
AMETI – Stage 2A	<ul style="list-style-type: none"> <li>Notice of Requirement lodged, to be notified by June 2016.</li> </ul>
AMETI Pack 1-Phase 1-CONST – Minor Works	<ul style="list-style-type: none"> <li>Complete construction of carpark at 118 Mt Wellington Highway by June 2016.</li> </ul>







AMETI	<ul style="list-style-type: none"> <li>Decision on Delivery Strategy.</li> </ul>
Albany Highway Upgrade	<ul style="list-style-type: none"> <li>Completing the sections south of Rosedale Road and the second half of Days Bridge.</li> </ul>
Quay Street Cycle Route	<ul style="list-style-type: none"> <li>Construction to be completed by June 2016 with opening event planned for July 2016.</li> </ul>
Lincoln Road – Corridor Improvement Upgrade	<ul style="list-style-type: none"> <li>Notice of Requirement lodgement late May / early June 2016.</li> </ul>
Te Atatu – Corridor Improvement	<ul style="list-style-type: none"> <li>Continue with services relocation.</li> <li>Installation of new Stormwater filtration devices.</li> <li>Continue with property mitigation works e.g. driveways, fences and retaining walls.</li> </ul>
Flat Bush – Murphys Road Upgrade Bridge Improvement	<ul style="list-style-type: none"> <li>Detailed design completed in May 2016.</li> <li>Enabling / preparatory works for box culvert to start in May 2016.</li> </ul>
Flat Bush - Ormiston Town Centre Main Street Link	<ul style="list-style-type: none"> <li>Detail design to be completed in June 2016. Construction planned to start October 2016.</li> </ul>
Quay Street Cycle Route	<ul style="list-style-type: none"> <li>Construction to be completed by June 2016 and confirmed opening event by July 2016</li> </ul>
Double Decker Buses	<ul style="list-style-type: none"> <li>Mt Eden corridor are due to be operational by May 2016</li> <li>Extensive programme of route clearance has been undertaken to ensure there are no risks to customers, pedestrians and other road users of buses hitting trees, wires or other obstacles.</li> </ul>

## 6. Financial performance

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




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







\$'m	Budget to date	Actual	Variance	Comment	Full year budget	Full year forecast	Variance
<b><u>Operational</u></b>							
Revenue/ External funding	314.4	317.6		Additional revenue for AT Metro due to increased patronage.	415.2	419.2	4.0
AC funding	187.3	187.3			249.8	249.8	-
Expenditure excluding depreciation, amortisation	487.6	479.8			659.6	666.4	(6.8)
Depreciation and amortisation	235.1	236.7			313.5	319.3	(5.8)
Loss on derivatives and disposal of assets	-	0.8			-	3.3	(3.3)
Income tax benefit	-	0.2			-	0.2	0.2











\$'m	Budget	Actual	Variance	Comment	Full year budget	Full year forecast	Variance
<b>Capital</b>							
Expenditure excluding vested asset	468.0	352.2		The variance is mainly due to underspend in road renewals and property acquisition. Road renewals is expected to catch-up in the coming months.	620.0	552.9	67.1
Vested asset expenditure	75.0	116.9		Roading vested assets received from Auckland Council higher than expected.	100.0	141.9	(41.9)
Vested asset revenue	75.0	116.9		See explanation above.	100.0	141.9	41.9
AC funding – subsidy	346.6	241.5		AC's capital funding is lower as a result of capital expenditure being below budget.	452.6	393.9	(58.7)
AC loan funding (Electric Trains)	10.0	10.0			10.0	10.0	-
External funding	111.4	100.7			157.4	149.0	(8.4)











## 7. Performance measures

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



Key	Criteria
	On target to exceed performance measure (more than 2.5% above target)
	On target to meet performance measure (within +/- 2.5% of target)
	Not on target to meet performance measure (more than 2.5% below target)

Performance measure	SOI Target	On track	Last actual	Date of last measure
<b>Strategic Theme - Prioritise rapid, high frequency public transport</b>				
1. Total public transport boardings (millions)	84.47		81.41	Mar 2016
2. Boardings on rapid or frequent network (rail, busway, FTN bus)	Increase at faster rate than total boardings		8.1% growth compared to 2.7% total boardings growth	Mar 2016
<b>Strategic Theme - Transform and elevate customer focus and experience</b>				
3. Public transport punctuality (weighted average across all modes)	92%		YTD average: 94.8%	Mar 2016
4. Customer satisfaction index: Public transport	83%		84%	Mar 2016
5. Customer satisfaction index: Road quality	70%		68%	Mar 2016
6. Customer satisfaction index: Footpath quality	65%		63%	Mar 2016

Performance measure	SOI Target	On track	Last actual	Date of last measure
7. Customer satisfaction index: Road safety	60%		63%	Mar 2016
8. Change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	Reduce by at least 9 (390)		Dec 2015 12 month rolling total: 530	Dec 2015
9. Percentage of customer service requests relating to roads and footpaths which receive a response within specified time frames <sup>1</sup>	85%		November result: 88%	Mar 2016
<b>Strategic Theme - Build network optimisation and resilience</b>				
10. Arterial road productivity <sup>2</sup>	54% of the ideal achieved		Mar 2016 12 month rolling average: 59.0%	Mar 2016
<b>Travel times on key freight routes (performance measures 11 to 20)</b>				
11. SEART (from Sylvia Park to East Tamaki) – East Bound	11		11	Mar 2016
12. SEART (from East Tamaki to Sylvia Park) – West Bound	12		10	Mar 2016
13. Wairau Rd (from SH1 to SH18) - West Bound	8		8	Mar 2016
14. Wairau Rd (from SH18 to SH1) - East Bound	8		8	Mar 2016
15. Harris Rd (from East Tamaki to SH1 Highbrook interchange) – West Bound	10		10	Mar 2016
16. Harris Rd (from SH1 Highbrook interchange to East Tamaki) – East Bound	11		11	Mar 2016

Performance measure	SOI Target	On track	Last actual	Date of last measure
17. Kaka St/James Fletcher Dr/Favona Rd/Walmsley Rd (SH20 to Walmsley) – East Bound	13		8	Mar 2016
18. Kaka St/James Fletcher Dr/Favona Rd/Walmsley Rd (Walmsley to SH20) – West Bound	13		7	Mar 2016
19. Great South Rd (SH1 Ellerslie Panmure Hwy Interchange to Portage Rd) – South Bound	11		11	Mar 2016
20. Great South Rd (Portage Rd to SH1 Ellerslie Panmure Hwy Interchange) –North Bound	11		12	Mar 2016
21. New cycle ways added to regional cycle network (km)	7.4 km		Jul-Mar delivery: 6.2 km	Mar 2016
22. Annual number of cycling trips in designated areas in Auckland (All day)	1.1 million (all day)		Mar 2016 12 month rolling total: 954,153	Mar 2016
23. Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all <b>urban</b> roads	83		87%	
24. Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all <b>rural</b> roads	93		96%	
25. Percentage of the sealed local road network that is resurfaced	8%		Jul-Mar delivery: 6.8%	Mar 2016
26. Percentage of footpaths in acceptable condition (as defined in AT's AMP)	99%		99.5%	



Performance measure	SOI Target	On track	Last actual	Date of last measure
<b>Strategic Theme - Ensure a sustainable funding model</b>				
27. PT farebox recovery <sup>3</sup>	46-48%		August result: 49.6%	Mar 2016
<b>Strategic Theme - Develop creative, adaptive, innovative implementation</b>				
28. Parking occupancy rates (peak 4-hour, on street) <sup>4</sup>	70%-90%		Feb 2016 12 month rolling average: 90.8%	Feb 2016
29. No. of car trips avoided through travel planning initiatives	17,500		Annual measure	

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

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

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

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

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

## 8. Contribution to Māori outcomes

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

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

Activity classes	Jul 2015-Mar 2016 Spend \$	How it contributes to Māori outcomes / Progress
<b>Roads and footpaths</b>		
<b>AMETI</b>	33,000	Monthly meetings with project team and Mana whenua grouping. Stage 2 engagement discussions on geotechnical and dewatering testing consent. Mokoia Pā mitigation discussions continued. Ngāti Paoa leading the completion of the Te Waipuna a Rangiātea signage at Van Damms Lagoon. The Mana whenua engagement conditions with Urban Landscape development framework for lodgement developed then revised by Ngāti Paoa and reported back to the collective.
<b>East West and Mill Road</b>	6,000	A Māori specialist presented the Cultural Values Assessment presented at the NoR hearing. Mill Road is route protected with only indicative plans so consultation will be on-going. Mana whenua will play an important role in preparing plans/details as directed by the designation conditions.
<b>Roads &amp; Footpaths (general)</b>	6,000	Engagement with mana whenua on a number of proposed works including Lincoln, Murphy's and Franklin roads. Engagement with mana whenua commenced on some unsealed roading projects in the north.
<b>Glenvar Ridge Road</b>	46,000	The Ministry of Education and AT are working jointly on engagement matters for Glenvar Ridge Road. Protocols for discovery of taonga-koiwi and cultural monitoring were established for archaeological works and landscape matters. Boffa Miskell was engaged to assist with Te Aranga Māori Urban Design matrix development with mana whenua on landscape/planting aspects.

Activity classes	Jul 2015-Mar 2016 Spend \$	How it contributes to Māori outcomes / Progress
<b>Walking and Cycling (Glen Innes to Tāmaki Drive)</b>	24,000	Monthly meetings continue to be held. Design elements presented for section 1 and 3 identified as generic themes. Cultural induction presentation by mana whenua occurred prior to commencing works and cultural monitoring negotiated. CIA waived as a result of negotiations. An archaeological shell midden was discovered outside of the project area however as a result of project works. A cycleway archaeological damage report commissioned by AT. Collaborative discussions to protect area are taking place. Naming of pathway discussions.
<b>New Lynn to Waterview Shared Path</b>	31,000	A Māori Urban Design specialist was engaged to assist in Te Aranga application for bridge design and a regular monthly hui is being held. This includes a facilitation workshop, 3D design and the development of Māori Urban Design themes with mana whenua.
<b>Walking &amp; Cycling (general)</b>	8,000	<p>This includes engagement on the Nelson Street walking and cycleway which opened in early November and engagement on Quay Street</p> <p>A NZTA/AT joint approach has been adopted in engagement with mana whenua in the cycle network. It is intended that several projects will be co-ordinated as to timing of engagement, with a goal to being more efficient in the NZTA-AT response about the values raised by mana whenua. The approach has sifted the projects into categories from those that are purely corridor reconfiguration with little physical works to major engineering and urban design works including stormwater solutions. This assists in the consents strategy and the management of CIA (potential waivers) and/or programme responses to stormwater, urban design and naming conventions.</p>
<b>Public Transport/ Other Public Transport</b>		
<b>City Rail Link</b>	34,000	The city rail link team continues to engage with eight mana whenua groups of Auckland through monthly forums and separate working group meetings on specific topics such as sustainability, consents and design. This engagement is driving the design of the CRL stations and urban realm, influencing consent conditions so they reflect manawhenua desires, and modifying sustainability targets to reflect cultural aspirations.
<b>Ōtāhuhu Bus Interchange</b>	10,000	A Māori Urban Design specialist was engaged for design workshops with mana whenua and applying Te Aranga Māori Urban Design principles. A mana whenua artist has been appointed to provide mana whenua artworks. Resource consent for build lodged, to start works in late October. Karakia provided for by mana whenua prior to works commencing and involvement at sod turning ceremony.

Activity classes	Jul 2015-Mar 2016 Spend \$	How it contributes to Māori outcomes / Progress
<b>Parnell Station</b>	14,000	Cultural monitoring on earthworks at Parnell Station was undertaken, led by Ngāti Whātua o Ōrākei on behalf of other mana whenua. A Māori Urban Design specialist was appointed for the project. Mana whenua visited Pukekohe station to view the refurbishment of the buildings and cultural design elements. A workshop on cultural design was held in August, and a further workshop is planned once final layout of building and timetable is finalised.
<b>Māori Wardens</b>	296,000	Māori Wardens provide a customer service role on some train services particularly in the evenings, and for special events. This is met through a contract between AT and TransDev.
<b>Public Transport (incl. Newmarket Level Crossing, Half Moon Bay Ferry Terminal, Manukau Bus Interchange</b>	19,000	<p>Māori Urban Design specialist engaged to assist in Te Aranga application of Half Moon Bay Ferry terminal, design of wharf and bus station discussion on site being discussed jointly. Regularly monthly hui are being held.</p> <p>Manukau Bus Interchange has had karakia to commence physical works and sod turning ceremony. Project team has engaged 3 Mana whenua artists to develop common design element themes agreed by the grouping.</p> <p>Regular meetings held. Te Aranga guidelines are applied to the Pukekohe Train station in its early stage of engagement. Mana whenua currently identifying common themes and narratives. Stormwater improvements a priority discussion point.</p>
<b>Other</b>		
<b>Road Safety &amp; Community Transport</b>	33,000	<p>AT has been working with the NZ Police and NZTA on a strategic road safety programme to reduce the high level of Māori road deaths in the Auckland region. This programme of work is AT's contribution to Te Toa Takitini (Māori Transformational Shift), Whai Painga (social domain) from Auckland Council.</p> <p>A pilot Ready for the Road Course was held at Ruapotaka marae (Glen Innes) for at risk Māori youth, with Police providing referrals. The programme promoted responsible and safe road use, and mentored participants to sitting their learner licence. Kaumātua at the marae provided manaaki/support to the participants and their whānau. All participants passed their learners license at the conclusion of the course.</p> <p>A second Ready for the Road course was successfully held at Ōrākei Marae in November.</p> <p>Attention in Q3 was on developing a draft strategic work programme for the remainder of Q4 and for 2016/2017. This includes a dedicated FTE to work on the road safety (Māori) programme due to be advertised in Q4. Work is progressing on dual language videos on</p>

Activity classes	Jul 2015-Mar 2016 Spend \$	How it contributes to Māori outcomes / Progress
		drivers licensing aimed at rangatahi Māori, which supports the broader work programme.
<b>Wynyard Quarter</b>	5,000	Cultural monitoring of works by kaitiaki.
<b>Regional Signage</b>	10,000	<p>Mana whenua have been engaged through a series of hui on regional signage, with a workshop to be held in 2016 to explore a tohu (regional sign) and 20 locations for signage opportunities.</p> <p>Whaotapu (a group of mana whenua carvers) was engaged to create five designs so one regional graphic design or tohu can be utilised on the regional sign. The regional tohu chosen is the Unaunahi (fish scales). It will be utilised on regional signs where there are multiple iwi interests.</p> <p>Mana whenua also have the opportunity to choose a suitable location to develop an individual local sign based on their tribal interests. 15 tribes have chosen locations, and are working on content (te reo Māori and te reo Pākehā), using their own tribal logo. A trial is presently being held at Te Waipuna a Rangiātea Van Damms Lagoon led by Ngāti Paoa.</p>
<b>Communications</b>	43,000	<p>A te reo Māori digital app was launched on Monday 27 July 2015, during te wiki o te reo Māori (Māori language week) that tells the story of a whānau who travel by train from Pukekohe to the Dick Smith NRL Auckland Nines at Eden Park. Along the route the whānau tell stories of the Māori history of Auckland, including dual names for train stops. Designed primarily for children at kura (Māori schools), the App is available on iTunes and Google play, and was a collaborative effort between AT, Kiwa Digital, Pukekohe North School, ATEED, Duco Events and Dick Smith Auckland NRL Nines.</p> <p>Effort in this quarter is focused on implementing the App into kura (Māori schools) in Auckland and mainstream schools through teaching notes and activities.</p> <p>The App was a finalist in Te Taura Whiri Māori Language Awards for 2015 (Māori Language Commission awards).</p> <p>Successful activations were held at The Cloud at the inaugural Tāmaki Herenga Waka Festival and at the Downer NRL Nines at Eden Park in February 2016, where the App was showcased.</p>
<b>AT Statement of Intent</b>	10,000	Consultant engaged to work with mana whenua on completing SOI on Māori Engagement indicator. Further engagement with some mana whenua groups in early 2016, collective hui on progress to finalising SOI indicator scheduled in April.
<b>Other</b>	4,700	The Transport for Future Urban Growth (TFUG) project has been engaging on a regional basis with mana whenua since January 2016, to determine decision-making criteria for

Activity classes	Jul 2015-Mar 2016 Spend \$	How it contributes to Māori outcomes / Progress
		<p>mana whenua values and to discuss long and short list options in growth areas throughout Auckland and impacts on their values.</p> <p>AT and NZTA have commenced discussions on establishing a joint agency governance/mana whenua forum to discuss strategic transport issues in Auckland. A project team has been established and terms of reference drafted for discussion.</p> <p>Some marae have access to and from roads which have become increasingly busy in recent years. AT is conducting a feasibility study at Kia Ora marae (Ngāti Whātua o Kaipara) as part of its contribution to Te Toa Takitini (Whai Tiaki-cultural domain). Hui have been held with marae representatives with modelling completed, site visits and surveys are to be completed as next steps.</p>
	240	Te reo Māori translations completed for traffic infringement notices.
<b>TOTAL</b>	<b>\$632,940</b>	

## 9. Key Local Board issues

Auckland Transport is working hard to deliver a large number of Local Board projects before the end of the current electoral term (October 2016). Some of these projects are quite substantial: Mangere Future Streets project (Approximately \$7 million), and combining Mangere-Otahuhu Local Board contributions with funding from both AT and NZ Transport Agency. The Howick Local Board and AT are also working together to deliver a new passenger ferry facility at Half Moon Bay (\$5.3 million, plus landside works). Collectively all these Local Board Transport Capital Fund projects are making significant improvements to local communities.

## 10. Risk Management

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

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

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

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

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

**Progress on planned internal audit work**

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

**External audit**

The management report to the AT Board for the year ended 30 June 2015 raised ten recommendations, with one being considered urgent. Nine have been implemented, processes updated and/or changed, or the item noted with the FRC, but requires no further action (expenditure authorisation process). For the one remaining item, to do with asset useful lives, management have discussed with Audit NZ our reason for disagreeing with the recommendation and we are looking to fully resolve with Audit NZ as part of the 16J second interim (April 2016). Note we had a discussion with Audit NZ as part of the review engagement and they are comfortable with our stance for half-year reporting.

**Group financial impacts**

AT is unaware of any financial impacts that would affect the group. No changes have been made in the quarter (i.e. 31 March 2016 quarter) to the approaches taken to risk management, internal audit, or external audit.