



Auckland Regional
Transport Authority

MONTHLY BUSINESS REPORT

October 2009

CONTRIBUTION LIST

The following is a list of Business Unit Managers responsible for providing detailed monthly reports.

Business Unit	Name
Customer Services	Mark Lambert
Project Delivery	Allen Bufton
Strategy and Planning	Peter Clark
Marketing and Communications	Shelley Watson
Corporate Services	Stephen Smith

TABLE OF CONTENTS

1	CUSTOMER SERVICES	ERROR! BOOKMARK NOT DEFINED.
1.1.	PASSENGER TRANSPORT PATRONAGE – NETWORK WIDE.....	ERROR! BOOKMARK NOT DEFINED.
1.2.	MAJOR INFRASTRUCTURE WORKS	12
1.3.	SPECIAL EVENT PASSENGER TRANSPORT SERVICES.....	12
1.4.	REGISTERED SERVICE NOTIFICATIONS RECEIVED BY ARTA UNDER THE PUBLIC TRANSPORT MANAGEMENT ACT 2008	12
1.5.	PUBLIC TRANSPORT CONCESSIONARY FARE SCHEME (CFS)	14
1.6.	AUCKLAND TOTAL MOBILITY SCHEME	14
1.7.	TRAVEL PLANNING	15
2	PROJECT DELIVERY	16
2.1.	ROLLING STOCK PROCUREMENT	16
2.2.	INFRASTRUCTURE DEVELOPMENT	16
2.3.	FERRY TERMINAL UPGRADES	16
2.4.	NETWORK DEVELOPMENT	17
2.5.	REAL TIME PASSENGER INFORMATION SYSTEMS (RTPIS).....	17
2.6.	ASSET MANAGEMENT.....	18
3	STRATEGY AND PLANNING	19
3.1.	STRATEGIC TRANSPORT PLANNING	19
3.2.	PLANNING AND PROGRAMMING.....	19
4	MARKETING AND COMMUNICATIONS.....	22
4.1.	MARKETING AND CUSTOMER INFORMATION CHANNELS	22
4.2.	MEDIA AND COMMUNICATIONS	25
5	CORPORATE SERVICES	27
5.1.	FINANCIAL REPORTS.....	27
5.2.	STATEMENT OF FINANCIAL PERFORMANCE.....	30
5.3.	STATEMENT OF FINANCIAL POSITION	31

SUMMARY

Patronage

- Total Public Transport patronage for the month of October 2009 was 12.9% lower than last year, a decrease of 667,049 boardings due to a NZ Bus industrial dispute which disrupted bus services from 8 to 14 October.
- Total patronage for the four months to 31 October is a decrease on last year, with increases in rail by 5.9% and ferry by 7.2% and a decrease in bus by 1.7%.
- Rail patronage for October increased by 14.1%, ferry by 3.9% but bus decreased by 18.7% compared to October last year.
- The Northern Express patronage for the month of October increased by 24.3% on last year.
- Rail patronage for the month of October was the second highest on record at 767,000 passengers.

PT Services

- Rail service punctuality declined in October to 82.4% of services on time from 85.5% in September and 86.8% in October last year. Major incidents were signal and points failures and mechanical faults.
- Passenger delay minutes increased by 14.0% on the September result, due to infrastructure faults and train faults but were also impacted by the additional train loading times resulting from the high passenger numbers during 8 to 14 October.

Rolling Stock

- SA trainsets 18–23 – Trainset 20 was delivered in October. Trainsets 18, 19 and 20 have now been delivered.

Infrastructure

- Newmarket Station – Construction is on schedule to be complete by January 2010.
- Avondale Station – Construction of the platforms continues with station construction due to be completed by June 2010.
- New Lynn Rail and Bus Interchange – Construction is ahead of schedule with completion anticipated by September 2010.
- Rail Distributed Stabling – A brief has been prepared for the development of the stabling facilities at the Tamaki site during 2010 while the detailed design for the Western line stabling site is progressing with physical works expected to begin on 26 December 2009.
- Grafton Station – Construction has commenced with completion targeted for March 2010.
- Onehunga Line Stations – Te Papapa and Penrose Station platform construction is progressing well. Building consent will be lodged in November.
- Kingsland Station – Enabling works on the pedestrian rail underpass commenced over Labour weekend with further piling works scheduled during November.
- Manukau Station – ONTRACK have started the piling of the station walls and the detailed design of the station is well underway.
- Half Moon Bay Vehicular Terminal – Construction of additional layover berths is due to be completed by mid December.
- Birkenhead Ferry Terminal – Building consent approval has been granted and contract award is expected by 10 November 2009.

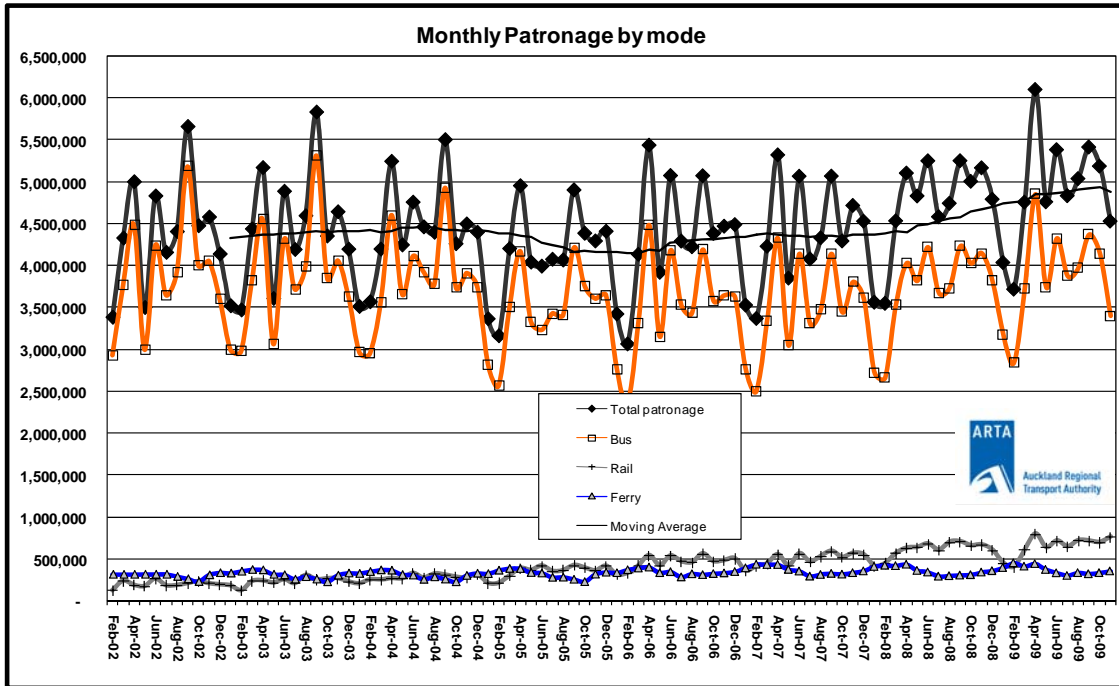
Strategy and Planning

- The draft Regional Public Transport Plan (RPTP) has been released for public consultation with submissions to close on 24 December.
- The CBD Rail Loop project, to identify and protect the underground route and station locations, has commenced.

1 CUSTOMER SERVICES

1.1. PASSENGER TRANSPORT PATRONAGE – NETWORK WIDE

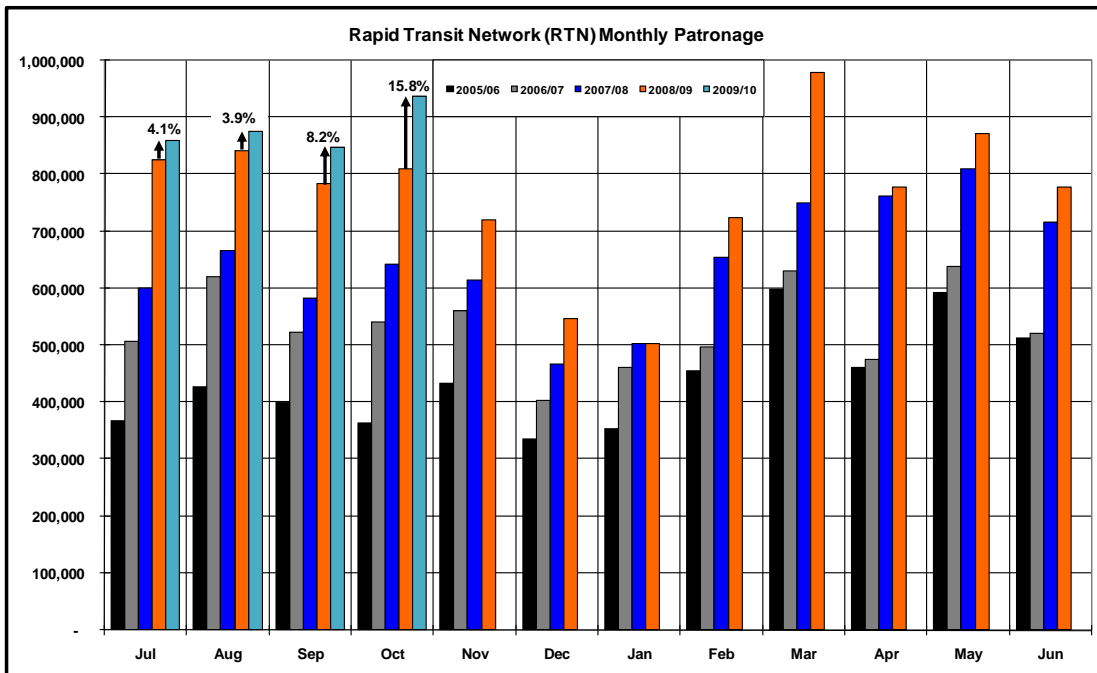
The total combined bus, ferry, and rail patronage for the month of October is 12.9% lower (667,049 boardings) than October 2008 at 4,506,464 boardings. The total patronage for financial year to date for the four months to October 2009 is 20,166,746 boardings.



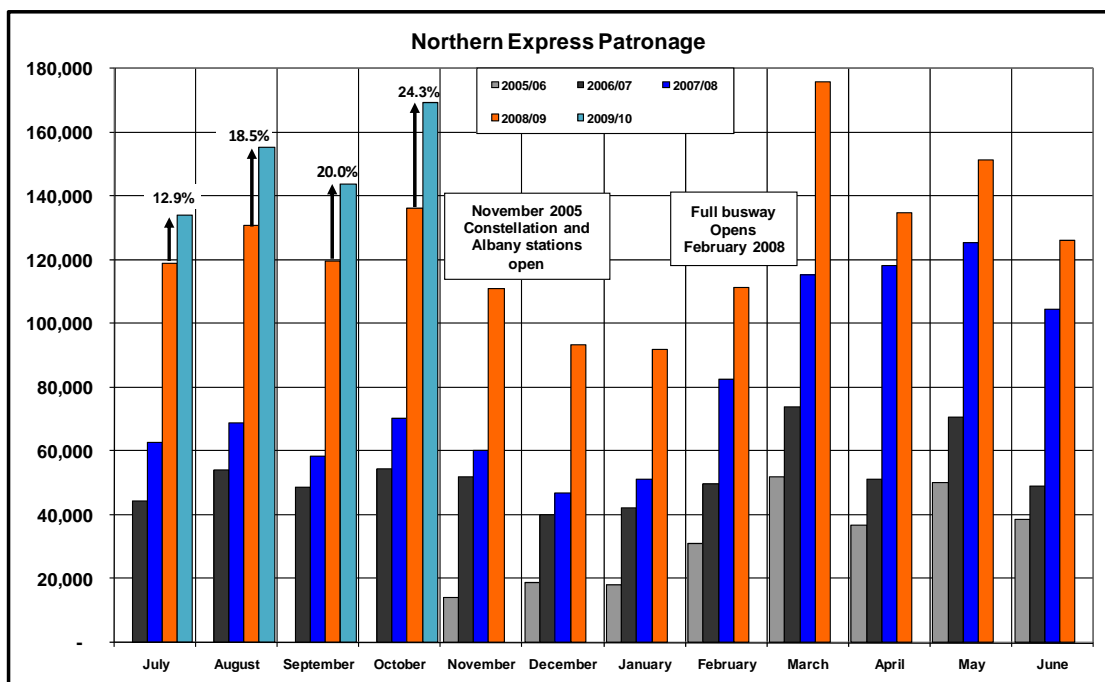
The patronage downturn in October was due to the cancellation of NZ Bus services as a result of the ongoing bus driver industrial dispute between 8 and 14 October 2009.

Rapid Transit Network (Rail and Northern Express):

The total RTN patronage for October is 15.8% (127,717 boardings) higher than October 2008. For the financial year to date (four months) RTN patronage is 7.9% (258,603 boardings) higher than the same four months in the previous financial year.



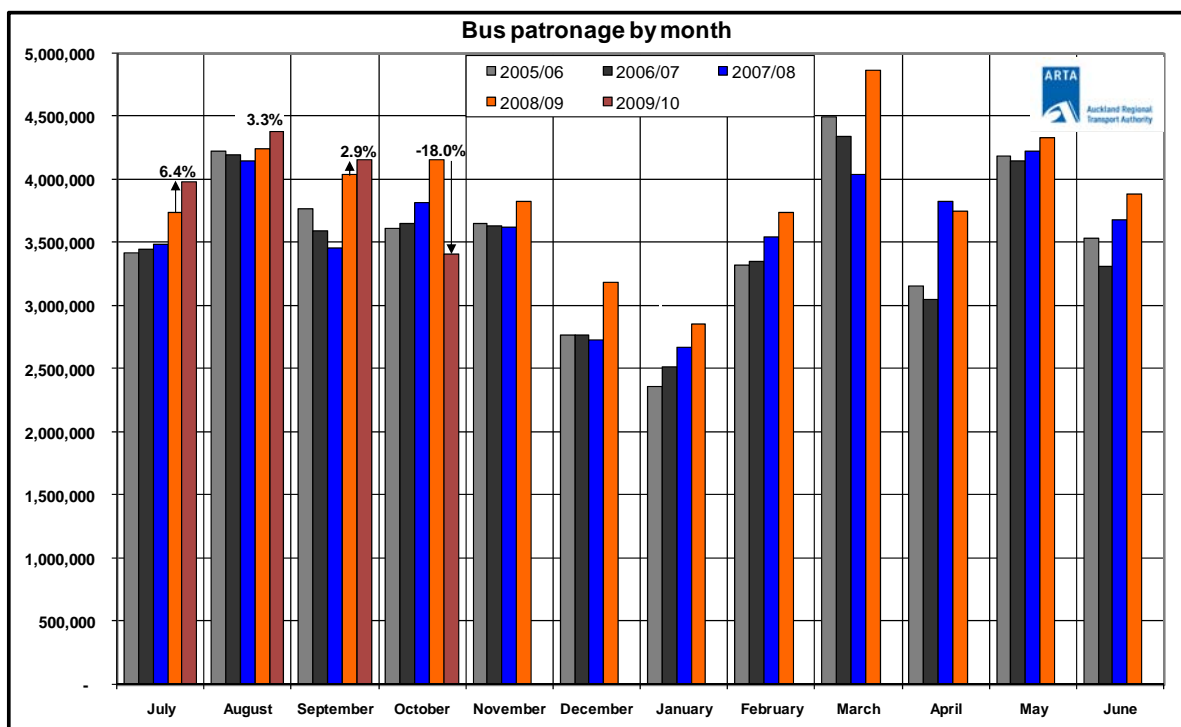
The Northern Express patronage grew by 24.3% or 33,085 boardings for October 2009 compared to October 2008. There have been nearly 1.6 million passengers recorded using the Northern Express over the last twelve months, an increase of 32.1% on the same period last year.



Bus Patronage

Bus patronage is 18.7% (775,313 boardings) lower than last October. For the financial year to date (four months) bus patronage is 1.7% lower than the same four months in the previous financial year. There have been 46.3 million passengers recorded using bus services over the last 12 months, an increase of 4.05% on the same period last year.

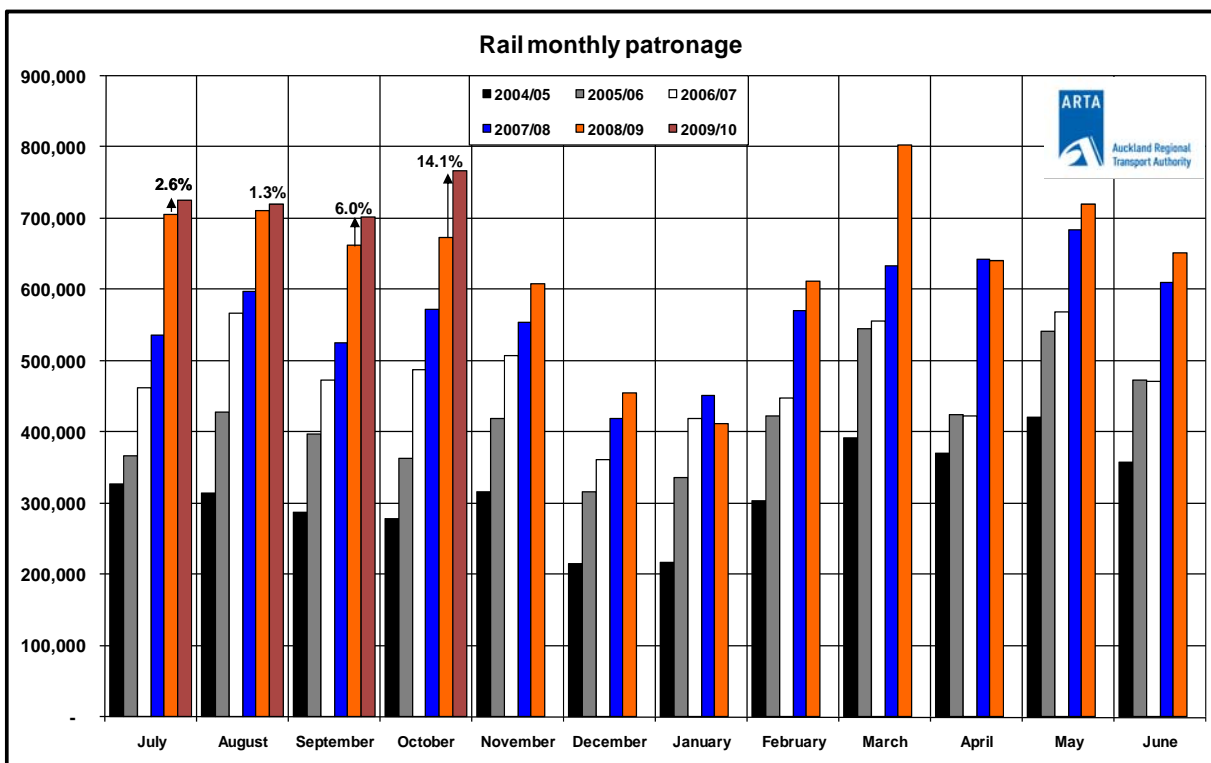
The decline in patronage is due to the disruption to NZ Bus services during October.



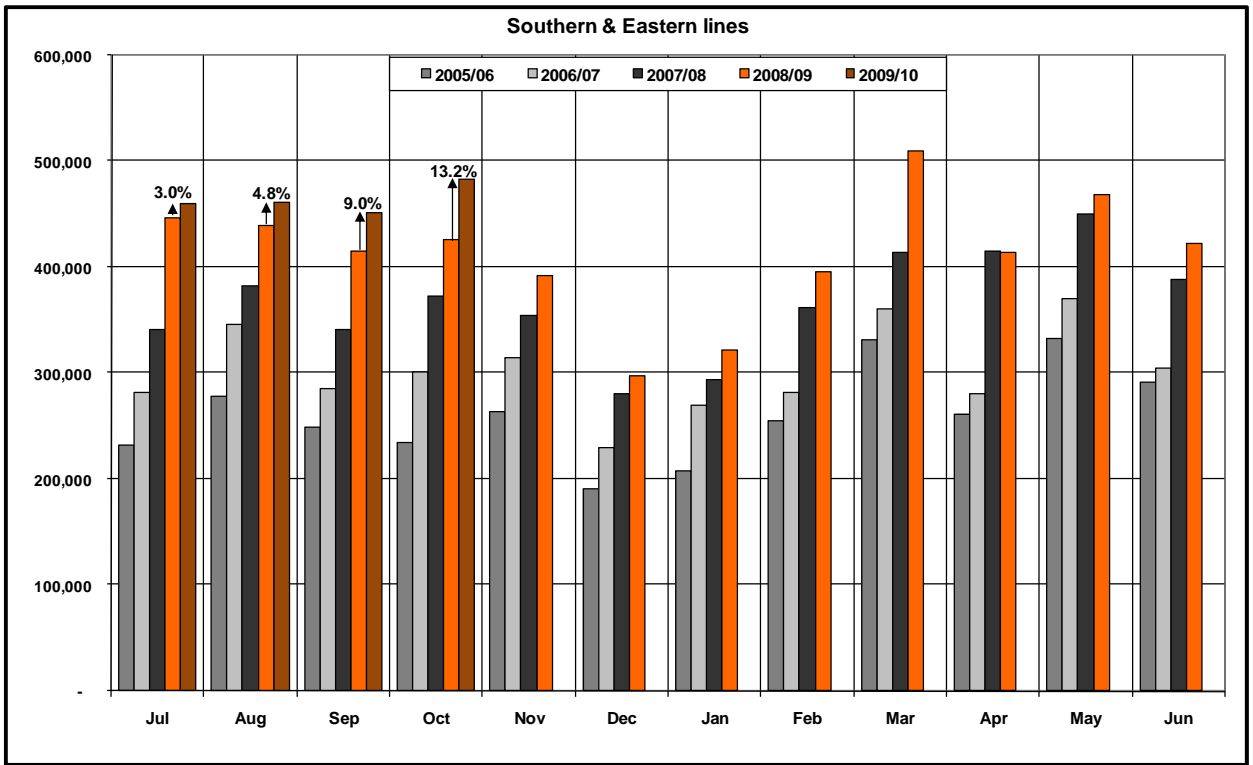
Rail Patronage

The week-long NZ Bus industrial action from 8 to 14 October helped to boost rail patronage for October 2009 to the second highest volume on record. This was despite school holidays during the early part of the month and engineering work that closed part of the network over Labour weekend. For the month there were 767,000 passengers recorded as travelling on rail services, an increase of 14.1% on the same month last year. There was one fewer business day in the month this year compared to last year. For the year-to-date there have been 2.912 million passengers recorded on rail, an increase of 5.9% on the same period last year.

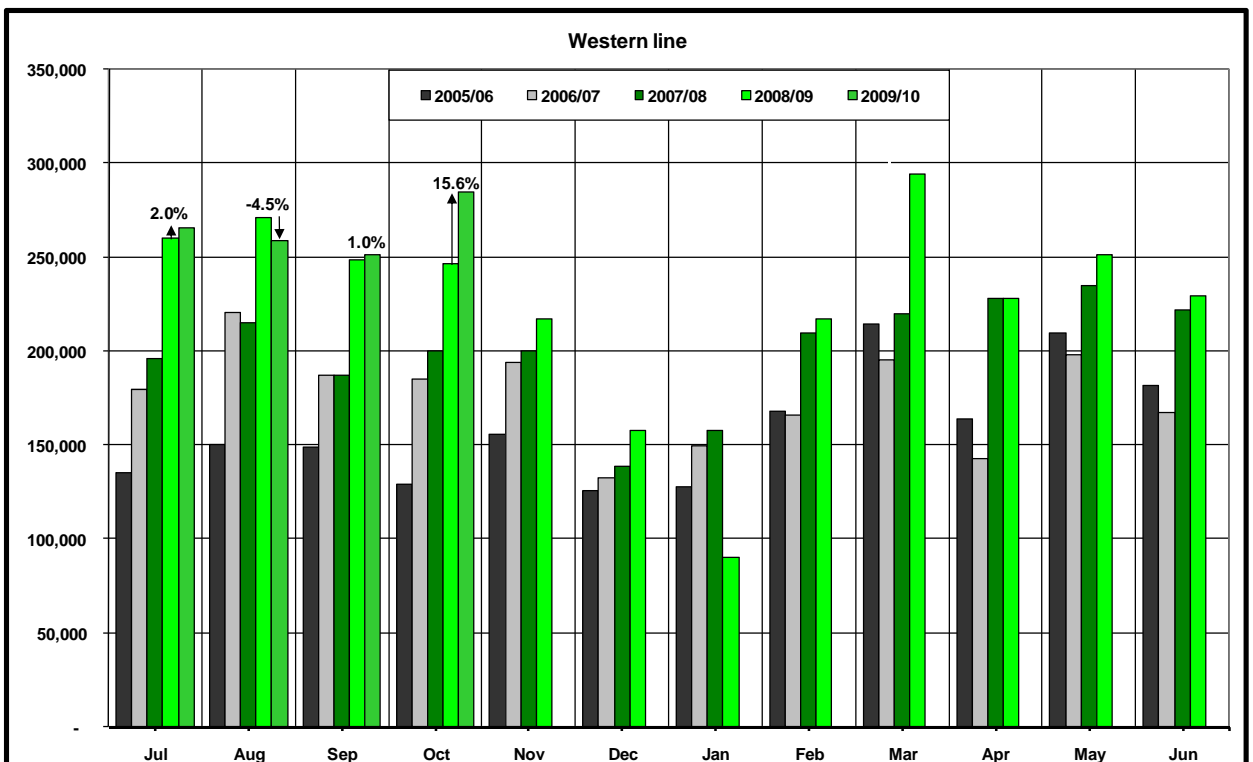
The weekday passenger numbers between 8 and 14 October were, on average, 33% higher than those recorded on the other three weeks, averaging over 40,000 per day over this period compared to around 30,000 for the other business days of the month, with Wednesday 14 October the highest at 44,000 passengers. Veolia Transport was able to add temporary additional capacity by scheduling up to 18 additional services each day during this period particularly between Otahuhu or New Lynn and Britomart.



There were 482,000 passengers recorded as travelling on southern and eastern line services in October, an increase of 13.2% on the same month last year. For the year-to-date 1.853 million passengers have travelled on southern and eastern line train, 7.4% more than the same period last year.

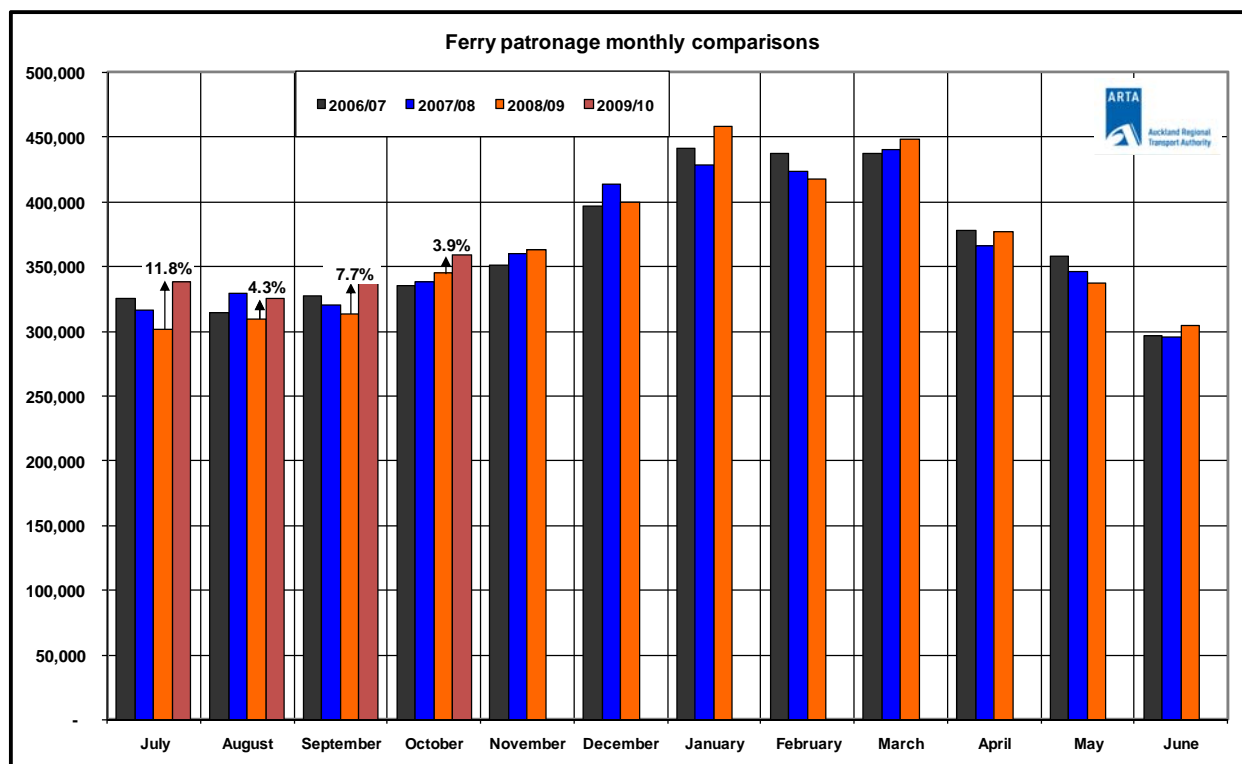


There was a slightly higher increase recorded on western line services, with 285,000 passenger journeys during October which represents an increase of 15.6% on the same month last year. For the year-to-date 1.059 million passengers have used western line services which is 3.3% more than the same period last year.



Ferry Patronage

Ferry patronage for October is 3.9% higher (13,632 boardings) than last October, for the financial year to date (4 months), patronage is 7.2% higher than the same four months in the previous year.



PT Service Punctuality and Reliability

Rail Service

Punctuality, as measured by the number of services that were not cancelled which arrived at their destination within five minutes of schedule, was affected by several significant incidents, particularly towards the end of the month. When combined with the delays caused to services from the increased time required to load at stations to accommodate the additional passenger numbers during the NZ Bus industrial dispute, overall on-time performance was 82.4% for October compared to 85.5% last month and 86.8% for October last year. The western line experienced the greatest impacts of the delays with 81.9% of services operating on-time compared to 88.4% in September and 88.0% for the same month last year. For the southern and eastern lines 82.6% of services ran on-time compared to 84.0% last month and 86.2% in October last year.

The following major incidents contributed to the level of delays recorded during October:

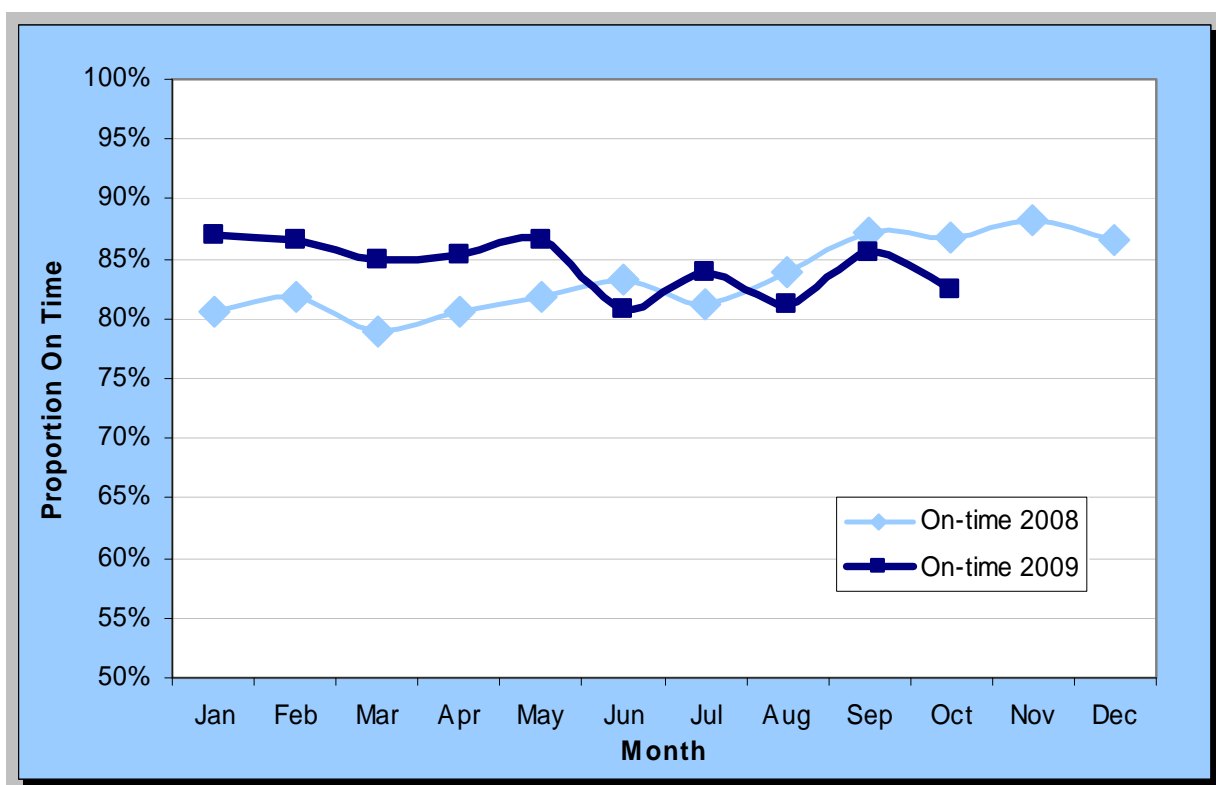
- Signal, points and track failures – There were four significant points failures during the month that affected service performance. The first occurred on 9 October at Avondale and caused delays to afternoon services on the western line. On 19 October a points failure at Pukekohe during the morning peak caused disruptions to southern and eastern line services. A points failure at Henderson on 23 October caused delays and cancellations to morning peak services on the western line and western line morning peak services were again disrupted on 29 October following a points failure at Parnell. A signal failure disrupted early evening peak services on the western line on 29 October and the signalling system was again affected by a power failure during the morning peak that mainly affected services on the western line.
- Train faults – There were four major train failures that disabled trains on the network causing disruptions to services. During the morning peak of 15 October a train was disabled at Sunnyvale and disrupted western line services. Another fault that disabled a train at Glen Eden on 21 October towards the end of the evening peak resulted in delays and cancellations on the western line. Services were temporarily terminated at New Lynn with

alternative transport provided for affected passengers while the train was recovered. Two days later another train fault, this time at Kingsland, occurred during the evening peak and caused disruptions on the western line. Alternative transport was arranged until the fault was rectified. On 30 October evening peak trains on the western line were disrupted by a train fault that occurred at Swanson. It is likely that the increase in train faults in the latter part of the month was due, in part, to limited preventative maintenance being conducted over the week of 8 – 14 October to ensure that the maximum available capacity was supplied during the period of industrial action.

- Other – Services were temporarily suspended on the southern line from late morning of 13 October due to an incident at Manurewa. Bus replacements were arranged for affected passengers.

While the incidents detailed above can be linked to delays and service cancellations affecting services on single days, speed restrictions and track protection measures had the greatest impact on network performance. The restrictions were imposed through areas with new track formation following upgrade works, in particular through Penrose on the southern line and Boston Road on the western line. While having some impact on service performance, delays caused by track protection measures in place for network upgrades reduced compared to recent months.

Rail Punctuality: Services Operating On-time or Within Five Minutes (All Lines)



In October 98.2% of scheduled rail services reached their scheduled destination and were not cancelled, which is a reduction on the 98.6% performance for September, but is better than the 96.7% recorded for October last year. More than half the service cancellations were a result of train faults and these had a significantly greater impact on western line services, of which 96.5% reached their scheduled destination and were not cancelled (98.3% last month) compared to 99.1% of southern and eastern line services (98.8% last month).

Bus replacements were in effect during the month as follows:

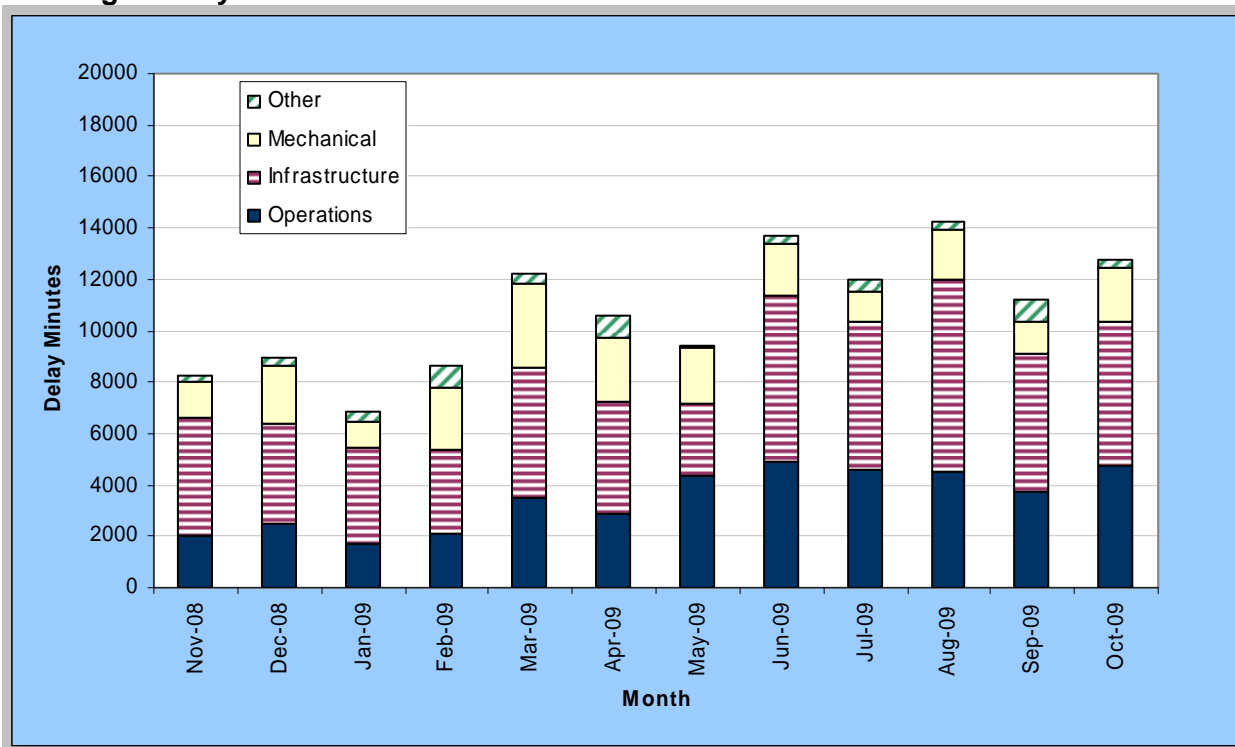
- On Sundays 4, 11 and 18 October buses replaced trains between Avondale and New Lynn to allow for the construction of the platform at the new Avondale station;
- On Labour Day weekend 24-26 October buses replaced train on the southern line between Otahuhu and Britomart (via Newmarket) and on the entire western line to allow work on a variety of projects to continue. The work included track work at Penrose, between Avondale

and New Lynn and between Boston Road and Newmarket as well as bridge work at Mt Eden in preparation for electrification.

Passenger Delay Minutes

Passenger delay minutes increased by 14% compared to September to 12,758. Delays due to infrastructure issues, particularly speed restrictions, increased by 5% from September and made up 44.4% of the total delay minutes. The number of train faults during the month saw delays due to these issues increase by 63.8% from September although the overall delay minutes from train faults made up 16.3%. The additional train loading times resulting from the high passenger numbers during 8-14 October saw a 27.3% increase in operational issue delay minutes compared to last month.

Passenger Delay Minutes – Last Twelve Months



The following is a break-down of the infrastructure-related delay minutes for the month:

	Delay Minutes	Proportion
Network Control	396	7.0%
Signal/points failure	1,420	24.9%
Speed restrictions	2,922	51.2%
Track protection measures*	964	16.9%
Total	5,702	

*Track protection measures are put in place at sites where work that involves activities close to the track is underway. These require trains to slow or stop at a safe distance prior to the actual site and only proceed after receiving approval from the site protector that the track is clear of all obstructions.

Bus Service Reliability and Punctuality

South, West and Isthmus Contracted Bus Services

For October 2009, 99.80% of contracted service trips were operated (Reliability measure).

Service Punctuality for October 2009 was 99.48% of services operated, measured by the percentage of services which commence the journey within 5 minutes of the timetabled start time.

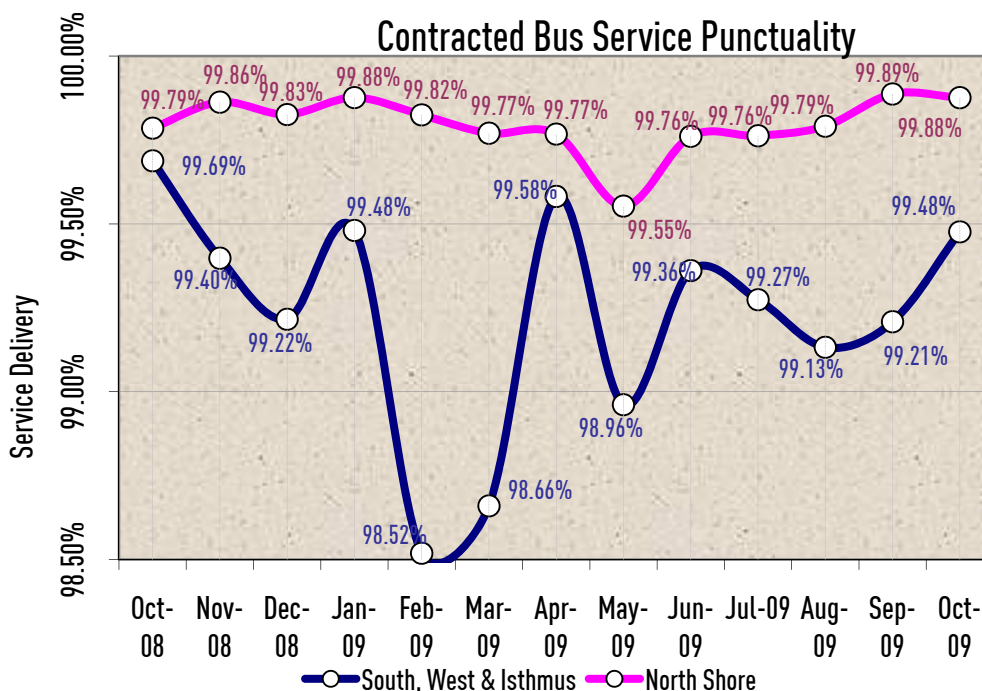
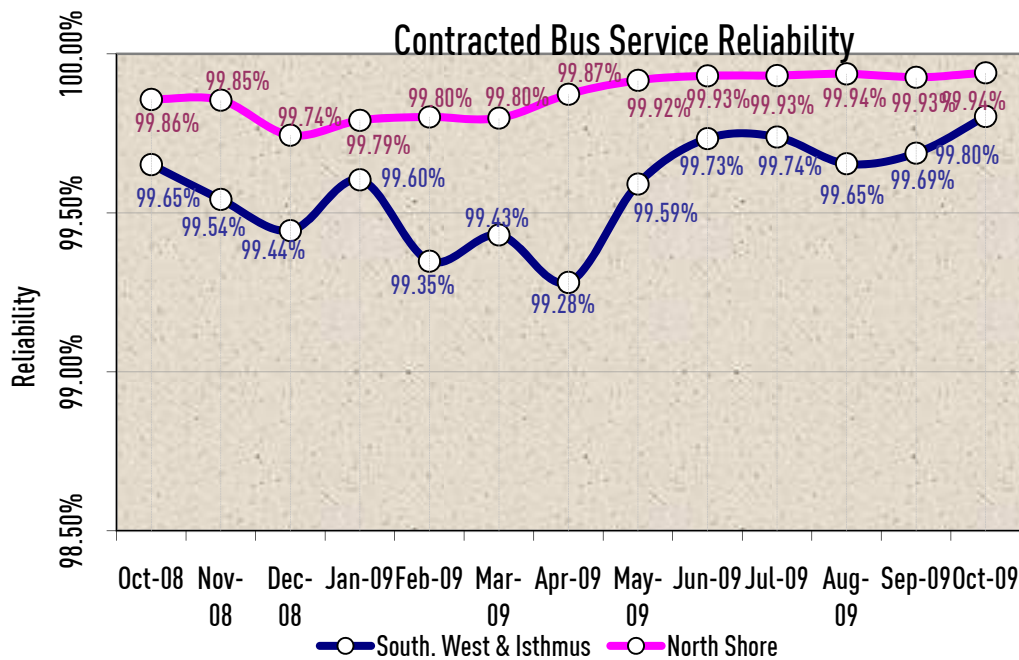
Service Punctuality and Reliability are self reported by the bus operators.

North Shore Contracted Bus Services

For October 2009, 99.94% of contracted service trips were operated (Reliability measure).

Service Punctuality for October 2009 was 99.88% of services operated, measured by the percentage of services which commence the journey within 5 minutes of the timetabled start time.

Service Punctuality and Reliability is self reported by the bus operators.



1.2. MAJOR INFRASTRUCTURE WORKS

Central Connector

All construction on the Central Connector roads of Anzac Avenue, Symonds St and Park Rd up to the DART02 work zone between Khyber Pass and Carlton Gore Rd were completed by 4 October 2009.

Grafton Bridge was officially opened on 5 October 2009. The Link services commenced the new route over Grafton Bridge on 6 October 2009.

1.3. SPECIAL EVENT PASSENGER TRANSPORT SERVICES

October 2009

Eden Park – Air New Zealand Cup

- Auckland v Southland - 3 October 2009
Extra trains were provided on the western line which resulted in 836 trips recorded.
- Auckland v Counties Manukau - 18 October 2009
Extra trains were provided on the western line which resulted in 644 trips recorded.

Vector Arena:

Extra trains were provided post concert for the following:

- Black Eyed Peas - 13 October 2009
Trains post Concert: 77 trips recorded
- I love the Islands Concert - 19 October 2009
Trains post Concert: 107 trips recorded
- Andre Rieu Concert - 25 October 2009
Trains Post Concert: 29 trips recorded

Ambury farm day 11/10/2009

- A single shuttle service was provided between Otahuhu rail station and Ambury Farm with 375 trips recorded.

1.4. REGISTERED SERVICE NOTIFICATIONS RECEIVED BY ARTA UNDER THE PUBLIC TRANSPORT MANAGEMENT ACT 2008

Under the Public Transport Management Act 2008, the following applications for registered services have been approved during October 2009:

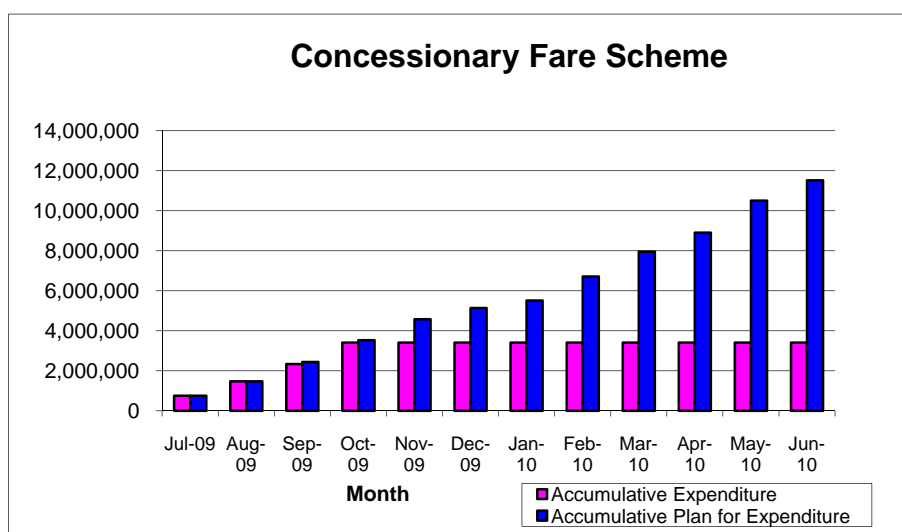
- Sealink Travel Group (NZ) Ltd: Notification to replace the standard public holiday timetable effective 26 October 2009. Approved 12-Oct-09.
- Airbus: Notification to increase fares from 01 October 2009. Approved 07-Oct-09.
- Airbus: Notification to increase service operation to 24 hr services commencing from 01 November 2009. Approved 07-Oct-09.
- Fullers Group Ltd.: Notification to vary the departure times ex Auckland to Matiatia. Approved 05-Oct-09.
- Fullers Group Ltd.: Notification to vary the Great Barrier Summer Timetable to operate from 23 October 09 to 05 April 2010. Approved 19-Oct-09.
- Macarthur Buslines Ltd.: Notification to cancel the Sunday service and add two new weekday services and change route from E2/W2 to Route 12 (excluding Public Holidays). Approved 12-Oct-09.
- Safe Driver (NZ) Ltd.: Notification to register a shuttle service to operate on a temporary basis only for the duration of the NZ Bus industrial action period. Approved 08-Oct-09.

- Sealink Travel Group (NZ) Ltd.: Notification to operate a summer timetable between Auckland and Great Barrier. Approved on 16-Oct-09.
- Waiheke Shipping Ltd.: Notification to vary the standard timetable to operate reduced services up to 30 January 2010. Approved 16-Oct-09.
- Waiheke Shipping Ltd.: Notification to vary the standard public holiday timetable to depart Kennedy Point at 10h30 instead of 10h00 on Labour Day only. Approved 21-Oct-09.
- Waiheke Shipping Ltd.: Notification to permanently vary the standard public holiday timetable to change 10h00 ex Kennedy Point departure to 10h30 and the 14h00 departure to 14h30. Approved 30-Oct-09.
- Sealink Travel Group (NZ) Ltd.: Notification to vary the Labour Day timetable to register the times 10h00 and 13h30 ex Kennedy Point. Approved 21-Oct-09.
- Sealink Travel Group (NZ) Ltd.: Notification to vary the ANZAC Day Public Holiday timetable. Approved 30-Oct-09.
- Sealink Travel Group (NZ) Ltd.: Notification to vary the Great Barrier Timetable to arrive at Tryphena Wharf on the dates 19, 24, 26, 27, 28, 30 and 31 December 2009 from 12 noon. Approved 30-Oct-09.
- Intercity Group (NZ) Ltd. t/a Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 6407 within the Auckland region to Palmerston North (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 6412 within the Auckland region from Palmerston North (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Tranzit Group and Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 6502 within the Auckland region from Wellington (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Tranzit Group and Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 6503 within the Auckland region to Wellington (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Tranzit Group and Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 6501 within the Auckland region to Wellington (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Tranzit Group and Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 6504 within the Auckland region from Wellington (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Tranzit Group and Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 7225 within the Auckland region to Rotorua (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Tranzit Group and Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 7226 within the Auckland region from Rotorua (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Great Sights, Auckland PTL: Notification to vary the existing approved commercial registration to operate route 7230 within the Auckland region from Rotorua (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Tranzit Group: Notification to vary the existing approved commercial registration to operate route 6210 within the Auckland region from Rotorua (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Tranzit Group: Notification to vary the existing approved commercial registration to operate route 6219 within the Auckland region to Rotorua (Monday to Sunday). Approved 25-Jun-09.

- Intercity Group (NZ) Ltd. t/a Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 6418 within the Auckland region from New Plymouth, Monday to Sunday service (except Fridays). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd.: Notification to vary the existing approved commercial registration to operate route 6404 within the Auckland region from New Plymouth (Monday to Saturday service). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Ritchies Holdings: Notification to vary the existing approved commercial registration to add route 6414 to operate within the Auckland region from New Plymouth (Sunday service only). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 6416 to operate within the Auckland region from New Plymouth (Friday only service). Approved 25-Jun-09.
- Transportation Auckland Corporation Ltd.: Notification to vary the commercial registration to remove the 20 trip Child Multi journey ticket, 3 Day Rover and introduce a 7 day all zone pass. Approved 26-Jun-09.
- Nakedbus.com t/a Shuttlanz Ltd.: Notification to register a scheduled commercial passenger transport service to operate within the Auckland region outbound to New Plymouth and Palmerston North regions. Approved 29-Jun-09.

1.5. PUBLIC TRANSPORT CONCESSIONARY FARE SCHEME (CFS)

Expenditure for concessionary fare reimbursements is under budget for the four months ended October 2009. The expenditure is \$3,407,000 against a reforecast budget of \$3,526,000.

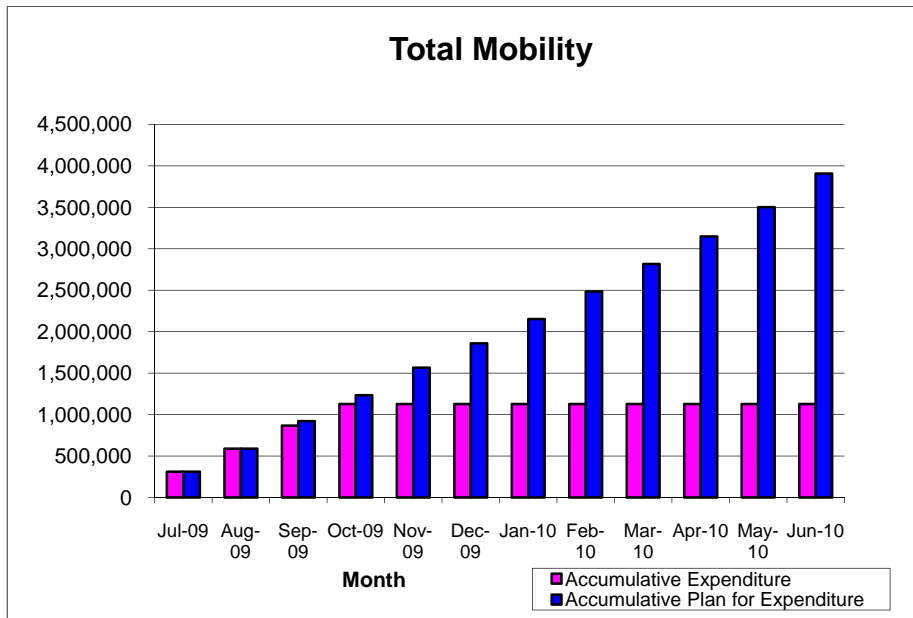


Expenditure for the SuperGold card is not included within this graph as it is funded 100% (for non-peak travel) by NZTA. The expenditure for SuperGold for the four months ended October 2009 is \$2,763,000.

1.6. AUCKLAND TOTAL MOBILITY SCHEME

150 new Total Mobility applications were processed in October 2009 compared with 126 in July, 196 in August and 200 in September.

Expenditure for Total Mobility reimbursements is under budget for the four months ended October 2009. The expenditure is \$1,127,000 against a reforecast budget of \$1,235,000.



1.7. TRAVEL PLANNING

School Travel Planning

The following schools launched their travel plans during October:

- Massey Cluster of Schools:
 - Massey High School
 - Massey Primary
 - Royal Road School
 - St Pauls School
 - Lincoln Heights School
 - Don Buck School
- Valley School

The following schools joined the programme during October:

- Rongomai Primary School
- Manurewa Intermediate School

350 Day of Action (reducing CO₂ to a level of 350 particles) - Friday, 23 October. Students and teachers at Massey High School made a massive "350" on their playing field. The figure, "3" was used for the global '350' symbol - the "5" came from India & the "0" from Denmark.

Walking School Bus Programme

The 300th walking school bus joined the programme; this milestone walking school bus was at Takinini School in Papakura.

2 PROJECT DELIVERY

2.1. ROLLING STOCK PROCUREMENT

Renewals Projects

- **Interim Rolling Stock SA Trainsets 18-23**

Trainsets 19, 20 and the outstanding two SA cars for Trainset 18 have now been delivered. The second batch of twenty bogies was delivered to the KiwiRail Dunedin workshops during October.

2.2. INFRASTRUCTURE DEVELOPMENT

Progress made on each joint ARTA-ONTRACK DART project is described below:

Newmarket Station Remodelling (DART 1)

Considerable progress has been made over the last month. The escalators and lifts are now complete and paving works is largely complete. Structural deck replacement for Remuera Road Bridge is substantially complete and good progress is being made towards full opening of the bridge. Remuera Road station entrance façade is 95% complete and the entrance in station square is progressing well. Construction of the Ticket office and staff accommodation is also well underway.

An agreement has been reached in respect of the additional Veolia staffing requirements and the shell and fit out design is now being progressed. The provision of PIDS to convey travel information is also being progressed.

Grafton Station (formerly known as Park Rd) (DART 2)

The building consent for the station works has now been granted and construction work of the main station is progressing well. The station lift has been ordered and the platform piling works is progressing to programme.

Western Line Duplication Stage 3 – Avondale (DART 4)

ONTRACK platform construction is progressing well, including installation of concrete bases for the ARTA platform elements. A peer review of the detailed design was completed and no issues of note have been identified. Project completion is planned for June 2010.

Western Line Duplication Stage 3 - New Lynn (DART 6)

Construction works for the rail and bus interchange are progressing well against programme. Planning for the provision of a temporary station in the new trench is in progress in readiness for relocating the first track into the trench in March 2010.

Distributed Stabling (DART 17)

- **Tamaki Drive**

Following discussions with ARTA, ONTRACK and KiwiRail a brief for approval by the parties is being prepared for development of distributed stabling facilities incorporating multiple locations across the Strand and Tamaki sites. These stabling sites are expected to be progressively available for operational use during 2010.

- **Western Line Site Henderson (formally Railside Avenue)**

The professional services contract for the detail design and construction management of the Henderson site to stable trains is progressing. Delivery is tracking to meet the target completion date for stage one in March 2010. Physical works is expected to begin on 26 December 2009.

2.3. FERRY TERMINAL UPGRADES

Birkenhead

Building Consent approval has been granted by North Shore City Council to proceed with construction works. The Tender Evaluation period has concluded ahead of schedule with contract award to be on or around 10 November 2009.

Construction is expected to start mid November 2009 with estimated project completion of late March 2010.

2.4. NETWORK DEVELOPMENT

Onehunga Branch Line Rehabilitation (DART 19)

The station platforms at Te Papapa and Penrose are progressing well including concrete foundations for ARTA above track platform furniture. Presentations to Auckland City Council (ACC) and community groups were completed in October.

Consenting requirements submission to ACC is targeted for mid November 2009. Design of access to the Onehunga station platform has been agreed in principle. Discussions continue with ARC in regard to Park & Ride and bus interchange facilities for Onehunga Station.

Onehunga Branch Line opening expected mid 2010.

Manukau Rail Link (DART 9)

Contractors have commenced piling work for ONTRACK. Tension piles for the floor of the rail box are being drilled and piling the rail station walls between Davies Avenue and Lambie Drive will be the main activity for the next few months.

Detailed design for the below ground portion of the ARTA station is well underway and planning is progressing well with Manukau Institute of Technology (MIT) and Manukau City Council (MCC) for integrating the above ground interchange elements with MIT campus design concepts.

Ferry Terminal Developments

- **Half Moon Bay**

Discussions continue between Bucklands Beach Yacht Club (BBYC), Fullers and ARTA with regard to alternative options available.

Mooring Piles – Dredging works are complete. Drilling of the six proposed piles will commence in early November for completion by mid December 2009, subject to weather conditions.

- **Hobsonville**

Meetings between ARTA and Hobsonville Land Company (HLC) continue. Key issues being progressed are around future ownership, operation and maintenance of the proposed new ferry terminal and wharf. HLC confirmed earliest date for completion of the new ferry facility is June 2011.

Rugby World Cup 2011 - Kingsland Station

Enabling works for the underpass construction commenced over the Labour weekend. Further concrete and piling works are scheduled to take place during two planned rail track closures in November. A public open day is planned for early November to inform and advise on project plans and progress.

2.5. REAL TIME PASSENGER INFORMATION SYSTEMS (RTPIS)

Type 1 - VPIDs for Bus Services, Phases 0, 3 & 4:

The rollout of the RTPIS regional expansion program has to date provided real time passenger information at 164 additional bus stops located throughout the Region.

During October an additional seven sites were completed, five sites in Albert Street at bus stops that serve North Shore City services and two sites located at Civic Crescent Albany that serve the newly opened Albany Lakes Civic Park and Albany Shopping Plaza. Three double sided VPIDs have also been installed at Takapuna Transport Centre.

Work has commenced on two additional sites at the request of Waitakere City Council located in Westgate Shopping Centre, Massey. An agreement with the owner NZRPC Ltd. allows the VPID to be installed and supplied from their power supply, the site work is scheduled for completion by 30 November 2009.

North Shore City Council has requested that VPIDs are installed at three other sites located at Glenfield Mall (2) and Devonport Wharf (1), these are presently being scoped and priced.

Type 2 - Solar Powered VPIDs for Bus Services, Phases 0, 3 & 4:

The procurement of Type-2 solar powered signs for installation at selected bus stops throughout the region has been deferred until the completion of the multi-modal passenger information system (MMPIS) selection process. This will ensure that any equipment purchased is compatible with the MMPIS operating software and that any reconfiguration costs are acceptable.

The MMPIS RFP closed on 21 September 2009 with selection of the preferred operating system and associated supplier programmed for completion mid November.

2.6. ASSET MANAGEMENT

Downtown Ferry Terminals Structural renewals (Piers 1 & 2)

Pier 2 works will be completed by Christmas, with the exception of the area located beneath the contractor's site area. This will result in the hydro-demolition unit currently located on Pier 2 being moved to Pier 1 at this time, which will significantly reduce the impact of noise on the businesses and restaurants located nearer to Pier 2.

3 STRATEGY AND PLANNING

3.1. STRATEGIC TRANSPORT PLANNING

Work is continuing on programme to identify and protect the CBD underground rail loop route and station locations. Option identification and evaluation will be well advanced before the end of the year.

Following extensive pre-consultation with key stakeholders, the draft Regional Public Transport Plan has been released for full public consultation. Submissions will close on 24 December and hearings will be held in mid-February.

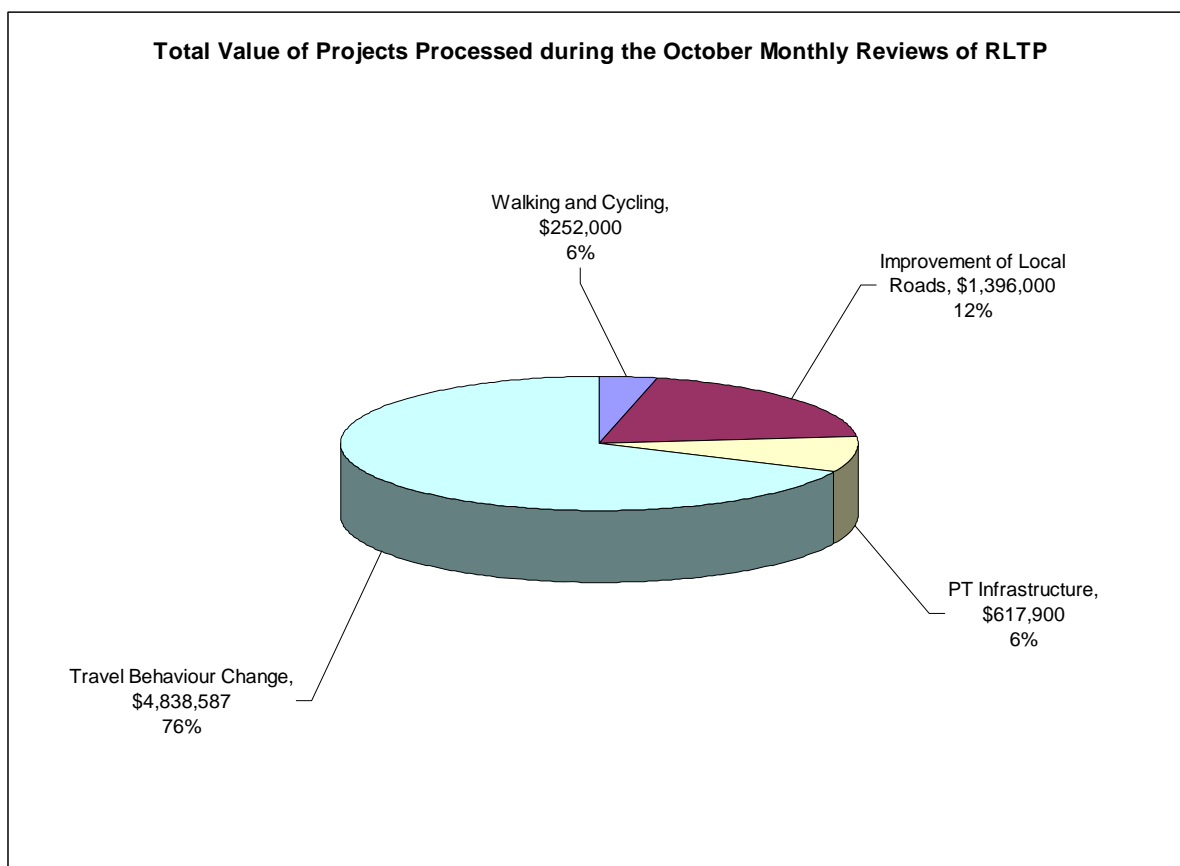
3.2. PLANNING AND PROGRAMMING

2009/2012 Auckland Regional Land Transport Programme (RLTP)

During the October monthly review, 17 funding applications totalling \$7,104,487 were submitted to ARTA for consideration.

ARTA recommended all the applications for approval to NZTA. All the applications have been approved for funding by NZTA.

Figure 1 shows the breakdown of scheme type.



Note The percentage values in the chart above relates to number of schemes as opposed to value.

Figure 1. October LTP Review, ARTA processed.

Table 1 – October Recommended Schemes to NZ Transport Agency

<u>Regional Land Transport Programme Management</u>							
Project name	Description	Activity Class	Phase	Cost	Comments (ARTA)	Outcome (NZ Transport Agency)	
October 2009							
ACC	2009-12 Community Programme - Auckland City	ACC Community Programme consists of the delivery of community programmes which address road safety deficiencies.	Travel Behaviour Change	Implementation	\$213,176	Recommended	Approved.
ACC	2009-12 School Travel Planning - Auckland City	ACC School Travel Plan encourages travel behaviour in a way that will reduce congestion in major urban areas.	Travel Behaviour Change	Implementation	\$333,040	Recommended	Approved.
ACC	2009-12 Workplace Travel Planning - Auckland City	ACC Workplace Travel Plan encourages travel behaviour in a way that will reduce congestion in major urban areas.	Travel Behaviour Change	Implementation	\$63,930	Recommended	Approved.
ACC	Road Reconstruction - Lower Hobson Street / Quay Street	Reconstruction of Lower Hobson Street between Custom Street and Quay Street, including the intersection with Quay Street.	Improvement & Replacement of Local Roads	Construction	\$612,000	Recommended	Approved.
ARTA	Ferry Terminal Upgrades - Birkenhead New Outer Berth	Cost Scope increase due to detailed design review.	PT Infrastructure	Construction	\$617,900	Recommended	Approved.
ARTA	School Travel Plans 2009-2012 - ARTA	School Travel Plan encourages travel behaviour change in a way that will reduce congestion in major urban areas.	Travel Behaviour Change	Implementation	\$2,043,067	Recommended	Approved.
ARTA	Workplace Travel Plans 2009-2012 - ARTA	ARTA Workplace Travel Plan encourages travel behaviour in a way that will reduce congestion in major urban areas.	Travel Behaviour Change	Implementation	\$685,333	Recommended	Approved.
FDC	Franklin District Community Programme 2009-12	FDC Community Programme consists of the delivery of community programmes which address road safety deficiencies.	Travel Behaviour Change	Implementation	\$137,042	Recommended	Approved.
FDC	Road Reconstruction 09/10	Reconstruction of the East Street, Pinnacle Hill Road and Onewhero Tuakau.	Improvement & Replacement of Local Roads	Construction	\$784,000	Recommended	Approved.
FDC	School Travel Plan 2009-2012	FDC School Travel Plan encourages travel behaviour in a way that will reduce congestion in major urban areas.	Travel Behaviour Change	Implementation	\$7,277	Recommended	Approved.
NSCC	2009/12 Workplace Travel Plans - North Shore City	NSCC Workplace Travel Plan encourages travel behaviour in a way that will reduce congestion in major urban areas.	Travel Behaviour Change	Implementation	\$452,376	Recommended	Approved.
PDC	Papakura District School Travel Plan	PDC School Travel Plan encourages travel behaviour in a way that will reduce congestion in major urban areas.	Travel Behaviour Change	Implementation	\$20,400	Recommended	Approved.
PDC	Papakura Three Year Community Safety Programme	PDC Community Programme consists of the delivery of community programmes which address road safety deficiencies.	Travel Behaviour Change	Implementation	\$196,950	Recommended	Approved.
RDC	Road Safety CFA- Rodney District	RDC Safety CFA Programme consists of the delivery of community programmes which address road safety deficiencies.	Travel Behaviour Change	Implementation	\$541,340	Recommended	Approved.
RDC	School Travel Plans-CFA- Rodney 2009/12	RDC School Travel Plan encourages travel behaviour in a way that will reduce congestion in major urban areas.	Travel Behaviour Change	Implementation	\$106,656	Recommended	Approved.
RDC	Rodney School Travel Plan Infrastructure	Activity supports strategic investment in walking infrastructure for schools and particularly aligns with the development of a naturally low speed environment.	Walking and Cycling	Construction	\$252,000	Recommended	Approved
RDC	Workplace Travel Plan CFA- Rodney 2009/12	RDC Workplace Travel Plan encourages travel behaviour in a way that will reduce congestion in major urban areas.	Travel Behaviour Change	Implementation	\$38,000	Recommended	Approved
	Total New Schemes Approved for Funding				\$7,104,487		

2009/2012 REGIONAL LAND TRANSPORT PROGRAMME

Funding for the region's Transport Planning activities continue to be problematic with NZTA still undecided on the actual funding allocation that the Auckland Region will receive. A number of these activities have been held up pending a decision from NZTA.

Several Councils have indicated a desire to add additional activities, not included in the RLTP. ARTA is working through a streamlined process for varying the RLTP.

WALKING AND CYCLING COORDINATION

The Regional Cycle Monitoring Group (RCMG) met to review the first draft of the Regional Cycle Network map. Once the reviewing and checking process has been completed the map will be included in the final Regional Land Transport Strategy. The RCMG have recommended that 8 to 10 permanent continuous cycle counting sites are installed across the region, negotiation continues with the provider of this equipment. Also at this meeting, opportunities for Auckland's involvement in the NZ Cycleway were discussed with the TA's. Information from the Ministry of Tourism has indicated that Auckland will have few opportunities to be included in this project as it would be difficult for the region to meet the criteria set in Phase 2. The most favourable opportunity appears to be an extension of the Hauraki Plains 'Quick Start Scheme' into Papakura District Council and Manukau District Council areas. This opportunity is being investigated by the local councils.

The first Regional BikeWise Coordination meeting of the 2010 event was held in October to discuss and coordinate activities and communication of the event to be held during February 2010.

REGIONAL ROAD SAFETY COORDINATION

ARTA submitted a consultation response to the Ministry of Transport on the Safer Journeys discussion document. The response was in accordance with the advice given in the Regional Road Safety Plan 2009/12.

Planning began for the continuation of the previously successful regional 'Share the Road' cycle/motorist safety advertising campaign.

Regional Road Deaths at 31 October 2009 compared with 31 October 2008.

	RDC	NSCC	WCC	ACC	MCC	PDC	FDC	Region
Oct 09	15	5	15	9	10	1	11	66
Oct 08	5	4	3	6	18	2	7	45

The annual regional road toll to October 31 2009 was 66, 21 more deaths than at the same time in 2008. The number of fatalities for the month of October 2009 (1) was two less than that for October 2008 (3).

4 MARKETING AND COMMUNICATIONS

4.1. MARKETING AND CUSTOMER INFORMATION CHANNELS

New Developments – October 2009

Service Performance Reviews and Consultations

Following consultation, selected services on routes 506, 530, 13F, 36F, 98F, 200 and 006 will be withdrawn at the end of November. Marketing material is being prepared to communicate these changes directly to affected passengers.

Service Changes

Civic Crescent bus stop opening

The new Civic Crescent bus stop outside Westfield Albany opened 1 November. Changes to services to use this stop were communicated via posters on buses and at the stop.

Special Event Transport Promotions

Ambury Farm Day

The event had the largest crowd to date with 35,000 attending. A MAXX Northern Express bus was on display with TravelWise and MAXX giveaways and timetables available. A free shuttle service was also promoted to and from the event with 375 trips being made on this service.

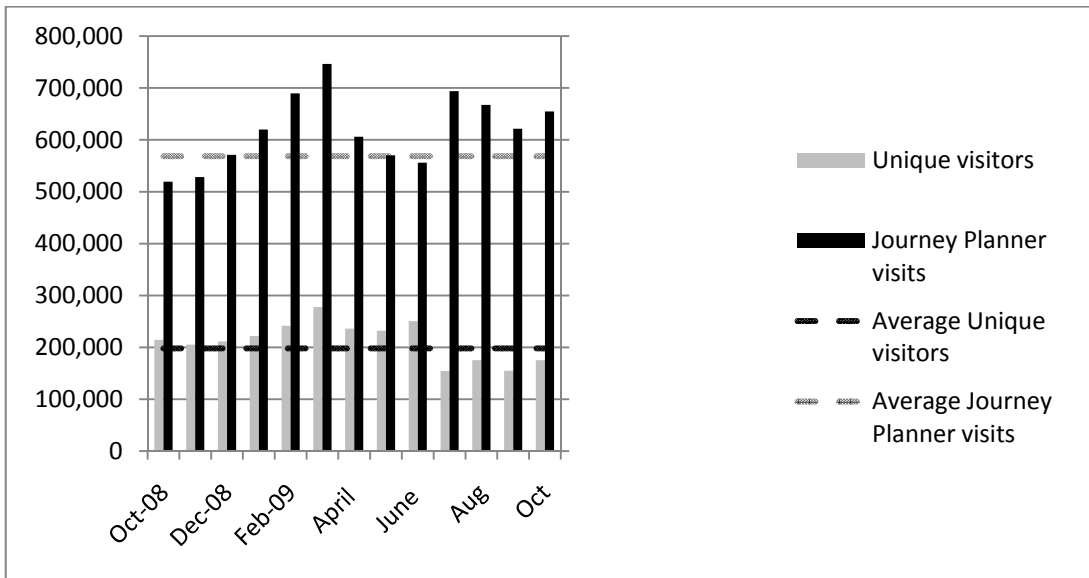
P is for Pink

MAXX supported this event (to raise money for the Breast Cancer Foundation) at Sylvia Park on 31 October. Travel by public transport to Sylvia Park was promoted via on train and on bus posters and on the MAXX website.

CUSTOMER INFORMATION CHANNELS

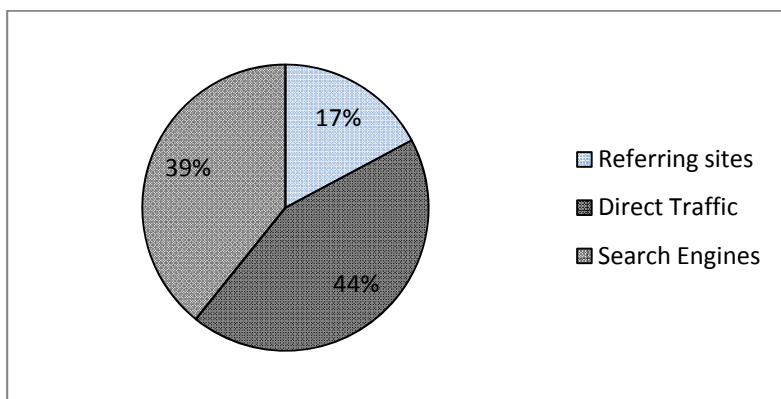
MAXX website statistics – October 2009

Journey planner visits	654,832 Previous year: 519,318 (+26%)
Unique visitors	175,450 Previous year: 214,368(-18%)
Visitors	372,030 Previous year: 385,918 (-3%)



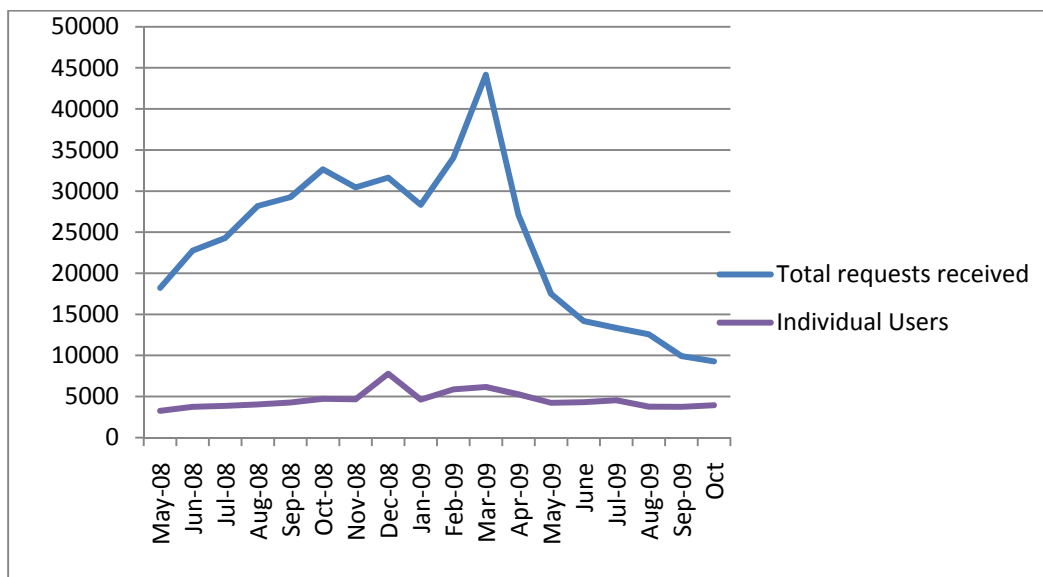
Most active hour of the day	9pm
Most active day of the week	Wednesday
Most popular pages	<ol style="list-style-type: none"> 1. Plan a journey 2. Home Page 3. Journey map 4. Journey Planner - route diagram 5. Industrial action
Average Time on site	5 minutes 54 seconds
Average page views	4.64 pages

Website Traffic Flow – October 2009



MAXX SMS service – October 2009

Total requests received	9279 -6.9% on Sept 09 (9923)
Individual users	3938 -4% on Sept 09 (3754)



MAXX Contact Centre - October 2009

Statistics

	2009/2010	2008/2009	Change PY
CALLS OFFERED	68470	62823	8.99%
CALLS ANSWERED	64627	61526	5.04%
CALLS ABANDONED	2978	1069	178.58%
AVERAGE QUEUE LENGTH (secs)	18	9	100.00%
AVERAGE CALL LENGTH (secs)	99	126	-21.43%
AVERAGE HANDLE TIME (secs)	107	135	-20.74%
LONGEST QUEUE TIME (mm:ss)	17:58	20:16	-11.35%
EMAILS OFFERED	371	816	-54.53%
AVERAGE EMAIL WAIT (mm)	684	526	30.04%
BRITOMART VISITS	11300	11480	-1.57%

- PY = Previous Year
- The longest queue time occurred on 9th October between 19:00 and 19:15. There were 53 calls in the queue due to NZ Bus industrial dispute
- The NZ Bus industrial dispute caused increased call volumes in October. Please see "Major Event Reports" for full information.

Key Performance Indicators

	2009/2010	2008/2009	Change
GRADE OF SERVICE	75.66%	85.51%	-11.52%
ABANDON RATE	4.35%	1.68%	158.93%
EMAIL GRADE OF SERVICE	98.92%	99.00%	-0.08%

- Staffing levels have been reduced to aim to achieve 80% of calls answered within 20 seconds. This combined with the unanticipated increased call volume resulted in a short-fall in grade of service
- Also, the abandonment rate of 4.35% is inaccurate. During the NZ Bus industrial dispute an IVR self service messaging service was provided which meant that 2% of customers accessed the information they required and hung-up instead of waiting to talk to a MAXX CSR. Therefore, the abandonment rate in this report contains 2.35% abandoned calls and 2% self-service calls

4.2. MEDIA AND COMMUNICATIONS

Media Releases –October 2009

Travel by train to the Air New Zealand Cup for free

Auckland continue their quest in the Air New Zealand Cup this weekend, as they take on Southland at Eden Park. The match kicks-off on Saturday 3 October at 2.35pm, and fans that are going to the game can take the train there and back for free, simply by showing their pre-purchased game ticket or Eden Park membership card.

Ticket to ride – ARTA provides more choice for customers

Auckland Regional Transport Authority (ARTA), in partnership with its rail operator Veolia, is today introducing a drive to inform rail passengers of the options available to them to pre-purchase tickets before travelling.

ARTA advises limited bus replacement for NZ Bus services

The Auckland Regional Transport Authority (ARTA) advises the following limited bus replacement services will operate from Thursday 8th October, in lieu of scheduled and school Metrolink, North Star, GO WEST, Waka Pacific, LINK and City Circuit bus which are expected to be affected by industrial action.

ARTA advises NZ Bus service users to plan alternative means of travel to school and to work tomorrow

The Auckland Regional Transport Authority (ARTA) advises NZ Bus service users, to plan alternative means of getting to school or work tomorrow as it is expected that industrial action will continue to affect services. The services affected include all Metrolink, North Star, GO WEST, Waka Pacific, LINK and City Circuit, inclusive of school services.

ARTA provides free train travel to Mt Smart for Samoan fundraiser this Saturday

The Auckland Regional Transport Authority (ARTA) is providing free train travel to those attending the New Zealand Rugby League benefit game raising money for Samoa Tsunami disaster relief fund this Saturday 10th October at Mt Smart.

ARTA pleased with initial company offer

The Auckland Regional Transport Authority (ARTA) says it is pleased with the development in the lock out situation between NZ Bus and the Auckland Combined Unions and this is in keeping with the request made by ARTA for a response by 5pm today.

ARTA says customers first

The Auckland Regional Transport Authority (ARTA) has written to New Zealand Bus asking the company, in the interests of Auckland commuters, to provide proposals to resolve the current dispute by 5pm today.

ARTA supports cycling Aucklanders with Nextbike initiative

The Auckland Regional Transport Authority (ARTA) announced today that it is supporting the Nextbike scheme as part of its provision of greater transport choice for Aucklanders.

MAXX to I Love the Islands at Vector Arena

A special concert to raise funds for the Samoan tsunami relief fund takes place this Monday 19th October at Vector Arena. A number of great acts have got together to take part in the fundraising concert, so make a night of it and MAXX to the show on public transport services that will have you arriving close to the door of the event.

TravelWise schools honour 350 Day

A number of TravelWise schools in the Auckland region will actively demonstrate their support for sustainable transport this week to honour 350 International Day of Climate Change, which takes place on Saturday 24 October. School events will take place on Friday 23 October and will account for over a third of Auckland's 350 actions.

5 CORPORATE SERVICES

5.1. FINANCIAL REPORTS

Auckland Regional Transport Authority								
INCOME STATEMENT								
NZD '000	MONTH			YEAR END			FULL YEAR	
	Revised Budget	Actual	Variance Fav/(Unfav)	Revised Budget	Actual	Variance Fav/(Unfav)	Revised Budget	Original Budget
October-09								
OPERATING REVENUE								
ARC Opex Grants	7,441	6,967	(474)	30,339	29,423	(916)	95,600	102,393
NZTA Opex Grants	9,274	8,872	(402)	37,164	36,323	(841)	123,839	132,757
Other Grants and Subsidies	110	111	1	441	441	0	1,160	1,842
Rail Fare Revenue	1,680	1,977	297	6,784	7,003	219	19,714	19,957
Bus Fare Revenue	615	664	49	2,320	2,446	126	7,251	5,004
Ferry Wharf Revenue	190	162	(28)	804	765	(39)	1,982	2,054
Other Sundry Operating Income	8	8	0	38	55	17	12	12
Total Operating Revenue	19,318	18,761	(557)	77,890	76,456	(1,434)	249,558	264,019
OPERATING EXPENDITURE								
Human Resource	1,107	959	148	4,108	4,051	57	13,287	14,654
Prof Services - Project Delivery	224	26	198	517	194	323	2,165	2,147
Prof Services - Customer Services	907	439	468	2,815	2,243	572	8,400	10,393
Prof Services - Others	189	103	86	528	329	199	3,405	3,413
Support Services	230	229	1	919	917	2	2,763	2,766
Materials	45	3	42	101	33	68	330	345
Printing and Office Supplies	150	36	114	483	300	183	1,619	1,757
Repairs and Maintenance	124	15	109	442	419	23	1,457	961
Communications	32	15	17	93	67	26	289	386
Information Systems	105	9	96	298	183	115	1,011	1,378
Bus Contract	9,403	9,395	8	41,357	40,489	868	126,261	133,365
Rail Contract	5,910	5,764	146	22,610	22,212	398	70,802	81,935
Ferry Contract	508	483	25	1,973	1,948	25	6,182	6,020
Security	77	85	(8)	267	279	(12)	914	325
Advertising and Promotion	93	17	76	299	170	129	1,355	1,360
Other Expenditure	342	204	138	798	433	365	1,983	(79)
Depreciation	1,642	1,691	(49)	6,584	6,744	(160)	19,767	19,932
Investigations Expenditure	115	420	(305)	182	603	(421)	2,851	2,809
Total Operating Expenditure	21,203	19,893	1,310	84,374	81,614	2,760	264,841	283,867
Net Operating Surplus/(Deficit)	(1,885)	(1,132)	753	(6,484)	(5,158)	1,326	(15,283)	(19,848)

Statement of Financial Position

As at 31 October 2009

	ARTA					ARTA			
	Jun-09 \$000s	Oct-09 \$000s	Sep-09 \$000s	Movement \$000s		Jun-09 \$000s	Oct-09 \$000s	Sep-09 \$000s	Movement \$000s
Liabilities					Assets				
Current Liabilities					Current assets				
Trade payables	7,036	7,284	8,065	(781)	Cash and cash equivalents	105	54	152	(98)
GST payable	0	0	194	(194)	Trade receivables	554	3,930	(3,979)	7,909
Employee benefit liabilities	1,025	938	953	(15)	GST receivable	494	494	0	494
Income in advance	59	5,705	8,155	(2,450)	Accrued income	13,335	12,798	14,084	(1,286)
Accrued expenditure	31,421	31,852	27,453	4,399	Prepayments	0	5,333	694	4,639
Transport grants payable	19,819	11,553	17,454	(5,901)	Inventories	5,126	5,650	5,366	284
Total current liabilities	59,360	57,331	62,274	(4,943)	Related party receivables				
Non-current Liabilities					Operating account	28,975	28,052	38,455	(10,403)
Transport grants payable	1,152	1,563	813	750	Transport grants	19,819	11,553	17,454	(5,901)
Deferred tax	5,375	5,375	5,375	(0)	Total current assets	68,408	67,865	72,226	(4,361)
Total non-current Liabilities	6,527	6,938	6,188	750	Non-current assets				
Total liabilities	65,886	64,269	68,462	(4,193)	Property, plant & equipment	240,381	264,359	258,987	5,372
Equity					Intangible assets	21,896	21,777	21,807	(30)
Accumulated funds	4,265	5,202	4,955	247	Related party receivables				
Capital grants reserve	261,685	286,092	280,416	5,676	Transport grants	1,152	1,563	813	750
Total equity	265,950	291,295	285,371	5,924	Total non-current assets	263,429	287,699	281,607	6,092
Total equity and liabilities	331,836	355,564	353,833	1,731	Total assets	331,836	355,564	353,833	1,731

Statement of Cash Flows For the Period Ended 31 October 2009		
Full Year Ended 30 June 2009		As at 31 Oct 2009
\$000	Cash flows from operating activities	\$000
	Cash was provided from:	
101,532	ARC Opex grants	30,346
70,771	ARC Capex grants	20,911
7,711	ARC funding for IA grants vested in ARTA	7,855
4,457	LTNZ Capex grants	7,543
104,750	LTNZ Opex grants (excl. GST)	36,180
1,350	Other Grants and Subsidies	6,088
18,625	Rail Fare revenue	6,551
4,436	Bus Fare revenue	2,267
1,998	Ferry Wharf revenue	767
-	GST	-
252	Other Sundry Operating income	34
315,881		118,542
	Cash was applied to:	
222,913	Payments to Suppliers (excl. GST)	75,996
12,724	Payments to Employees	4,138
7,711	Payments to recipients of IA grants vested in ARTA	7,855
184	GST	0
243,532		87,990
72,349	Net Cash from Operating Activities	30,553
	Cash Flows from Investing Activities	
	Cash was provided from:	
0	Realisation of Other Investments	-
0	Proceeds from Sale of Intangible Assets	-
0		-
	Cash was applied to:	
72,392	Purchase and Development of Fixed Assets	30,603
0	Purchase and Development of Intangible Assets	-
0	Other Investments	-
72,392		30,603
(72,392)	Net Cash applied to Investing Activities	(30,603)
	Cash Flows from Financing Activities	
	Cash was provided from:	
0	Increase in loans	-
	Cash was applied to:	
0	Repayment of Loans	-
0	Net Cash from Financing Activities	-
(43)	Net (Decrease)/Increase in Cash & Investments Held	- 51
148	Cash & Investments Balances at Beginning of the Period	105
105	Cash & Investments Balances at the End of the Period	54
	Cash & Investments Balances Consist of:	
0	Bank Overdraft	-
105	Cash	54
0	Short Term Investments	-
105		54

Reconciliation of Net Surplus with Net Cash Flows from Operating Activities

	Oct 09 \$000
Cash was provided from:	
Net Surplus	25,345
Adjustment for items not involving cash:	
Depreciation and amortisation	6,745
Donated asset	-
Deferred tax	(0)
Movements in working capital:	
(Increase) in receivables from ARC	923
(Increase) in trade and other receivables	- 8,173
Decrease/(Increase) in Inventory	(524)
Increase in GST	-
Decrease/(Increase) in grants receivable from ARC	7,855
(Decrease)/Increase in trade and other payables	6,238
(Decrease)/Increase in grants payable	(7,855)
Net Cash from Operating Activities	30,553

5.2. STATEMENT OF FINANCIAL PERFORMANCE

OPERATING RESULTS – MONTH OF OCTOBER 2009

The results for the October month are reported against the revised ARTA 2009/10 Opex budget approved by the ARTA Board in October 2009. The revised budget was the result of reduced funding from NZTA announced in early September in the National Land Transport Programme.

Revenue

Operating Revenue on the lines Auckland Regional Council (ARC) Operating (Opex) Grants and New Zealand Transport Agency (NZTA) Operating (Opex) Grants is claimed from funders in proportion to expenditure.

ARC Opex Grants are \$0.5m less than budget and NZTA Opex Grants are \$0.4m less than budget due to less expenditure than budgeted.

Rail Fare Revenue is \$0.3m more than budget: This has been due to increased patronage arising as a result of the NZ Bus industrial dispute.

Expenditure

Major variances to budget are:

- a) Human Resource is \$0.1m less than budget due to vacancies for which recruitment has been delayed.
- b) Professional Services – Project Delivery is \$0.2m less than budget due to timing delays associated with uncertainty about NZTA funding of many projects (mostly the Rail Project and Rail Opex areas) leading to delays in appointing external professional services until the funding was confirmed.
- c) Professional Services – Customer Services is \$0.5m less than budget, due to re prioritising projects required to meet the NZTA funding envelope.
- d) Professional Services – Others is \$0.1m less than budget due to timing differences for the provision of IT hardware by ARC to ARTA.
- e) Printing and Office Supplies is \$0.1m less than budget due to the delay in launching some marketing and information campaigns whilst the programme was reprioritised and less timetables being required during October.
- f) Repairs and Maintenance are \$0.1m less than budget due to less maintenance on Real Time signage.
- g) Information Services is \$0.1 less than budget due to a timing delay relating to IT and real time licence charges.
- h) Rail Contract is \$0.1m less than budget mainly due to lower than budgeted fuel and driver hire prices.
- i) Advertising and promotion is \$0.1m less than budget due to less cost being incurred than planned for in advertising associated with the service review consultation.
- j) Other expenditure is \$0.1m less than budget due to less advertising associated with service review consultation.
- k) Investigations Expenditure is \$0.3m more than budget due to a timing difference regarding the CBD Rail tunnel investigations.

Net Operating Surplus / (Deficit)

Net Operating Deficit for the month is \$1.1m. This deficit arises mainly because depreciation is unfunded.

OPERATING RESULTS – YEAR TO DATE - PERIOD ENDED 31 OCTOBER 2009

The year to date variance to budget for each category of expenditure is largely the same as those reported for the month above, except as detailed below:

Revenue

ARC Opex Grants are \$0.9m less than budget and NZTA Opex Grants are \$0.8m less than budget due to less expenditure than budgeted.

Rail Fare Revenue is \$0.2m more than budget.

Bus Fare Revenue is \$0.1m more than budget due to higher patronage than planned. Some of the growth will be additional Northern Express services being provided due to the NZ Bus industrial dispute.

Expenditure

Major variances to budget are:

- a) Human Resource is \$0.1m less than budget year to date.
- b) Professional Services – Project Delivery is \$0.3m less than budget year to date.
- c) Professional Services – Customer Services is \$0.6m less than budget year to date due to less external contractors and lower legal fees being required.
- d) Professional Services – Others is \$0.2m less than budget year to date.
- e) Materials are \$0.1m less than budget due to delay in School Travel Plan and Workplace Travel Plan requirements while funding approval has been sought from NZTA.
- f) Printing and Office Supplies is \$0.2m less than budget.
- g) Information Systems is \$0.1m less than budget.
- h) Bus Contract is \$0.9m less than budget year to date mainly due to timing differences in the North Sector services.
- i) Rail Contract is \$0.4m less than budget year to date due to under spend on fuel offset by leave liability for the first four months which has risen by 14%. An action plan has been developed by Veolia to address the continued rise in outstanding leave.
- j) Advertising and Promotion is \$0.1m less than budget year to date.
- k) Other expenditure is \$0.4m less than budget year to date.
- l) Depreciation is \$0.2m more than budget due to timing differences in capitalisation of some of the fixed assets during the year.
- m) Investigations and expenditure is \$0.4m more than budget year to date.

Net Operating Surplus / (Deficit)

Net Operating Deficit for the year is \$5.2m. This deficit arises mainly because depreciation is unfunded.

5.3. STATEMENT OF FINANCIAL POSITION

The key features of the Statement of Financial Position as at 31 October 2009 are:

Current Liabilities

The total trade payables have decreased by \$0.8m from September mainly due to a large supplier invoice paid in October that was receipted in September.

Income in advance has decreased by \$2.4m from the month of September mainly due to the regular reduction for the Veolia quarterly invoice.

Accrued expenditure has increased by \$4.4m mainly due to increased project development Capex expenditure.

Creditors (included in Trade Payables)

Detail	Current	30-60 Days	More than 60 Days
Accounts Payable - October 09	\$4,127,375	(\$157)	(\$1,486)
Accounts Payable - September 09	\$1,083,408	\$12,670	(\$1,486)

Grants Payable and Grants Receivable are equal and opposite current and long term liabilities and assets recognising the ex Infrastructure Auckland grants that were taken over by ARTA. This recognises that we have a payable to an external party and a matching receivable from the ARC.

Current Assets

Accrued income has decreased by \$1.3m due to the payment of the Veolia Q2 invoice.

The increase in prepayments of \$4.6m is due to the October portion of the quarterly Veolia and annual insurance invoices

Debtors (included in Trade Receivables)

Detail	Current	30-60 Days	More than 60 days
Accounts Receivable - October 09	\$3,851,701	\$62,761	\$15,428
Accounts Receivable - September 09	(\$4,004,901)	\$5,219	\$14,935

The change in trade receivables relates to the reversal of the large NZTA credit (payments in advance) in September 2009. In addition there is a large roading claim of \$2.5m owing from NZTA payable to North Shore City Council the other side of which is in the trade payable increase.

Public Equity

Transport Ring Fence represents the appropriation of grants for rolling stock refurbishment and fixed asset purchase. These grants will be appropriated back to the profit and loss account to offset depreciation.