

31 May 2021

Adrienne Young-Cooper
Chair
Auckland Transport

By email

Tēnā koe Adrienne

Shareholder comments on the draft Auckland Transport Statement of Intent 2021-2024

Thank you for providing the draft Statement of Intent 2021 – 2024 (SOI) for Auckland Transport to Auckland Council. The CCO Oversight Committee considered it at its 18 May 2021 meeting, which your staff attended to be part of the discussion. As context for this discussion a copy of the full report can be found here:

https://infocouncil.aucklandcouncil.govt.nz/Open/2021/05/CCO_20210518_AGN_10104_AT_WEB.htm

Thank you for the hard work that you and your organisation have put into producing the draft SOI. I acknowledge that the environment in which the Council group is operating in 2021 is a very challenging one for all of us, both from a financial point of view and also the various difficulties it presents for our organisations.

I am aware that these challenges are particularly acute for Auckland Transport, which also has to prepare the Regional Land Transport Plan and to participate in the Auckland Transport Alignment Project. This all takes place in the context of Council preparing its 2021-2031 Long-term Plan.

Once decision-making on those other plans is more certain, I expect Auckland Transport to work closely with Council staff in the Transport Strategy, Finance and Governance areas to ensure the budgets and programmes are aligned across those plans. One example in the work programme relates to Connected Communities (p43), where greater detail about exactly what will be delivered should be provided (at present there is a reference to this being “dependent on the capital envelope”).

General shareholder comments

In completing the final SOI, Auckland Transport should ensure that the financial information is agreed with Financial Planning staff and includes the following:

- 2019/2020 actual results
- 2020/2021 Long-term Plan budget
- 2021/2022, 2022/2023 and 2023/24 Long-term Plan budgets
- a breakdown by activity as in the Long-term Plan
- agreed non-strategic asset sales targets.

In addition, performance measures should align with the 10-year Budget 2021-2031. CCOs should ensure that in the final documents:

- LTP measures are clearly identified
- Measures and targets are worded exactly as in the 10-year Budget 2021-2031.
- 2019/2020 actual performance is included alongside 2020/2021 and the next three years' targets.
- A complaint handling measure should be included in the final SOI (as recommended in the CCO review).

The Council group is currently considering a draft Economic Development Action Plan. I ask that Auckland Transport ensures the actions from the final Economic Development Action Plan which are assigned to Auckland Transport for delivery (where not already captured in the draft SOI), are included.

We expect you to continue to work with council to complete the CCO review implementation.

Specific shareholder comments

Part one - Strategic overview

Sections 1.2 and 1.3 of the draft SOI provide a detailed and useful commentary of Auckland Transport response to Council's strategic priorities, the major challenges faced, and the ten key approaches to delivering on strategic objectives. There are a number of areas where we consider that this discussion could be strengthened:

- The discussion of transport choices on pages could usefully also refer to issues relating to transport equity, especially in respect of public transport. This issue was raised by councillors during the discussion on the Congestion Question (6 May 2021 Planning Committee) and will continue to be an important consideration in mode shift investment choices in the future.
- The discussion of customer experience (pages 14-15) is strong in relation to digital services. It could also usefully discuss how these digital services are or will be supported by physical infrastructure, such as to ensure that transferring between services is quick, easy and safe.
- Once discussions about operational expenditure investment are concluded through the Long-term Plan, additional clarity about what can and cannot be delivered within the constraints of the agreed budget would be helpful. One place for this could be page 15 as part of the travel choices discussion, as well as in the work programme section.
- The draft SOI should be clearer about what 'applying a climate lens' means in practice, and what it will mean in future. This should identify where this 'lens' sits in relation to other considerations, and how it affects prioritization of projects which will actively contribute to reducing the climate impact of the transport system, with examples.
- In respect of collaborative partnering (p18), a reference to the commitment to continue working with council on the next round of ATAP and RLTP should be provided. This reflects the recommendations of the CCO Review.

- The culture and capability section should include a greater commitment to ensuring that the organisation has the right structure and culture so that it supports and embeds the key priorities around public transport and walking and cycling. This is similar to the way in which priorities around transport system safety have been prioritised throughout the organisation in recent years.

Part two – Statement of performance expectations

In respect of targets, it is acknowledged that the last financial year has been a particularly challenging one in terms of performance against the most important strategic goals – climate change, mode shift to public transport and active modes, and to a lesser extent improved safety in the transport system.

COVID-19 has severely impacted budgets and will continue to do so for some time. The pandemic may also have impacted willingness to use public transport, and reduced demand for it through greater home working.

Nonetheless, the Long-term Plan process (including the Mayor's proposal delivered on 19 May 2021) is likely to maintain strong financial support from Council for Auckland Transport's programme to deliver mode shift, and many of the fundamental trends in Auckland remain likely to continue, such as population growth. The growth in vehicle kilometres travelled relative to population growth indicates there is still a major challenge for Auckland in terms of changing the patterns of transport use.

In this context, Auckland Transport should reconsider whether the targets included are ambitious enough, with a view to increasing them. The targets supplied in the draft SOI are significantly lower than those stated in the LTP consultation document.

I am aware that there is an ongoing discussion about ensuring that the cycling measure provides an accurate account of AT's performance in delivering strategic cycling infrastructure. We appreciate the time which your staff, including the Chief Executive, have put into developing a new measure. We expect that a suitable measure be agreed in time for the final Statement of Intent.

At the CCO Oversight Committee meeting on 18 May, there was also an indication from your staff that Auckland Transport is working on a 'transport climate plan'. This would look to clarify the role of transport in supporting the Climate Action Plan, set out the main levers which different players in the Auckland transport system have available, and establish a set of measures which can measure our collective and individual success. We endorse you undertaking this piece of work in the next 12 months and look forward to working with you on it to scope and develop it.

Finally, a few other points of more detailed feedback have been received from staff within Auckland Council. These will be taken up directly with the Auckland Transport staff responsible for preparation of the Statement of Intent. For example, these will ensure that wording around the council group's contribution towards Māori outcomes reflects the Kia ora Tāmaki Makaurau framework.

I look forward to receiving the final SOI by 31 July 2021.

Ngā mihi



Phil Goff

MAYOR OF AUCKLAND

Copy to: Deputy Mayor Councillor Bill Cashmore, Auckland Transport Liaison
Councillor Chris Darby, Chair, Planning Committee, Auckland Transport Liaison
Councillor Desley Simpson, Chair, Finance and Performance Committee
Councillor Richard Hills, Chair, Environment and Climate Change Committee
Councillor Alf Filipaina, Chair Parks, Arts, Community and Events Committee
Jim Stabback, Chief Executive, Auckland Council
Shane Ellison, Chief Executive, Auckland Transport