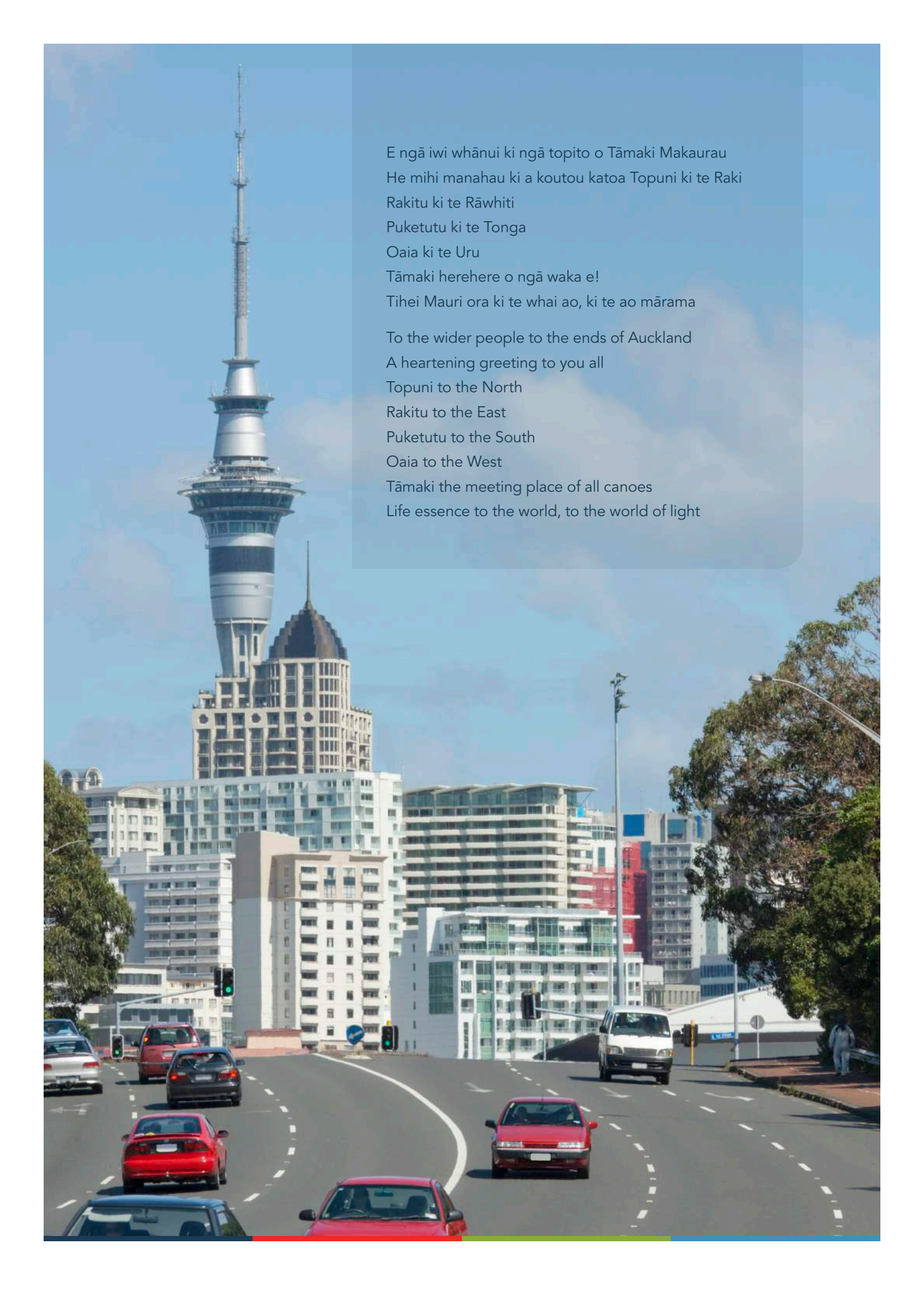


Statement of Intent 2017/18-2019/20





E ngā iwi whānui ki ngā topito o Tāmaki Makaurau
He mihi manahau ki a koutou katoa Topuni ki te Raki
Rakitu ki te Rāwhiti
Puketutu ki te Tonga
Oaia ki te Uru
Tāmaki herehere o ngā waka e!
Tihei Mauri ora ki te whai ao, ki te ao mārama

To the wider people to the ends of Auckland
A heartening greeting to you all
Topuni to the North
Rakitu to the East
Puketutu to the South
Oaia to the West
Tāmaki the meeting place of all canoes
Life essence to the world, to the world of light

WHO WE ARE AND WHAT WE DO



We deliver transport services to Auckland's 1.6m residents and visitors and plan transport infrastructure for a projected population of 2.1m by 2033.



On behalf of ratepayers and taxpayers we are guardians of New Zealand's highest-valued group of publicly held assets, worth \$16.6b.



Approximately 240,000 customer emails and enquiries are received and responded to via the Auckland Transport website each year.



We manage and build most of Auckland's public transport services, systems and facilities. Patronage continues to grow at unprecedented rates, with more than 87m trips in the past year.



We maintain 7,565km of arterial and local roads – almost the equivalent of the distance between Auckland and Indonesia.

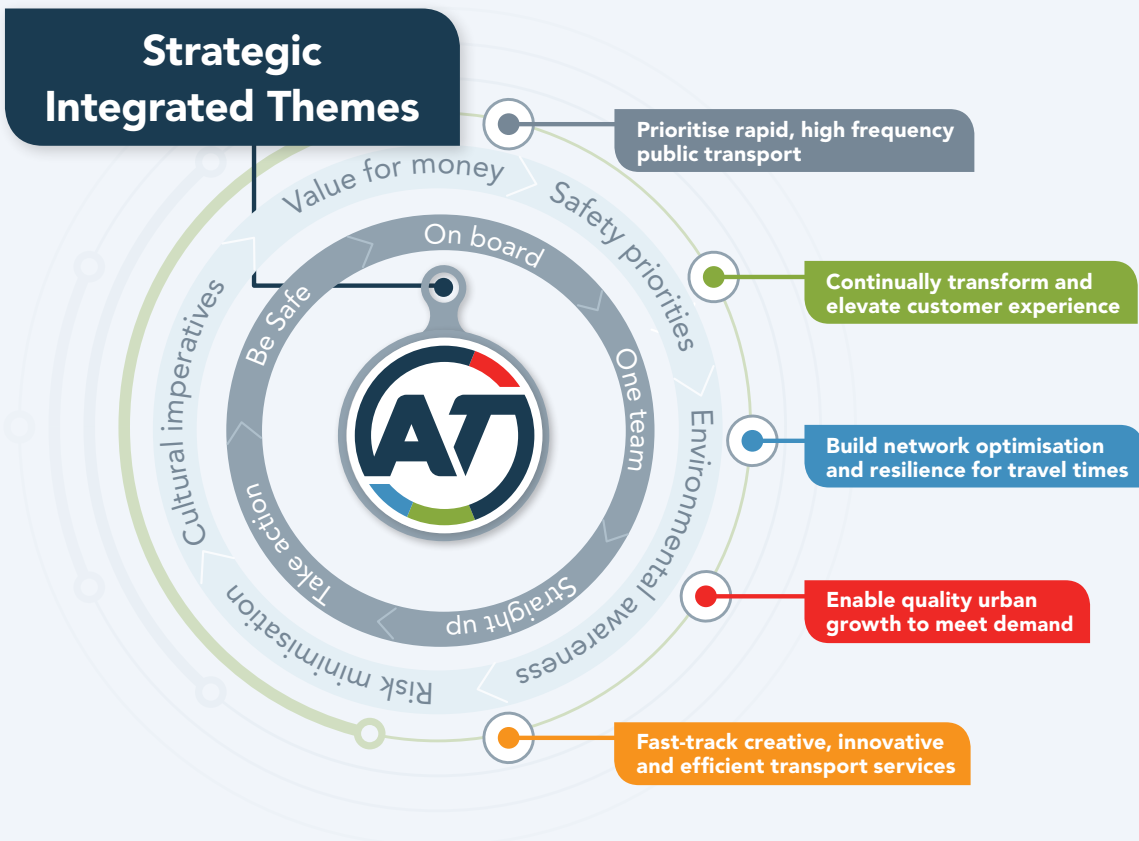


In 2016 we spent \$371m operating, maintaining and renewing road and public transport assets.



With the NZ Transport Agency we are delivering the largest-ever, three-year programme of cycle infrastructure, valued at \$200m.

FIVE STRATEGIC THEMES





By their very nature statutory accountability documents such as this Statement of Intent are full of numbers, KPIs and schedules of forward work plans.

Of course those elements are all incredibly important in any organisation, to ensure that progress is tracked and measured. In Auckland Transport's case to ensure clear accountability back to Auckland Council, key partners, ratepayers and taxpayers.

They demonstrate across a number of areas the 'how' and 'what' is being done.

But at a glance it is difficult to see the 'why'. The answer to that question is one word: Congestion. Overcoming congestion will liberate Auckland's economy and elevate the wellbeing and lifestyle of Aucklanders and visitors to our city.

It is undeniable that congestion is increasingly choking the Auckland region – socially, environmentally and economically.

A quarter of Auckland's busiest roads are already congested at peak times, up from 18 per cent two years ago and motorway speed has declined by nine per cent in the three years to 2016. There is a very real risk the benefits of growth in the labour market and economic activity are being offset by declining travel speeds, which hurts all of New Zealand, not just Auckland.

But congestion is not the base problem – it is merely a symptom.

There are more fundamental, underlying issues that Auckland (and not Auckland Transport alone) must tackle – head-on and with urgency.

They are the management of the conflation of unprecedented population growth and dire underinvestment in infrastructure over a period of many decades. Compounding these fundamental issues is the implausibly slow pace at which decisions on truly transformational change occurs. It is no exaggeration to say that even the most modest of capital projects can take five to seven years, moving from conception, through decision making, to securing funding, through public consultation, to design, property acquisition, resource consent... and finally construction.

By which time more people and more cars have completely wiped out the benefits that were projected.

In recent years a great deal of very good things have been achieved on the transport front in Auckland. Public transport patronage is growing at never seen before rates, customer satisfaction is on a similar trajectory, the long awaited City Rail Link is being built and we are commissioning or opening new facilities on an almost weekly basis. However, these very significant gains are quickly neutralised by the unremitting combination of population growth and historical infrastructure deficit.

But, simply not enough is being done fast enough. I often think of the queues of cars crawling along our motorways and main roads as a metaphor for the pace at which real change is occurring.

Our infrastructure and funding needs are urgent and Auckland Transport is ready to do much more, much more quickly.

Joined-up thinking between the Government, Auckland Council, NZTA and Auckland Transport is critical if we are to address these fundamental issues. That is why the Auckland Transport Alignment Project (ATAP) is so important because for the first time there is alignment on the agreed transport priorities and interventions for Auckland.

For the good of 'NZ Inc,' collectively we need to now take that plan off the page and deliver it on the ground - and within three, six and nine years rather than the 10, 20 or 30 outlined in the ATAP. This will create a runway for projects to commence as soon as possible, minimising the overall elapsed time to delivery and inferring a much more aggressive, contemporaneous set of activities.

Projects such as mass transit to the airport, AMETI, Mill Road and the North-Western Busway cannot wait until children currently at primary school have graduated university before they are delivered. You will note that some of these projects do not feature in this Statement of Intent, reinforcing my message above.

In the short-term it is imperative that we move ahead with re-prioritising the public space we call roads. This Statement of Intent demonstrates that Auckland Transport will be more aggressive than it has been previously in introducing many more bus lanes and giving a higher priority to cycling, walking and service vehicles. Although this Statement of Intent identifies bus lane improvements of 15kms, the Board is asking management to accelerate the bus lane programme further than this, within the year.

In the medium term there is a clear need for more funding, by whatever mechanisms might be available, to allow committed and non-reversible decision-making over a much shorter horizon than contemplated in the ATAP. The rapidly increasing scale of the problem calls for this more and different funding.

Auckland is on the cusp of transformational change. This Statement of Intent sets the baseline for delivery of the programme to be included in the next Regional Land Transport plan (2018) and as an organisation Auckland Transport is well positioned to deliver on the huge potential the region has – quite simply decisions need to be made more quickly.

DR LESTER LEVY, CNZM
CHAIRMAN

STRATEGIC CONTEXT

Transport plays a critical role in the development and liveability of any modern city.

As an organisation, Auckland Transport views its role as contributing to an effective, efficient and safe transport system that puts people first, works to shape our city through providing high quality facilities and urban spaces, and provides choices for a growing, vibrant Auckland.

Since 2010, Auckland Transport has made significant progress with major improvements in the public transport system, strong patronage growth, commencement of the City Rail Link and investment in active modes – in particular cycling facilities.

Yet, despite this progress, the challenges facing transport for Auckland are increasing, in particular rapid population growth and legacy infrastructure issues which compound a funding shortfall.

The Auckland Plan is the roadmap to deliver on the region's vision. It is a thirty-year plan that is underpinned by a set of outcomes and transformational shifts to achieve this vision which help ensure we focus on the right things.

The Auckland Plan sets strategic direction and transformational shifts to align actions, targets and outcomes that are required to achieve the vision. Auckland Transport plays a critical part in delivering on these actions and targets.

A positive step forward is the Auckland Transport Alignment Project (ATAP), which has set out a clear and agreed direction for the development of Auckland's transport system over the next 30 years. The final ATAP report, published in September 2016 provides a recommended strategic approach containing the following key components:

- Make better use of existing networks
- Target investment to the most significant challenges
- Maximise opportunities to influence travel demand.

This strategic approach will be incorporated into all of Auckland Transport's strategic approaches, including the prioritisation of investment.

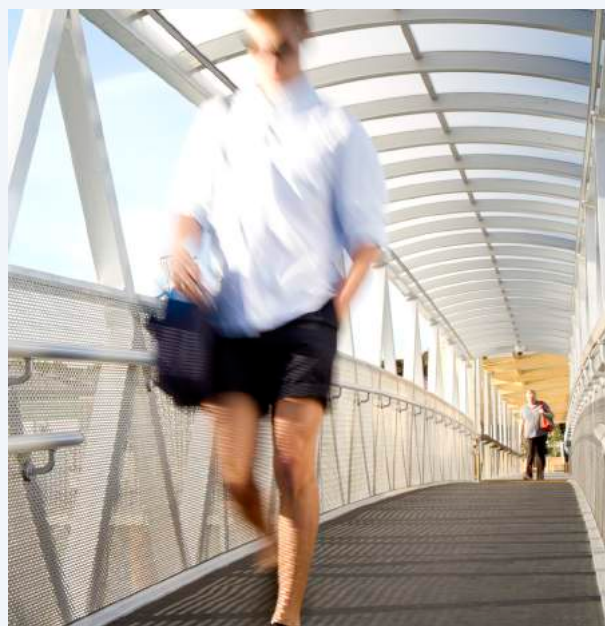
While ATAP provides a major step forward, the environment within which Auckland Transport operates has become increasingly challenging, particularly over the past three years. The assumptions used in ATAP have already been overtaken.

Unprecedented growth in population and visitor numbers coupled with increasing travel demand and car registrations is putting severe pressure on the transport network.

KEY FACTS

- Auckland's population grew by an estimated 120,000 people over three years to reach 1.6m in June 2016 and is projected to grow to 1.8m by 2022 – ATAP assumed this would happen by 2026
- Migration continues at record levels with an estimated net gain of 36,000 migrants in Auckland in the year to March 2017
- Fuel sales increased by over 5 per cent and car registrations by 16 per cent over the past year.

This growth has already led to a significant increase in the demand for travel. Public transport boardings have more than kept pace with this growth – driven largely by additional investment in the public transport system and the strong focus by Auckland Transport on improved services. However, the same cannot be said for performance of the road network, with congestion increasing across the Auckland road network in both peak and interpeak times, and travel speeds declining resulting in increasing journey times.



KEY FACTS

- Public transport boardings increased by 15m between June 2013 -2016 with patronage totalling 87m for the year to March 2017
- Around 24 per cent of the arterial road network is now congested at peak times compared with 18 per cent two years ago
- 11 per cent of the arterial road network is now congested in the interpeak, up from 8.8 per cent this time last year
- Travel speeds have fallen over the last year – by around 6 per cent at peak times and by 3 per cent in the interpeak.

A core objective of ATAP was to ensure that Auckland's transport system supports economic activity and improvements in productivity by ensuring access to employment and labour. Increasing journey times, particularly at peak times, will impact on this and rising interpeak congestion signal increasing challenges for businesses and freight.

ATAP concluded that a better balance is needed between transport demand and the capacity of infrastructure and services. This will require a greater focus on influencing travel demand through

smarter transport, accelerating the uptake of new technologies, alongside substantial investment and getting more out of our existing networks.

ATAP identified that an additional \$4b would be required over the next decade to implement the recommended strategic approach for transport delivery. The source of this funding has yet to be identified. Rapid growth over the last three to four years, which is projected to continue, makes clear that investment will need to be fast tracked if Auckland is to have any chance of successfully addressing its transport challenges.

Auckland Transport is committed to supporting Auckland Council to secure the funding required to enable Auckland to deliver on ATAP's aligned strategic approach.

The Government's upcoming Policy Statement 2018-21, and Council's 2018-28 Long-term Plan, will together provide the strategic direction and resources to enable Auckland Transport to make progress on Auckland's transport challenges.



2017/18 WORKPLAN

The following table details the key initiatives which Auckland Transport will deliver in 2017/18, reflecting the final year of the Accelerated Funding Programme agreed as part of the 2015-25 Long-term Plan.

Auckland Transport's 17/18 Workplan also starts to build the base for the delivery of the transport programme to be included in the 2018-28 Regional Land Transport Plan. However, ATAP identified the need for an additional \$4b funding over the next decade but the source of that funding has yet to be identified. The Workplan therefore builds this base to the extent possible within currently available funding.

Key projects and initiatives	Description	2017/18
Improving the public transport network	Improvements to train travel times	<p>Progressive improvements to dwell times of trains at stations. Journey time benefits will be progressively realised and implemented in the first quarter 2018/19 timetable change.</p> <p>First quarter timetable change to realise reduced journey times on average, aligned to improved Parnell Station services and improved weekend frequencies.</p>
	Bus: improved customer service and logical, intuitive and integrated schedules with implementation of new bus network	<p>New network rollout:</p> <p>West – June 2017</p> <p>East – end of 2017</p> <p>Central – early to mid 2018</p> <p>North Shore – mid 2018.</p>
	Park and ride	<p>Silverdale stage 2 construction</p> <p>Westgate – progression of land acquisition</p> <p>Hobsonville relocation of parking</p> <p>Papakura – investigation of potential for additional capacity including options for multi-level parking.</p>
	Airport access	Improvements to bus services to and from Auckland Airport.
	Bus network infrastructure improvements	<p>Continuation of double decker mitigation programme including Manukau Road, Remuera Road, New North Road, and Dominion Road including future proofing for mass transit.</p> <p>Bus lane improvements of 15kms including Park Road, Sandringham Road, Stoddard Road, Manukau Station Road, FSN Route 33 Great South Road north and south of Manukau.</p> <p>Continuation of bus shelter programme to support rollout of the New Network in the North, Central and East.</p> <p>Trial of two electric buses to assess suitability for operation in Auckland and potential for further rollout.</p>

2017/18 WORKPLAN CONTINUED

	Purchase of additional electric trains	Completion of a business case and placing of an order to purchase new electric trains to meet forecast patronage growth.
	Rail stations	Completion of the rail station gating programme including Henderson, Manurewa, Papatoetoe, Middlemore, Papakura and Parnell in 2017/18, with Glen Innes subject to broader station development timelines.
	AT HOP, customer interface enhancements	Ongoing improvements to support growth in HOP system usage and to enhance customer experience.
Building Infrastructure	City Rail Link	Responsibility for the construction of the City Rail Link will transfer to City Rail Link Limited (CRL) on 1 July 2017. CRL is a company jointly owned by the Crown and Auckland Council. Auckland Transport will work with and provide support to CRL during the construction of the City Rail Link.
	Manukau Bus Station	Delivery of a new high quality bus station to be in operation by April 2018.
	Pukekohe Station	Completion of Pukekohe station upgrade and park and ride by early 2018.
	Newmarket level crossing	Construction of Cowie Street bridge to enable the closure of Sarawia Street level crossing.
	Westgate Bus Interchange (Part of NORSGA Plan Change 15)	On street works underway and full implementation by 2022.
	Massey North Town Centre	Substantially complete by July 2018.
	Glenvar Ridge Rd (Long Bay) construction	Complete by 2018.
	Seal extensions	The seal extension programme provides for 10.2kms of which 4kms has been completed, 2.2kms is under construction and 4kms will be completed in 17/18.
	Te Atatu Road	Completion of corridor improvements.
	AMETI – Panmure to Pakuranga, Panmure to Botany	Progressing land acquisition and detailed design.
	Matakana Link Road	Progressing of land purchase and detailed design.
	Lincoln Road	Progressing land acquisition and detailed design.
	Progressing development of mass transit	Property purchase for route protection.

2017/18 WORKPLAN CONTINUED

Planning, policy, investigations and funding	Safe walkways and cycleways	<p>Completion of Nelson Street, Waitemata Safe Routes</p> <p>Completion of Waterview shared path</p> <p>Commence construction of Northcote, Glen Innes to Tamaki, Karangahape Road</p> <p>Progressing design on balance of Urban Cycleway Programme 2015-18</p> <p>Preparation of a programme business case to seek extension of the Urban Cycle Fund programme beyond 2018.</p>
	Mass transit	<p>Preparation of business cases for:</p> <p>Auckland Airport to the City</p> <p>Auckland Airport to Botany.</p>
	Supporting Growth	<p>Route protection for transport networks in growth areas.</p> <p>Progressing agreements to support infrastructure investment.</p>
	Auckland Airport access	<p>Preparation of business cases for:</p> <p>Further bus improvements</p> <p>Improvements to Puhinui bus-rail interchange.</p>
	Auckland Smarter Transport Pricing	<p>Participating with Council in the multi agency project established to investigate whether to implement pricing for demand management purposes in Auckland.</p>
	Roads and Streets Framework	<p>Finalising the Roads and Streets Framework and Transport Design Manual. Working with Council to embed the framework into planning and delivery.</p>
	Mobility strategy	<p>Development of a mobility strategy, including the integration of 'first and last leg' and 'mobility as a service' within the Auckland transport system.</p>
	Lake Road	<p>Progressing the business case for improvements.</p>
Improved value for money, procurement and sector performance	Regional Land Transport Plan 2018-28 (RLTP) and Regional Passenger Transport Plan (RPTP)	<p>Update of the Integrated Transport Programme (ITP) capital project prioritisation process to incorporate ATAP priorities and prioritise the capital programme for inclusion in the RLTP.</p> <p>Preparation of, consultation on and approval of the RLTP and RPTP by 30 June 2018 together with Council and the NZ Transport Agency.</p>
	One Network Road Classification (ONRC)	<p>Embed the recommendations of the ONRC into the 2018-28 RLTP and Long-Term Plan.</p>

2017/18 WORKPLAN CONTINUED

	New public transport contracts based on Public Transport Operating Model (PTOM)	PTOM contracts to be implemented during 2017/18 as part of the New Network rollout.
	Section 17A reviews to improve value for money	Participation in S17A reviews commencing with communications and engagement, followed by finance, HR and procurement. First review to be completed by September 2017.
Engagement with Council, Local Boards and other CCOs	Auckland Council	Working with Council on the Auckland Plan refresh, Long-term Plan, City Centre masterplan, and mass transit.
	Local board and elected member engagement	<p>Provision of timely and relevant reporting and information flows.</p> <p>Participation in the governance review which is aimed at changing behaviors and processes across relevant Council family activities, including Auckland Transport, to enable local boards to give effect to their role, particularly around local place-shaping.</p>
	Other Council and CCO engagement	<p>Work with Panuku and Watercare to support rapid delivery of urban development opportunities, including at Panmure, Henderson, Manukau, Takapuna, Onehunga and Northcote.</p> <p>Working with Council on the Housing Infrastructure Fund.</p> <p>Optimising assets to support wider development opportunities for the Council group.</p>

BETTER OUTCOMES FOR AND WITH MAORI

The following table sets out specific projects which will help to deliver on Māori responsiveness – contributing to Māori well-being, organisational effectiveness, and post-Treaty settlement opportunities.

Key projects and initiatives	Description	Contribution to achieving better outcomes for and with Māori
<p>Mana whenua engagement</p>	<p>Engagement with mana whenua on major transport infrastructure projects and walking and cycling projects utilising Auckland Transport's Māori Engagement Framework.</p> <p>During 2015/2016, Auckland Transport and mana whenua worked in partnership to develop a service measure for evaluating Auckland Transport's performance in its mana whenua engagement processes and outcomes.</p> <p>Mana whenua identified that in evaluating engagement, Māori values/ Te Ao Māori (the Māori World view) is a critical factor.</p> <p>A mauri (life force/essence) qualitative measure based on a model developed by Taina Whakaatere Pohatu (Te Wānanga o Aotearoa), was recommended which assesses whether Māori values/Te Ao Māori values are being upheld in Auckland Transport's engagement process ('Achieving mauri').</p> <p>A series of quantitative measures is recommended to evaluate effectiveness of engagement processes and outcomes.</p> <p>During 2016/2017 the measurements will be used and refined where applicable in a range of projects.</p>	<p>Mana whenua input to transport infrastructure development and design, contributing to Auckland Transport's Māori responsiveness (Whai Tika)</p> <p>(1) Qualitative measure for 'Achieving Mauri' in Auckland Transport's engagement process; and</p> <p>(2) Quantitative measures (1-5 scale):</p> <p>(a) Responsiveness – how well were mana whenua concerns and interests responded to in a project process;</p> <p>(b) Communication – consistent with, technical explanations explained clearly;</p> <p>(c) Timing – engage early, ensure engagement continued in timely manner to incorporate Māori values and outcomes at the right time;</p> <p>(d) Process – inclusive, were Māori values incorporated throughout the process and tikanga observed such as karakia</p> <p>(e) Outcomes – are Mana Whenua values and the use of tools such as Te Aranga Māori Design principles evident in the process and visible in the final project delivered?</p>

BETTER OUTCOMES FOR AND WITH MAORI CONTINUED

<p>Te Aranga Māori Design</p>	<p>Te Aranga Māori Urban principles are incorporated into projects through Auckland Transport's engagement framework, and other guiding documents such as Auckland Transport's Māori Engagement Guide for Project Management.</p> <p>Te Aranga Māori Urban Design can be articulated for example in the application of Te Taiao (Environment) through planting choices, and Whakapapa (Geneology) tribal cultural narratives are celebrated in infrastructure design.</p>	<p>Auckland Transport's engagement framework, contribution to Whai Tika</p>
<p>Road safety programmes – young Māori drivers and passengers</p>	<p>Delivery of road safety programme to increase road safety and graduated licenses and reduce Māori road fatalities. This programme of work is designed for mana whenua and mataawaka communities.</p>	<p>Contributing to Whai Painga (social)</p>
<p>Marae development and road safety</p>	<p>Design and construction of marae entry/exits (first project identified and engagement with marae has begun).</p>	<p>Contributing to Whai Tiaki (cultural)</p>
<p>Māori values and stormwater</p>	<p>Māori values such as mauri are considered in stormwater management in transport projects.</p>	<p>Contributing to Whai Tiaki (cultural)</p>
<p>Marae development and papakainga</p>	<p>Infrastructure support and technical advice on marae development and papakainga housing.</p>	<p>Contributing to Whai Tiaki (cultural)</p>
<p>Te Reo Māori Framework</p>	<p>Auckland Council is currently developing a Te Reo Māori Framework which will guide future council and CCO dual language communication with the public.</p> <p>Auckland Transport will work with council on developing and implementing this framework with agreed actions.</p>	<p>Contributing to Māori responsiveness, Whai Tika (Effectiveness for Māori)</p>

In addition, although most Auckland Transport projects are not specifically tailored to Māori, many of them will directly benefit Māori by virtue of their nature and location. For example, the roll-out of the new public transport network will improve the range of destinations and service frequencies for public transport in areas with high concentrations of Māori, thereby improving Māori access to social and economic opportunities. Similarly, capital development projects in areas of high Māori population can also improve Māori access to social and economic opportunities.

KEY PERFORMANCE MEASURES

Auckland Transport has an agreed set of key performance measures and targets which form the basis for accountability to delivering on the Council's strategic direction, priorities and targets. These will be reported on a quarterly basis, in accordance with the CCO Governance Manual.

Auckland Transport is accountable for delivery against measures and targets reviewed annually under this SOI, plus a number of parallel items approved in June 2015 and listed in Auckland Council's 2015-2025 Long-term Plan (LTP). The following table includes measures and targets from both documents.

MEASURE	2015/16 ACTUAL	2016/17 TARGET	2017/18 TARGET	2018/19 TARGET	2019/20 TARGET
Total public transport boardings (millions)	82.9	88.97	93.01	95.11	98.26
Total rail boardings (millions)	17.2	19.5	21.06	21.91	22.80
Boardings on rapid or frequent network (rail, busway, FTN bus)	9.9% growth compared with 4.6% total boarding growth	Increase at faster rate than total boardings	Increase at faster rate than total boardings	Increase at faster rate than total boardings	Increase at faster rate than total boardings
PT punctuality (weighted average across all modes)	95%	93%	94%	94.5%	95%
Percentage of customers satisfied with their public transport service	84%	84%	85%	85%	85%
Percentage of Aucklanders satisfied with the quality of roads in the Auckland region	69%	70%	70%	70%	70%
Percentage of Aucklanders satisfied with the quality of footpaths in the Auckland region	65%	65%	65%	65%	65%
Percentage of Aucklanders satisfied with road safety in the Auckland region	65%	60-65%	60-65%	60-65%	60-65%
Local road deaths and serious injuries per 100m vehicle kilometres travelled ¹		5	4.9	4.8	4.8

¹ The rate of local road deaths and serious injuries per 100 million vehicle kilometres travelled is an estimate of exposure to crash-risk on the local road network

KEY PERFORMANCE MEASURES CONTINUED

MEASURE	2015/16 ACTUAL	2016/17 TARGET	2017/18 TARGET	2018/19 TARGET	2019/20 TARGET
Percentage of local board members satisfied with Auckland Transport engagement (two separate measures) ²		Survey not undertaken during 2016/17	Auckland Transport reporting to local board 60%	Auckland Transport reporting to local board 70%	Auckland Transport reporting to local board 70%
			Auckland Transport consultation with local board 60%	Auckland Transport consultation with local board 70%	Auckland Transport consultation with local board 70%
Arterial road productivity ³	60% of the ideal achieved	55% of the ideal achieved	55% of the ideal achieved	55% of the ideal achieved	55% of the ideal achieved

² Local board satisfaction results sourced from the Auckland Council Elected Members Survey. Results are not available every year as the survey is only undertaken every 18 months.

³ 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)

KEY PERFORMANCE MEASURES CONTINUED

MEASURE	2015/16 ACTUAL	2016/17 TARGET	2017/18 TARGET	2018/19 TARGET	2019/20 TARGET
Travel times on key freight routes (ten separate measures) ⁴					
• SEART (from Sylvia Park to East Tamaki)	11 mins	11 mins	12 mins	13 mins	13 mins
• SEART (from East Tamaki to Sylvia Park)	10 mins	12 mins	12 mins	12 mins	12 mins
• Wairau Rd (from SH1 to SH18)	8 mins	8 mins	9 mins	9 mins	10 mins
• Wairau Rd (from SH18 to SH1)	8 mins	8 mins	10 mins	10 mins	10 mins
• Harris Rd (from East Tamaki to SH1 Highbrook interchange)	10 mins	10 mins	11 mins	11 mins	12 mins
• Harris Rd (from SH1 Highbrook interchange to East Tamaki)	11 mins	11 mins	13 mins	13 mins	13 mins
• Kaka St/James Fletcher Dr/ Favona Rd/Walmsley Rd (SH20 to Walmsley)	8 mins	11 mins	11 mins	11 mins	11 mins
• Kaka St/James Fletcher Dr/ Favona Rd/Walmsley Rd (Walmsley to SH20)	7 mins	11 mins	11 mins	11 mins	11 mins
• Great South Rd (SH1 Ellerslie Panmure Hwy Interchange to Portage Rd)	11 mins	11 mins	13 mins	13 mins	13 mins
• Great South Rd (Portage Rd to SH1 Ellerslie Panmure Hwy Interchange)	12 mins	11 mins	13 mins	13 mins	13 mins
New cycleways added to regional cycle network (km)	11.8km	16.4 km	10 km	18km ⁵	2km
Annual number of cycling trips in designated areas in Auckland (all day) ⁶	0.996m	1.2m	1.8m ⁷	2.0m	2.1m

⁴ Maintain travel times for the 85th percentile of trips along each route.

⁵ The 2019/20 target is an indicative and interim figure based on the 2018/19 target and will be updated on further development of the Cycling Programme Business Case and 2018-21 programme. There is likely to be further investment made in line with national and Auckland priorities.

⁶ City Centre and regional cycle trips – it is acknowledged that some trips may be recorded more than once across the cycle network e.g. many trips recorded on the NW cycleway at Kingsland would also have been recorded at Te Atatu. Cycle movements is the correct term for these targets and counters provide a basic snapshot of cycle movements across the Auckland region which, over time, record trends in cycling. There are a significant number of cycle movements made each day across the region which are not recorded.

⁷ Annual number of cycling trips in Auckland (all day). This is based on 14 counters across the region which reflects the trend in cycling trips in Auckland. The 14 counters reflect the original nine sites plus the additional five sites – Tamaki Drive (west side of the road), Mangere Bridge, SH20 Dominion Road, East Coast Road and Lagoon Drive.

KEY PERFORMANCE MEASURES CONTINUED

MEASURE	2015/16 ACTUAL	2016/17 TARGET	2017/18 TARGET	2018/19 TARGET	2019/20 TARGET
Annual cycling movements in the Auckland city centre ⁸		1.847m	1.863m	1.989m	2.094m
PT farebox recovery ⁹	51.2%	47-50%	47%-50%	49%-52%	49%-52%
Parking occupancy rates (peak 4-hour, on street) ¹⁰	89.1%	70% - 90%	70% - 90%	70% - 90%	70%-90%
No. of car trips avoided through travel planning initiatives ¹¹	24,227	18,400	20,240	Auckland Transport suggests that this be replaced with the below in the 2018 LTP	Auckland Transport suggests that this be replaced with the below in the 2018 LTP
Active and sustainable transport mode share at schools where the Travelwise programme is implemented		40%	40%	40%	40%
Active and sustainable transport mode share for morning peak commuters where the Commute programme is implemented		40%	40%	40%	40%

Auckland Transport will use the following guidelines to report on performance against the targets:

- where performance is within +/- 2.5% of a target, the target will be considered to be met
- where performance is above a target by more than 2.5%, the target will be considered to be exceeded
- where performance is below a target by more than 2.5%, the target will be considered to be not met.

⁸ This measure relates to the total number of cycle movements recorded using 13 counters situated around the Auckland city centre as follows: Curran Street, Te Wero Bridge, Quay Street, Beach Road, Grafton Gully, Grafton Road, Grafton Bridge, Symonds Street, Upper Queen Street, Canada Street (until Dec 2015)/Light Path (from Dec 2015), Karangahape Road, Hopetoun Street, Victoria Street West.

⁹ 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 NZTA guidelines. Price level changes of 6-7% average fare reduction in 12 months to September 2016 from HOP uptake and Simpler Fares HOP price reductions reflected in new targets.

¹⁰ 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 Sts, K Road & Wynyard Qtr.

¹¹ This measure considers the results achieved by Auckland Transport's Travelwise for schools and Commute programmes, and is calculated as follows:

- Travelwise – travel modes to school is tested among Travelwise schools annually via survey, and is compared to baseline results (excluding car/walk 400m+)
- Commute – calculation of the number of trips converted from drive-alone to other modes amongst Commute programme participants.

Secretary for Local Government Mandatory Performance Measures

In addition to the key performance measures outlined above, Auckland Transport is also required by the Secretary for Local Government to report against specified non-financial performance measures (as per the Non-financial Performance Measures Rules 2013). Those measures, and correlating targets, are set out below.

MEASURE	2015/16 ACTUAL	2016/17 TARGET	2017/18 TARGET	2018/19 TARGET	2019/20 TARGET
Change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number	538 (compared with target of 390)	Reduce by at least 9	Reduce by at least 9	Reduce by at least 9	Reduce by at least 9
Percentage of customer service requests relating to roads and footpaths which receive a response within specified time frames ¹²	88%	85%	85%	85%	85%
Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all urban and rural roads (two separate measures)	Rural 93% Urban 83%	Rural 92% Urban 82%	Rural 91% Urban 81%	Rural 90% Urban 80%	Rural 90% Urban 80%
Percentage of the sealed local road network that is resurfaced	8.1%	8%	7.5%	7.5%	7.5%
Percentage of footpaths in acceptable condition (as defined in Auckland Transport's Asset Management Plan)	99.5%	99%	99%	99%	99%

¹² As defined in Auckland Transport'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.

FINANCIAL OVERVIEW

The following summary of financials supports the delivery of the strategic deliverables and performance targets for Auckland Transport.

Operating budgets (\$million)	Annual Plan	Annual Plan	Long Term Plan	
	2016/17	2017/18	2018/19	2019/20
Revenue				
Funding from Auckland Council	260	275	271	279
Fees and user charges	238	248	307	311
Other Revenue	45	43	31	31
Subsidies and grants	243	248	252	253
Vested assets	102	103	105	106
Total Revenue¹	888	917	966	980
Expenditure				
Employee benefits	109	119	101	101
Depreciation and amortisation	337	363	361	358
Other operating expenditures	640	660	723	736
Total expenditure¹	1,086	1,142	1,185	1,195
Finance income	0	0	0	0
Finance expense	31	29	31	30
Net Operating Surplus/(Deficit)	(229)	(254)	(250)	(245)
EMU principal repayments	5	6	6	7

The above table summarises at a high level Auckland Transport's revenue and expenditure. Revenue includes funding from Auckland Council and the NZ Transport Agency, as well as user charges (public transport fares) and vested assets (assets vested to Auckland Transport).

Revenue (excluding vested assets) and expenditure are broken down by major activity in the following table.

FINANCIAL OVERVIEW CONTINUED

Operating budgets (\$million)	Annual Plan	Annual Plan	Long Term Plan	
	2016/17	2017/18	2018/19	2019/20
Operating income				
Rail	56	56	56	60
Bus	98	108	156	156
Ferry	7	10	19	19
Other public transport	8	8	5	5
Parking	53	51	48	48
Enforcement	32	32	32	32
Roading and footpaths	14	15	14	14
Internal support	15	11	8	8
NZTA subsidies	243	248	252	253
Auckland Council operating fund	260	275	271	279
Total operating income	786	814	861	874
Operating Expenditure				
Rail	171	170	173	173
Bus	250	276	334	342
Ferry	20	23	37	39
Other public transport	51	51	44	44
Parking	12	12	14	14
Enforcement	21	21	21	21
Roading and footpaths	128	146	147	151
Internal support	126	109	85	83
Depreciation	338	363	361	358
Total Operating expenditure	1,117	1,171	1,216	1,225
Surplus/(deficit) from Operations	(331)	(357)	(355)	(351)
EMU principal repayments	5	6	6	7
Surplus/(deficit) from Operation excl. Depreciation	0	0	0	0

The above table shows an activity split of Operating Income (excluding vested assets) and Operating Expenditure. Internal support includes all of the internal costs to run Auckland Transport, including Business Technology, Human Resources, Finance, Communications and Public Affairs, the Chief Executive's Office, Strategy & Development, and Asset Management.

FINANCIAL OVERVIEW CONTINUED

Operating budgets (\$million)	Annual Plan	Annual Plan	Long Term Plan	
	2016/17	2017/18	2018/19	2019/20
Total capital expenditure	765	766	343	372
Comprised of:				
Growth	118	209	54	47
Improve level of services	408	311	55	66
Renewals	239	246	234	259
Total application of capital funding	765	766	343	372
Sources of capital funding:				
Funding from Auckland Council	548	592	257	281
Subsidies and grants	217	174	86	91
Total sources of capital funding	765	766	343	372
Shareholder equity ratio	96%	96%	96%	96%

The above table shows the split of capital expenditure by investment type and the major sources of expenditure for that expenditure. Subsidies and grants is predominantly funding by the NZ Transport Agency.

FINANCIAL OVERVIEW CONTINUED

Expenditure towards Māori outcomes

Expenditure on Māori outcomes is embedded in wider project budgets. Auckland Transport will continue to report on expenditure on Māori outcomes as part of its quarterly report to Council.

Other financial information

Current value of assets	The current value of Auckland Transport assets as at 31 December 2016 is \$17,500 million.	
Shareholder equity ratio	The latest shareholder equity ratio for Auckland Transport as at 31 December 2016 is 96%.	
Accounting Policies	Auckland Transport accounting policies are consistent with those of the Auckland Council group policies.	
Financial Reporting	Auckland Transport financial reporting will be in accordance with requirements of the CCO Governance Manual.	
Asset sales (\$ million)	2015/16 Actual	1
	2016/17 LTP	0
	2017/18 LTP	0
	2018/19 LTP	0

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**Auckland
Transport** 

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