

ARTA Third Quarter Report

1 Jul 2008 to 31 Mar 2009

ARTA CEO Unit



Auckland Regional
Transport Authority

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1 Summary and Highlights

1.1 Strong year to date and third quarter patronage growth

Total public transport, bus, Northern Express and rail patronage have all grown strongly year to date and third quarter 2008/09 compared with year to date and third quarter 2007/08.

Table 1: Year to date (YTD) and quarter three (Q3) public transport patronage growth FY09 vs FY08

Performance Measure	YTD FY09		Q3 FY09	
	Patronage	Growth vs YTD FY08	Patronage	Growth vs Q3 FY08
Total public transport patronage	43,643,596	9.9%	14,762,543	11.8%
Bus patronage (excluding Northern Express and schools)	31,679,104	9.1%	10,629,831	11.7%
Northern Express patronage	1,091,773	77.5%	379,468	52.8%
Rail patronage	5,637,810	14.7%	1,826,264	14.2%

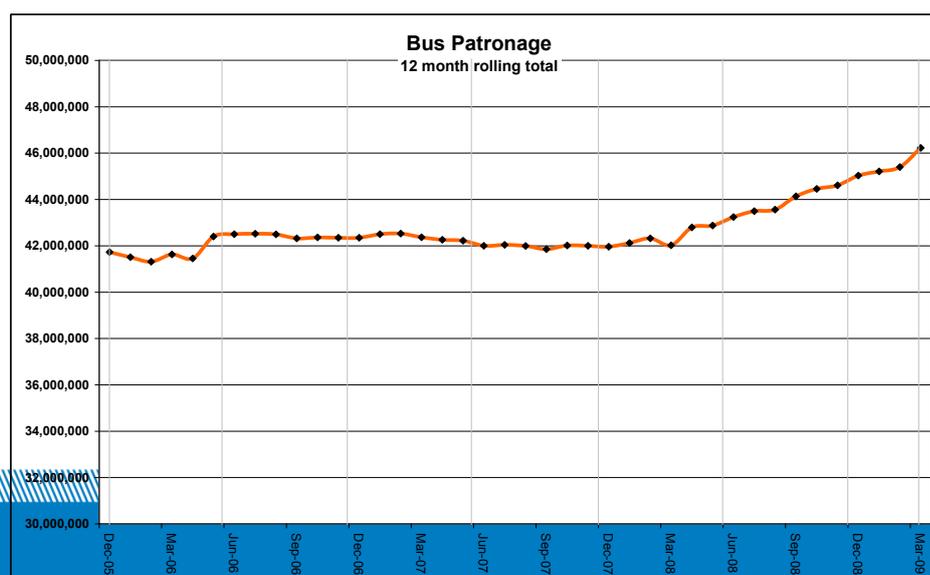
Third quarter results include the impacts of January public holidays, Easter falling in April, the shutdown period for rail Dec/Jan, and the busway opening Feb 08. Year to date growth figures smooth out these seasonal impacts.

1.2 Record patronage growth : 9.9%, highest patronage since 1985.

Public transport trips in the 9 months to March 2009 grew by 9.9% (3,921,207 more passengers) compared to the 9 months to March 2008. There were 43,643,596 public transport trips, the highest public transport patronage for any 9 month period since 1985.

Third quarter growth was 11.8% (14,762,543 passenger boardings).

1.2 Total bus patronage growth : 10.2%, highest bus patronage since 2003.



Total bus patronage is made up of:

All other bus : 9.1%, highest patronage since 2004.

Bus trips (excluding the Northern Express and school services) grew by 9.1% in the 9 months to March 2009 (2,630,180 more passengers) compared to the 9 months to March 2008. There were 31,671,904 trips on bus, the highest bus patronage for any 9 month period since 2004.

Third quarter growth was 11.7% (10,629,831 passenger boardings).

Northern Express patronage growth : 77.5%.

The Northern Express, Auckland's only Rapid Transit Network bus service, grew by 77% to 1,091,773 passengers.

Third quarter growth was 52.8% (379,468 passenger boardings).

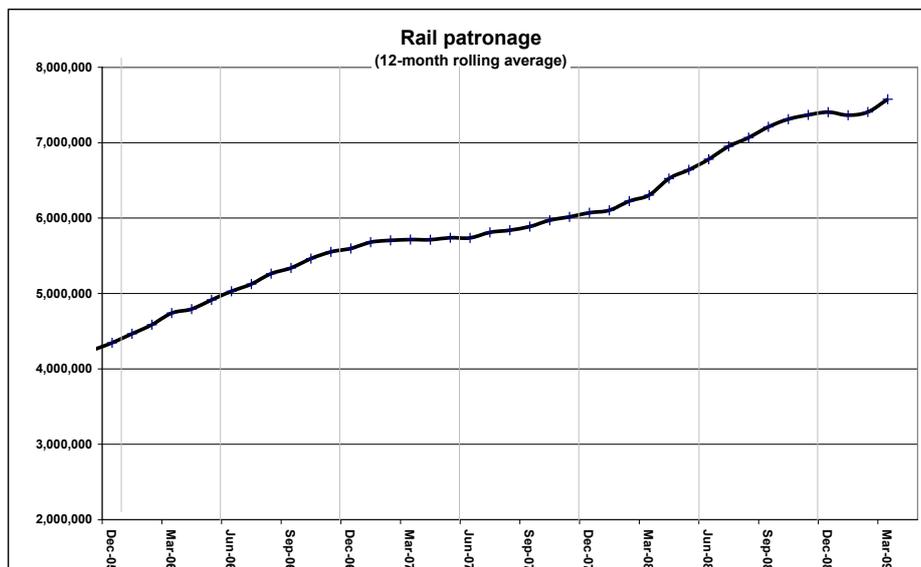
School Bus patronage growth : 6.1%.

School bus services grew by 6.1% in the year to date to 1,881,697 passengers.

1.4 Rail patronage growth : 14.7%, highest patronage on record.

Rail trips in the 9 months to March 2009 grew by 14.7% (724,029 more passengers) compared to the 9 months to March 2008. There were 5,637,810 trips on rail, which is the highest rail patronage for any 9 month period since records began in 1955.

Third quarter growth was 14.2% (1,826,264 passenger boardings).



1.5 Investments that underpin patronage growth

- Patronage on feeder bus services to Albany and Constellation stations grew 63%
- Patronage on improved, high frequency Mt Eden Rd services grew 56%
- Patronage on redesigned Botany to CBD routes 680 and 681 grew 74%
- Patronage on redesigned Botany, Howick and Manukau bus services grew 15%
- Patronage on the Southern Line, which now has 10 minute peak frequencies, grew 14.6%.
- Patronage on the Western line, where 15-minute services commenced in July 2008, grew 14.8%.

1.6 Customer Satisfaction improvement - 71% to 83% in four years

Customer focus has resulted in 83% of customers rating the public transport network as good, very good or excellent, up from 71% at the time of ARTA's formation. Drivers of customer satisfaction improvement include:

- Clearly branded customer touch-points eg. stations, way-finding, signage, website journey planner, timetables etc.
- Marketing to acquire new customers and retain existing customers eg. tertiary and senior citizen segments.
- Investment in real-time customer information.
- Investment in an award winning contact centre.
- Integrated event and public transport ticketing for concert and sport events eg. 36% of 2008 Bledisloe Cup crowd arrived by public transport.

1.7 Investing for the future

The following investments are in progress and will grow patronage further:

- Railway station developments in the heart of Newmarket and New Lynn, and below the Central Connector bus priority link in Grafton.
- Five additional trains undergoing refurbishment to support service frequency improvements.
- Installation of a multimodal system to provide real time information to customers at rail stations and ferry terminals.

2 Passenger Transport Patronage

Overall patronage trends

The growth in public transport patronage continues unabated. Patronage for the nine months to March 2009 was 43,643,596 which is an increase of 9.9% over the same period in 2007/08. This is an increase of 3,921,207 passenger boardings.

The most significant component of this growth is patronage on “all other bus” services, which carried 2,630,180 additional trips, a growth of 9.1%.

Rail patronage has grown by 724,029 in the year to date, with growth of 14.9% on the Western Line and 14.6% on the Southern/Eastern Lines. In the third quarter, patronage was impacted by an extended shutdown period, lasting through to 18 January on the Western and parts of the Southern line, to enable rail track improvement works. Although bus replacements were on hand for all affected services, these are less popular than trains.

Patronage on the Northern Express bus service has grown by 476,542 in the year to date, an increase of 77.5%. The percentage growth is lower than the 94% growth reported in the Half Year Report, because of the timing of the opening of the Busway in February 2008.

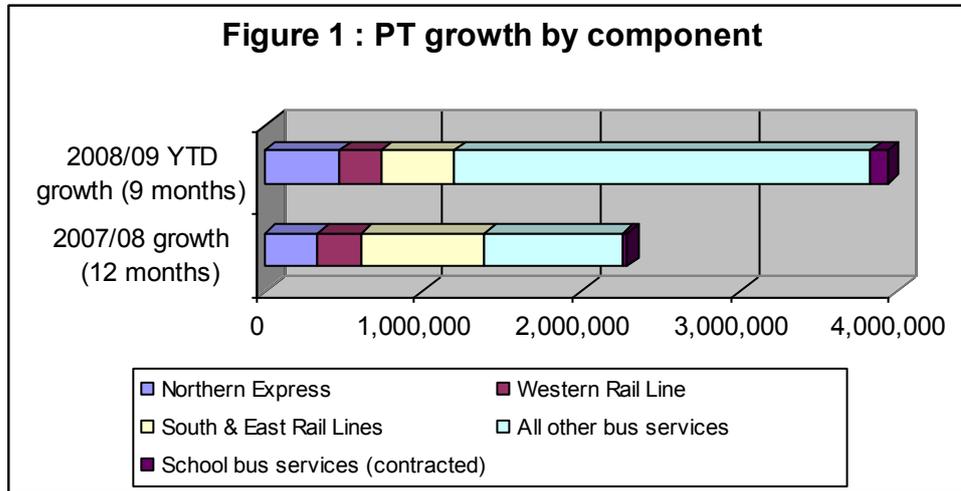
The decline in ferry patronage is being gradually reversed. In the year to date, ferries have carried 3,353,212 passengers, a decline of 18,175 compared the same period in 2007/08 but still an improvement relative to the decline of 50,652 reported in the Half Year Report.

Patronage on school bus services has increased by 6.1%, but this includes the effects of Easter falling in April and consequently more school days in the year to date compared with 2008.

Performance Measure	2008/09 Target	Year to date result	Change from 2007/08	Change YTD from 2007/08	YTD 2007/08
Total PT patronage increases by 1.7%	55,318,700 passenger boardings Increase of 913,000 = 1.7%	43,643,596	3,921,207	9.9%	39,722,389
Northern Express patronage	1,100,000 passenger boardings Increase of 137,000 = 14%	1,091,773	476,542	77.5%	615,231
Western Rail Line patronage	2,608,000 passenger boardings Increase of 204,000 = 9%	2,000,793	259,711	14.9%	1,741,082
Southern & Eastern Rail Lines patronage	4,595,000 passenger boardings Increase of 180,000 = 4.7%	3,637,017	464,318	14.6%	3,172,699
Patronage on all other bus services	40,044,000 passenger boardings Increase of 321364 = 1%	31,679,104	2,630,180	9.1%	29,048,924
Patronage on ferry services	4,404,000 passenger boardings Increase of 24,462 = 1%	3,353,212	-18,175	-0.5%	3,371,387
Patronage on school bus services	2,567,000 passenger boardings Increase of 20,174 = 1%	1,881,697	108,631	6.1%	1,773,066

Analysis of growth trends

Continuing the trend noted in the Half Year Report, bus patronage dominates overall growth. Growth to date in 2008/09 is already significantly ahead of growth for the entire year 2007/08.



Rapid Transit Network patronage

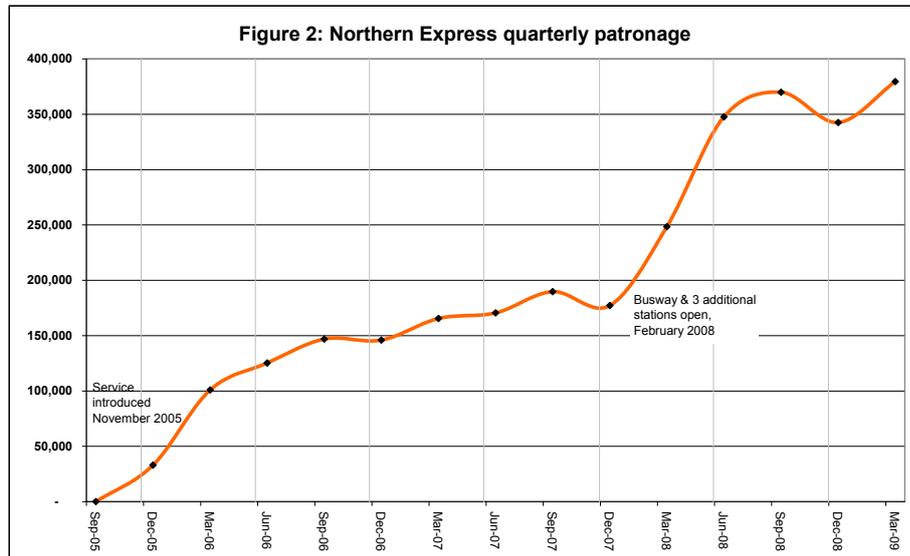
The Rapid Transit Network carried 6,729,583 trips in the year to date, which is an increase of 1,200,579 boardings (21.7%) when compared with the first nine months of 2007/08.

Performance Measure	2008/09 Target	Year to date	Change from 2007/08	
			#	%
Northern Express patronage	1,100,000 passenger boardings	1,091,773	476,542	77.5%
Western Rail Line patronage	2,608,000 passenger boardings	2,000,793	259,711	14.9%
Southern & Eastern Rail Lines patronage	4,595,000 passenger boardings	3,637,017	464,318	14.6%
RTN total		6,729,583	1,200,570	21.7%

Northern Express

Patronage on the Northern Express in the year to date has been 1,091,773, an increase of 476,542 on the same period in 2007/08 and almost equal to the annual target of 1,100,000.

Comparing the months of February and March with the first two months of Busway operation (February and March 2008), patronage is up by 46% with 89,901 additional passengers carried. This shows a very strong ongoing growth in addition to the “step change” which occurred when the Busway opened.

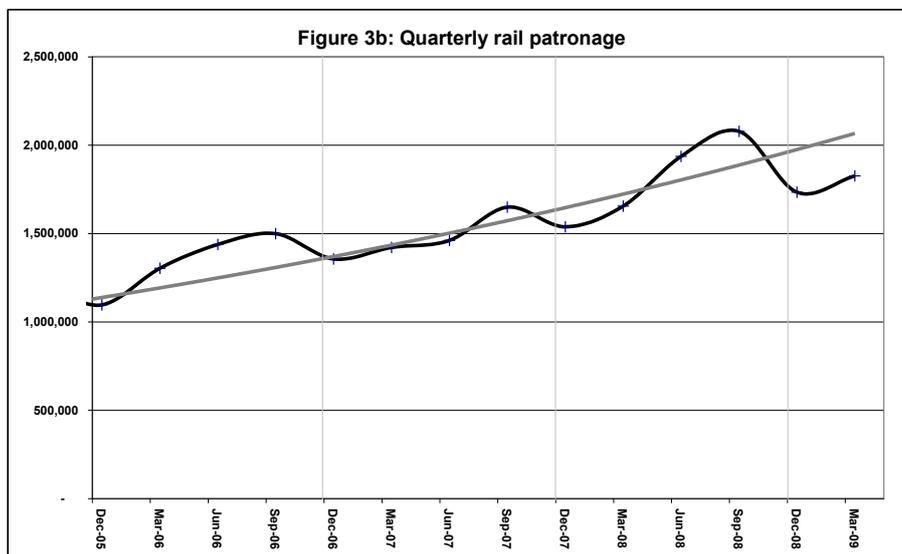
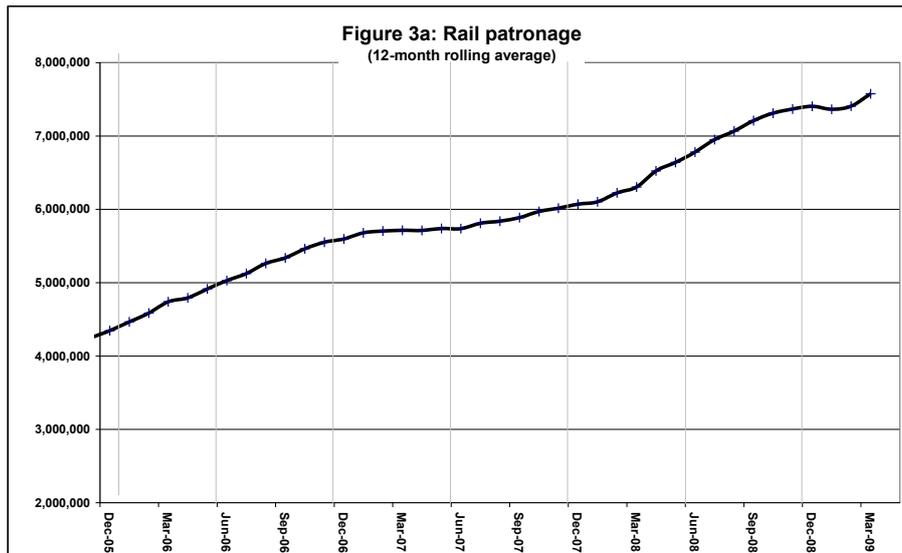


Other services using the Busway have also experienced patronage growth, and contributed to the growth in the “all other bus” category.

Rail

Rail patronage in the March quarter was impacted by the long shutdown period for ONTRACK works. Trains were replaced with buses until 18 January on the Western Line, and on the Southern Line from Britomart to Otahuhu, with southern train services running via the Eastern Line and special services in place for Big Day Out at Mt Smart on Friday 16 January 2009. The impact of this shutdown extended beyond the month of January, with slow patronage in February, and a recovery in patronage occurring in March.

Rail patronage growth remains strong as shown in Figure 3a, and the impacts of these events in the March quarter is shown in Figure 3b.



The proportion of scheduled train services arriving on time or within 5 minutes of schedule remains above the SOI target on all lines.

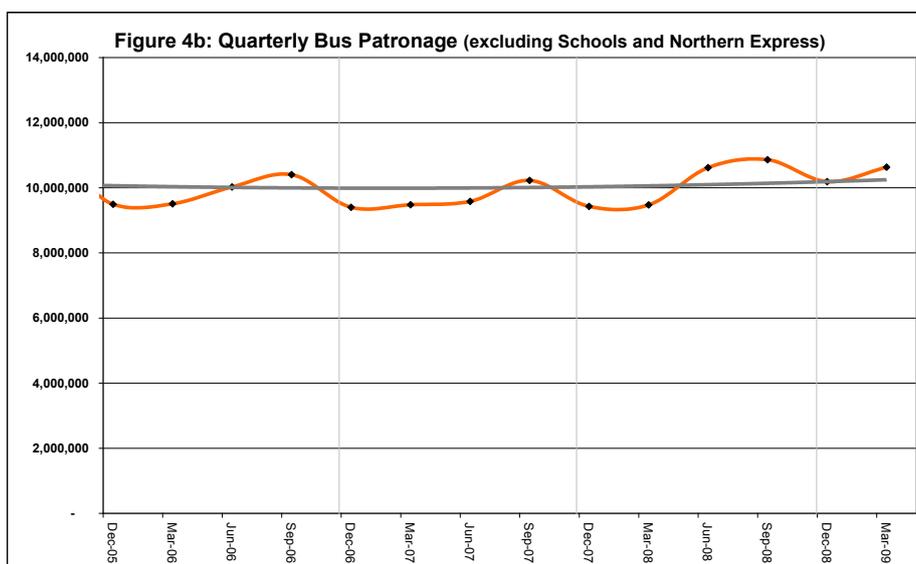
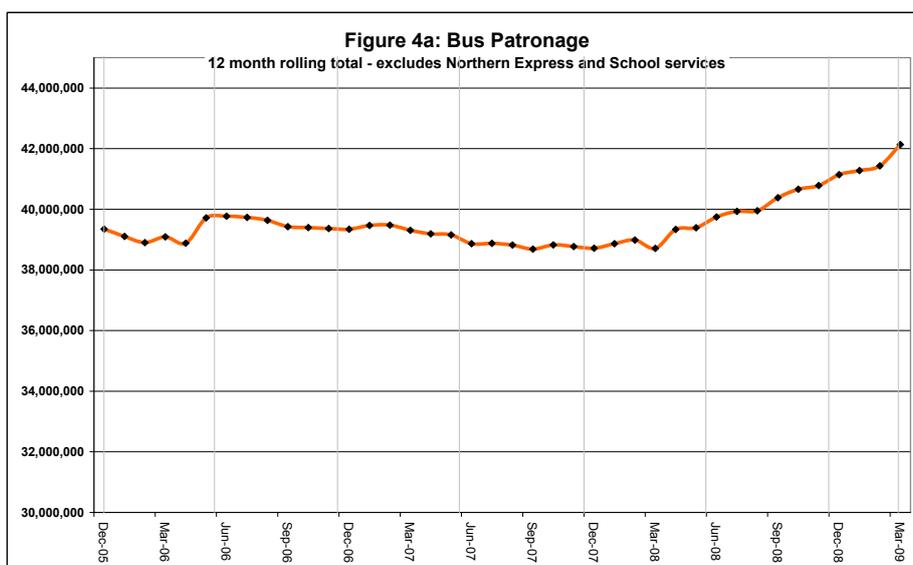
			Year to March 09	Year to March 08	SOI Target
Improve service punctuality	RTN services arrive at all stations within 5 minutes of scheduled time.	80% of Western Line services arrive at all stations within 5 minutes of scheduled time	88.9%	80.8%	80%
		80% of Southern Line services arrive at all stations within 5 minutes of scheduled time	84.0%	82.8%	80%

Reliability (the proportion of scheduled services which ran, and reached their destination) was 98% on all lines for the year to date. There were no scheduled services on Christmas Day and buses replaced rail services during the shutdown period in December/January.

Bus services

Bus services, excluding the Northern Express and School services, carried 31,679,104 trips in the first nine months of 2008/09. This is 2,630,180 more boardings than in the same period last year, an increase of 9.1%.

This result cements a full year of month-on-month patronage growth, the first such sustained period of patronage growth on buses in many years, as shown in Figure 4a. There were 10,629,831 passenger boardings in the third quarter, 11.7% higher than the third quarter of 2007/08 as shown in Figure 4b.



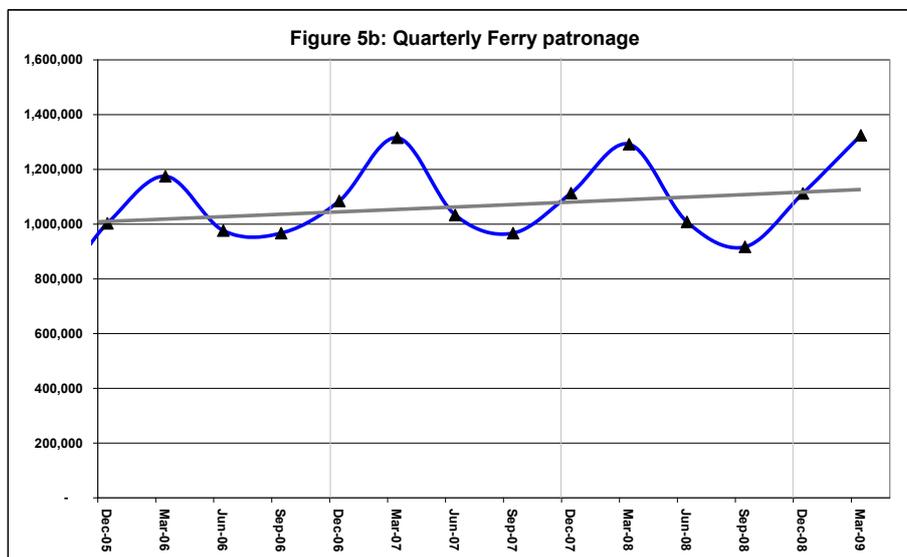
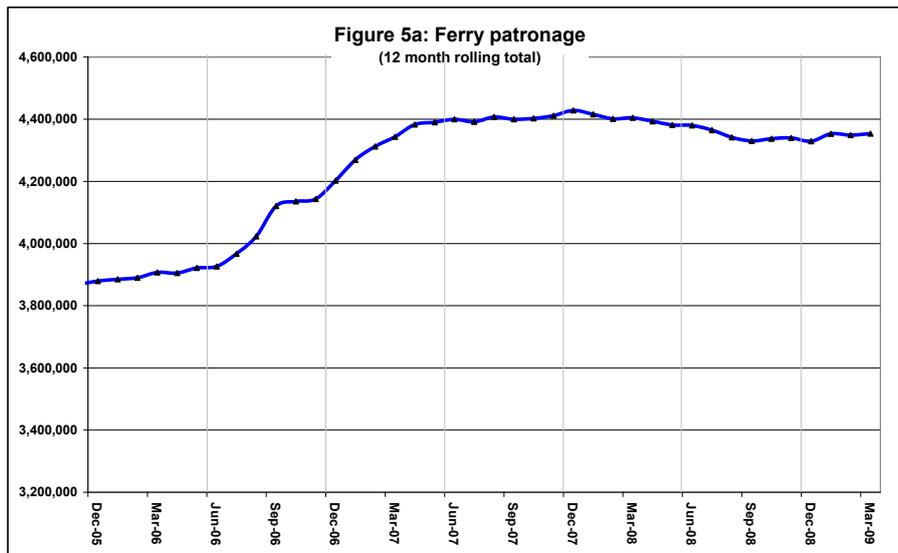
The largest contributors to bus patronage growth were:

- Albany and Constellation stations feeder buses
- The contracted trips of Mt Eden Rd services, where service frequencies have been increased to provide 15 minute or better frequencies 7am-7pm
- The redesigned Botany to CBD routes 680 and 681 (formerly Route 68)
- Significant growth in February and March of 10% and 15-20% (allowing for Easter) respectively on redesigned Botany, Howick and Manukau bus services.

Ferry services

There were 3,353,212 ferry boardings in the nine months to March 2009, a decrease of 18,175 (0.5%) relative to the same period in 2008. This represents a gradual recovery of patronage relative to the decline of 50,652 reported in the Half Year Report.

The decline in ferry patronage in the early months of 2008/09 are shown in Figure 5a, and the recovery in the March quarter relative to the March quarter of 2007/08 is shown in Figure 5b.



School Bus services

There were 1,881,697 trips on ARTA-contracted school buses in the year to date. This is an increase of 108,631 or 6.1% relative to the first three quarters of 2007/08, but this includes the effects of Easter falling in April and consequently more school days in the year to date compared with 2008.

3 Bus service reviews

Botany, Howick and Manukau local bus service network

The Botany, Howick and Manukau local bus service network was implemented on 1 February 2009. The new network is simpler, with 11 routes in place of the previous 20, and provides better service to this rapidly developing area, with improved connections to rail and to local destinations including Manukau Institute of Technology, Botany Town Centre and the Highbrook employment area.

Consultation on ARTA's proposed network was undertaken in August/September 2008. A brochure about the proposed changes was distributed throughout Manukau City, which attracted 339 responses. The response was largely positive, but feedback on the proposed withdrawal of Route 61 has prompted the inclusion of a shorter Route 61 which links Onehunga with the Pakuranga Plaza, where it will connect with other services.

The new network was implemented on 1 February 2009. All but one of the new routes are operated by Howick & Eastern Bus Company; the subsidy paid to Howick & Eastern for the improved services is only 1.4% higher than for the previous network.

Patronage on the affected routes is up by approximately 10% for the month of February and 15-20% for the month of March 2009 (adjusting for differences in the number of working days compared with 2008). ARTA expects continued double digit patronage growth in future months given that the new services are now well bedded in.

Review of poor performing bus services

ARTA has put in place a system for regular review of existing service patronage performance and rationalisation of poor performing services. Consultation on the first set of proposed service rationalisations is now complete, and ARTA plans to implement the resulting changes from 8 June 2009.

The review process is based on measured performance in relation to minimum patronage trigger levels, which were chosen following international benchmarking and consultation on the Passenger Transport Network Plan. Services are reviewed if:

- Peak: Patronage is less than 50% of seated capacity (averaged by the number of trips operated during any 20 minute period) at maximum load point – translated into <15 passengers per individual trip.
- Off peak: Patronage is less than 30% of seated capacity (averaged by the number of trips operated during any 20 minute period) at maximum load point – translated into <10 passengers per individual trip.

The identification of poor performing services is undertaken at a trip level based on data analysis of electronic ticketing machine boarding data extracted from operator systems and managed via Customer Services' new business data warehouse.

The trigger levels identified above are used to identify services that are considered poor performing. These are then reviewed in detail, looking at the pattern of use of the service and identifying alternative travel options for current customers.

Options for rationalisation of services which are performing poorly are then discussed with stakeholders including territorial authority officers, Auckland Regional Councillors and operators, to identify:

- Peak services – options to reduce the peak vehicle requirement (freeing up vehicles for use elsewhere in the network) by removing single poor performing peak only trips or reducing frequency where there are groups of trips of the same service
- Off peak services – groups of trips (both inbound and outbound) where frequency could potentially be reduced or services removed if alternatives are available.
- All services – alternative options for customers including other bus services and transfers to rail or ferry.

Once the routes to be rationalised have been identified, then an initial in principle discussion is to be held with operators to ensure they are in agreement with the proposed rationalisation.

Current customers are then consulted through on-bus passenger notices distributed to all passengers on all trips to be rationalised for at least one week. The notices identify service rationalisation potential and alternative travel options, with opportunity to provide feedback. In the case of the current review, feedback was sought by 17 April 2009.

ARTA will review customer, Community Board and Council feedback prior to making any final decisions. Council, Community Board and customers will be notified of any final decision two weeks prior to implementation.

This is the first round in a planned continuous process of service performance review, which will inform a twice yearly programme of service rationalisations to be implemented in May and November each year. The following service review timetable is proposed for each six monthly review:

Step:	Proposed 6 monthly Service Review Timetable:	No. of weeks prior to proposed service review implementation:
1.	Council officer meeting on proposed change(s).	13 weeks
2.	Council feedback on proposed change(s) requested through CEO letter.	11 weeks
3.	Customer feedback on proposed change(s) requested.	10 weeks
4.	Customer feedback closes.	8 weeks
5.	Council feedback closes.	8 weeks
6.	ARTA consideration of council and customer feedback. ARTA service review decision(s).	6 weeks
7.	Council notice of decision(s).	6 weeks
8.	Confirmation to operators of service review decision(s).	6 weeks
9.	Customer notice of decision(s).	2 weeks
10.	Service change(s) implemented as appropriate.	Implementation

4 Progress against ARTA's Programme of Action

ARTA's Statement of Intent, agreed with the ARC, sets out a three-year Programme of Action to improve Auckland public transport. Progress against this Programme of Action is updated below.

Rail Programme of Action	Update as at 31 Mar 09
Purchase of electric trains	Seven Interested Parties responded to ARTA's Expression of Interest (EOI) for the supply and maintenance of new Electric Multiple Unit (EMU) cars released on 23 December 2008. Evaluation of responses was concluded and Request for Tender (RFT) documentation is completed and ready for release, however this stage of the process is now on hold. In mid March, the Government decided to fund the purchase of electric trains and to allocate the project to Kiwi Rail. ARTA and Kiwi Rail are working through the detailed transfer of the project.
Construct a large modern station at Newmarket	All of the remaining piling on the eastern side of the site has been completed along with the erection of the high level station roof steel work. Platform and concourse construction is also progressing while ONTRACK have demolished the northern side of the Remuera Road Bridge and will shortly be commencing the bridge piling.
Construct a large modern station at New Lynn (timing dependent on the ONTRACK double tracking/undergrounding project)	The approved concept design for New Lynn Station includes a modern, efficient rail and bus interchange with escalators and a lift. Detailed Design is due to be completed end April 2009 for cost review and issue for pricing. Apportionment of costs between the main stakeholders (ARTA, WCC, ONTRACK) will be finalised to allow completion of funding agreements. Civil construction works are underway.
Construct a new station at the intersection of Khyber Pass and Park Rd (near Auckland Hospital)	Detailed design of the station is underway and ONTRACK are progressing piling and bridge works on the basis that timely approved financial authority will be in place to carry out the implementation phase of ARTA's component of the station works in accordance with master programme. The NZ Geographical Board have advised that, pending upheld objections, the new station will be called Grafton.
Avondale station upgrade	ARTA is working with Auckland City and ONTRACK to finalise the design of Avondale Station. The original requirement for an overbridge has been deleted from the scope by ONTRACK. Detailed design is due to be completed end June 2009. The expectation is that Avondale will be complete in 2nd quarter of 2010 subject to funding approvals.

Rail Programme of Action cont'd Update as at 31 Mar 09	
A trial service from Helensville, for 12 months from July 2008	The trial service from and to Helensville continued during the quarter to a high degree of reliability. Due to ONTRACK construction works over the Christmas period, the rail service was replaced by RailBuses from 26 December 2008 to Friday 16 January 2009. Average daily patronage (across all three trips) is currently 48.
Four or more trains per hour at peak times across the current suburban network from July 2008	This level of service was achieved from 13 July 2008.
Provision of 2 services per hour at peak times on the Onehunga branch line in 2009	The timing of commencement of services is dependent on ONTRACK confirmation of the completion date for below-track works and timely and approved financial authority to proceed with physical works. Ongoing discussions continue to agree the permanent locations for Onehunga Station.
Provision of 6 services per hour at peak times on the Manukau Rail Link	The location of the Manukau station has been agreed, and concept design has commenced. ARTA is working with Manukau City Council and ONTRACK to develop a detailed programme of works leading to commencement of services in late 2010.
A new station serving Parnell and the Learning Quarter	ARTA is working with Auckland City and ONTRACK to finalise the location of the Parnell station and the associated scope of works.
A new Drury station	ARTA's commitment to construct a Drury station has been reviewed in the light of ONTRACK's decision that the southernmost station on the electrified network will be Papakura.
Station upgrades at Baldwin Avenue, Morningside, Mt Albert, Remuera, Greenlane, Penrose, Otahuhu, Te Mahia, Takanini, Waitakere and Pukekohe.	ARTA is working with ONTRACK and the relevant local councils to finalise the location and scope of works for these stations. Works at Morningside are underway and will be completed during 2008/09.

Bus Programme of Action	Update as at 31 Mar 09
Improved bus services between Auckland International Airport and the Auckland CBD, and a new service from Manukau City, supported by train connections, from mid 2008.	Simpler route and improved frequency on the Airbus Express commenced 16 June 2008 Airport to Manukau service commenced on 15 June 2008
Improved services to Flat Bush, Highbrook, Mt Wellington from 2008 onwards.	680 & 681 Botany & Mission Heights services launched 31 August 2008 Improved services to Flat Bush covered in part by the introduction of route 681 from Mission Heights to Botany and Britomart. First bus services introduced to Highbrook on 1 and 2 February 2009
Improved southern and eastern bus services and connections with trains from late 2008.	Revised timetable to introduce bus services to Stonefields - 31 August 2008 The next tranche of service design work for southern and eastern bus services is planned for the 2009/10 financial year and will cover services in Otara, Manurewa and Papakura.
Improvements to North Sector bus services.	Additional morning Torbay to Newmarket service - 21 July 2008 Hibiscus Coast and North Shore Express services stopping at all stations - 15 September 2008 Integrated North Shore to Airport ticket - 1 September 2008 Knightsbridge Village to Constellation Station trial service - 1 October 2008 Additional peak Northern Express services (4 min frequency) added in October 2008 Additional Northern Express peak capacity added March 2009.
Improvements to isthmus bus services, and implementation of a Quality Transit Network.	Mt Eden Road additional services were introduced from 12 October 2008

Ferry Programme of Action	Update as at 31 Mar 09
Improvements to passenger waiting facilities and additional services at Half Moon Bay in 2008.	Improvements to passenger waiting facilities completed Oct 2008. The costs of additional services to Half Moon Bay have been investigated further and are not considered to be affordable within current budgets.
More frequent services to Pine Harbour from mid 2008.	Additional Pine Harbour services began operating on 3 March with additional vessel and two extra return journeys each week day. The additional trips were operated commercially from 3 March until 30 June due to the early arrival of the new vessel.
More frequent services to West Harbour from 2008 and Gulf Harbour from 2009.	Additional West Harbour services began on 16 June 2008 with an additional vessel and six extra return journeys each week day. An average 10% fare increase was introduced to offset the increase in subsidy.
A new ferry wharf and ferry services for Beach Haven from early 2009.	A staged option was recommended to construct the ferry terminal, and provided ARTA the option to minimise the impact on the heritage values of the existing wharf.
More frequent evening and weekend services to Devonport from mid-2008.	Additional evening services to Devonport were added to the Fullers commercial service offering in early 2008.
Downtown ferry terminal upgrade.	Several improvements to passenger facilities at the Downtown Ferry Terminal were completed in late 2008.
Downtown wharf structural renewals.	An increased scope of work for structural renewals to the Downtown Wharf substructures has been agreed, funding has been approved, and work is progressing as scheduled, with revised completion date mid 2010.
Birkenhead ferry terminal upgrade.	Detailed design phase has been completed and will be submitted for building consent application. Overall cost for the project will be updated due to design changes and stakeholder requirements
Improved facilities at Gulf Harbour.	Improvements to passenger waiting facilities completed Oct 2008.

Other identified projects	Update as at 31 Dec 08
Integrated smartcard ticketing by late 2010	As at the end of Q3 2008/09 the Auckland Integrated Fare Solution (AIFS) Programme has still not progressed into final negotiations with a preferred tenderer. Since November 2008 various external factors, specifically related to funding approvals, delayed the successful signing of a contract with a preferred tenderer. These delays have had a negative impact on costs, however the programme has looked to mitigate these as much as possible by shedding resource and retaining only a slimmed down core of resources on the AIFS team.
Real time public transport information (RPTI) available across the region by late 2010	<p>Installation of the original agreed schedule of Type-1 RTPi signs at high priority bus stops across the region is complete. There are three deferred and four additional sites with specialised equipment needs that are presently being progressed as follows:</p> <ul style="list-style-type: none"> • Fanshawe Street & Middlemore Hospital - battery powered units charged front street lighting, progressing • Papakura Interchange – Papakura District Council have requested 2 signs integrated with shelter structures, options being investigated • Highbrook Interchange - 2 additional sites, design and quotes being prepared • Greenlane Hospital - identified as a high priority, sight requirements being investigated. <p>The trial of two prototype solar powered passenger information signs is proving very successful. The prioritisation of bus stops for Type-2 signs is being reviewed and supply and installation of solar powered signs at bus stops will be included in the planned multimodal passenger information system project.</p>
Offering every school in Auckland the opportunity to develop a travel plan by 2014, and increasing support for school bus services and walking school buses	<p>Currently 194 schools have, or are actively developing, TravelWise plans, out of a total of 518 schools in the Auckland Region. 25 new schools joined the programme for the 2009 school year.</p> <p>Additional capacity was added to Albany school bus routes for the start of Term 1 2009.</p>
Ongoing increases in the Total Mobility scheme for people with disabilities, and in concession fares for children, students and senior citizens, in line with population growth and demographic change.	<p>ARTA completed implementation of NZTA's "Phase 2" recommendations for national improvements to the Total Mobility scheme, and is now eligible for a higher subsidy on Total Mobility costs, offsetting the impact of continued growth in Total Mobility Card registrations.</p> <p>Free public transport for SuperGold Card holders and MAXX Senior Citizen Card holders – after 9am on weekdays and all day on weekends and public holidays - was launched on 1 October 2008 and use of public transport by this group has more than doubled as a result.</p>

5 Summary of Activities – Strategic planning

Lead implementation of the Auckland Regional Land Transport Strategy by developing the Auckland Transport Plan, which brings all of the region's transport programmes together in one place, and using planning and funding tools to ensure the plan is delivered.

The 2009 Draft Auckland Transport Plan and the 2009/10 – 2011/12 Draft Regional Land Transport Plan were released for public submissions on 2 March, with the submission period closing on 10 April. Submissions are now being processed in preparation for the joint draft Auckland Transport Plan and Regional Land Transport Programme hearings to be held at the beginning of May.

Submissions from key stakeholders on the draft Regional Public Transport Plan Discussion Document closed 13 March and ARTA is now working through all the submissions, and developing the draft Regional Public Transport Plan for full public consultation later in 2009.

Submissions from stakeholders on the draft Regional Road Safety Plan have been incorporated into the document and a final plan is in preparation.

The third annual Manual Cycle Monitoring count in the Auckland Region was carried in March. The count is to provide consistent information about the trend of cycling in the region. The final report on the 2009 count is due to be released at the end of May.

ARTA is engaging with NZTA and other authorities around NZ in relation to the bikes on buses trial in Christchurch and the subsequent process to allow the practice nationwide through a road user rule amendment.

ARTA also updated the ARC's Transport and Urban Development Committee and the Regional Transport Committee on the progress of the Regional Cycle Network and initiated a regional Share the Road cycle safety campaign timed alongside Bike Month (March 2009).

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

	RDC	NACC	WCC	ACC	MCC	PDC	FDC	Region
Mar 09	3	1	3	6	4	0	7	24
Mar 08	3	3	1	4	8	0	1	20

The regional road toll for March 09 was 24, four more deaths than at the same time in 2008.

6 Summary of Activities – Major projects and infrastructure

Deliver the step-change in Passenger Transport infrastructure that will enable a world class service offering by building critical infrastructure and enhancing ARTA's capability to manage assets long term.

The refurbishment of SX carriages to improve ride quality and extend the carriage service life to 2015 is progressing to schedule. Five carriages have been commissioned and returned to productive service. The last carriage-SXC1745 will be commissioned in April 2009.

The ADL Air Conditioning upgrade was completed on 23 February 2009 with all units performing as expected. Installation of Public Information Displays (PIDs) on ADK/ADB units and Outward facing PIDs on SA/SD trainsets 1-14 has begun.

Two carriages operating as Train Set 18 were ready in Auckland for commissioning by Christmas 2008 - approximately 6 months ahead of schedule. 9 further carriages are also ready ahead of schedule but awaiting the supply of metric bearings for their S-Ride bogies to be fitted to allow these to be delivered and entered into service. Re-manufacturing work is progressing on the remaining seventeen carriage bodies at Hillside. Fifteen carriages are at various stages of refurbishment and the other two are yet to be admitted for works.

Stabling sites for Tamaki Drive and Railside Ave are in the design stages; ONTRACK and KiwiRail are currently reviewing ARTA's concept design for Tamaki Drive taking into account potential impact of KiwiRail's increased requirement for freight operations and stabling. A detailed design RFT has been prepared for the Railside Avenue site.

Further information on major projects and infrastructure is in Section 4: Progress on the Programme of Action.

7 Summary of Activities - Operational Services

Deliver quality transport services that meet Aucklanders' expectations, within available funding by researching customer requirements, designing and developing an integrated transport network that meets customer expectations, and implementing the network progressively within funding limits.

The new local bus service network in Botany, Howick and Manukau was launched successfully on 1 and 2 February.

The first quarterly customer newsletter (MAXX News) was launched in February.

Additional rail services were provided for the Round the Bays Fun Run on Sunday 15 March to allow participants to travel by rail to the start line. These services were well patronised, with 3,552 passenger journeys reported on all rail services in the two hour window before and after the event. Enhanced provision of rail services is being included in planning for next year's event.

The first integrated event and public transport ticket for North Harbour Stadium was in place for The Who concert on Saturday 21 March. Customers travelled free on isthmus buses and trains and on the Northern Express, and a shuttle service was on hand from Albany Station to the stadium. Additional services and/or integrated ticketing was also in place for a range of events at Mt Smart Stadium, Vector Arena and Eden Park, including the full Super 14 season.

Observations indicate that some peak time capacity on the Northern Express is becoming fully utilised. Additional services are running as required in the AM peak driven by demand. A special promotion was held in the week commencing 2 March to make Busway customers more aware of their options, in order to manage capacity by distributing patronage across feeder bus services and the Northern Express. MAXX Ambassadors were situated at stations to hand out details to customers of the range of service options available.

25 new schools have joined TravelWise in the 2009 school year.

In the first week of March ARTA ran a TravelWise Walk to School Week, open to all primary and intermediate schools throughout the Auckland Region. Over 70 schools participated, with more than 28,000 children being encouraged to walk to school. Schools monitored student participation levels and schools that recorded the highest numbers of children walking across the week had a chance of winning book vouchers for their school. In total 9 schools received prizes for recording consistently high levels of participation throughout the week ranging from 50% to 86% of the total school roll walking to school.

400 people attended the Highbrook Travel Plan launch. Highbrook benefits from the new Botany/Howick/Manukau bus service review, and now has a half hourly bus service throughout the day.

8 Financial Reports

Income statement

Auckland Regional Transport Authority						
INCOME STATEMENT						
NZD '000 March-09	YEAR TO DATE			FULL YEAR		
	Budget	Actual	Variance Fav/(Unfav)	Budget	Reforecast Dec 08	Variance Fav/(Unfav)
OPERATING REVENUE						
ARC Opex Grants	68,642	70,802	2,160	95,916	99,847	(3,931)
NZTA Opex Grants	74,572	79,168	4,596	100,967	102,894	(1,927)
Other Grants and Subsidies	978	1,018	40	1,305	1,306	(1)
Rail Fare Revenue	13,630	13,487	(143)	19,000	18,741	259
Bus Fare Revenue	2,857	3,146	289	3,962	3,987	(25)
Ferry Wharf Revenue	1,445	1,502	57	1,928	1,873	55
Other Sundry Operating Income	9	124	115	12	164	(152)
Total Operating Revenue	162,133	169,247	7,114	223,090	228,812	(5,722)
OPERATING EXPENDITURE						
Human Resource	10,080	9,355	725	11,992	13,377	1,385
Prof Services - Project Delivery	5,115	4,455	660	7,005	6,579	(426)
Prof Services - Customer Services	5,977	6,017	(40)	8,120	8,384	264
Prof Services - Others	2,626	6,280	(3,654)	3,394	3,865	471
Support Services	2,025	2,029	(4)	2,700	2,716	16
Materials	338	83	255	500	206	(294)
Printing and Office	1,266	901	365	1,703	1,322	(381)
Communications	273	144	129	367	206	(161)
Information Systems	465	504	(39)	915	813	(102)
Bus Contract	81,977	87,024	(5,047)	111,332	116,053	4,721
Rail Contract	44,545	43,613	932	60,525	61,863	1,338
Ferry Contract	4,561	3,562	999	6,113	5,155	(958)
T A Level Crossing				2,800	231	(2,569)
Other Expenditure	1,485	1,610	(125)	1,702	1,546	(156)
Depreciation	11,800	12,605	(805)	13,944	16,451	2,507
Investigations Expenditure	1,029	3,835	(2,806)	1,029	4,047	3,018
Total Operating Expenditure	173,562	182,017	(8,455)	234,141	242,814	8,673
Net Operating Surplus/(Deficit)	(11,429)	(12,770)	(1,341)	(11,051)	(14,002)	2,951

Statement of Financial Position

Statement of Financial Position

As at 31 March 2009

	June 08 \$000s	ARTA			June 08 \$000s	ARTA			
		Mar-09 \$000s	Dec-08 \$000s	Movement \$000s		Mar-09 \$000s	Dec-08 \$000s	Movement \$000s	
Liabilities									
Current Liabilities									
Trade payables	8,087	13,902	7,034	6,868	Cash and cash equivalents	148	119	325	(206)
GST payable	184	0	259	(259)	Trade receivables	467	543	396	147
Employee benefit liabilities	855	800	1,243	(443)	GST receivable	0	296	0	296
Income in advance	3,076	5,427	5,078	349	Accrued income	11,498	9,687	9,329	358
Accrued expenditure	34,740	27,839	23,108	4,731	Prepayments	14	5,464	474	4,990
Transport grants payable	18,802	18,169	16,686	1,483	Inventories	3,096	4,160	2,475	1,685
Total current liabilities	65,744	66,137	53,408	12,729	Related party receivables				
Non-current Liabilities					Operating account	38,562	36,868	30,920	5,948
Transport grants payable	9,880	5,701	9,880	(4,179)	Transport grants	18,802	18,169	16,686	1,483
Deferred tax	4,935	4,935	4,935	0	Total current assets	72,587	75,306	60,605	14,701
Total non-current Liabilities	14,815	10,636	14,815	(4,179)	Non-current assets				
Total liabilities	80,559	76,773	68,223	8,550	Property, plant & equipment	186,090	226,481	217,861	8,620
Equity					Intangible assets	22,254	21,985	22,075	(90)
Accumulated funds	5,164	6,395	6,001	394	Related party receivables				
Capital grants reserve	205,088	246,305	236,197	10,108	Transport grants	9,880	5,701	9,880	(4,179)
Total equity	210,252	252,700	242,198	10,502	Total non-current assets	218,224	254,167	249,816	4,351
Total equity and liabilities	290,811	329,473	310,421	19,052	Total assets	290,811	329,473	310,421	19,052

VERSION
DATED

22 May 2009

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Statement of Cash Flows

Statement of Cash Flows		
For the Period Ended 31 March 2009		
Year to Date 31 Dec 2008		Year to Date 31 Mar 2009
\$000	Cash flows from operating activities	\$000
	Cash was provided from:	
56,144	ARC Opex grants	72,496
36,568	ARC Capex grants	52,577
2,116	ARC funding for IA grants vested in ARTA	4,812
3,083	LTNZ Capex grants	3,230
52,192	LTNZ Opex grants (excl. GST)	80,078
2,643	Other Grants and Subsidies	3,367
9,552	Rail Fare revenue	13,803
2,029	Bus Fare revenue	3,042
919	Ferry Wharf revenue	1,497
74	GST	0
149	Other Sundry Operating income	153
165,469		235,055
	Cash was applied to:	
117,668	Payments to Suppliers (excl. GST)	167,949
6,033	Payments to Employees	9,410
2,116	Payments to recipients of IA grants vested in ARTA	4,812
0	GST	184
125,817		182,355
39,652	Net Cash from Operating Activities	52,700
	Cash Flows from Investing Activities	
	Cash was provided from:	
0	Realisation of Other Investments	0
254	Proceeds from Sale of Intangible Assets	0
254		0
	Cash was applied to:	
39,729	Purchase and Development of Fixed Assets	52,729
0	Purchase and Development of Intangible Assets	0
0	Other Investments	0
39,729		52,729
(39,475)	Net Cash applied to Investing Activities	(52,729)
	Cash Flows from Financing Activities	
	Cash was provided from:	
0	Increase in loans	0
	Cash was applied to:	
0	Repayment of Loans	0
0	Net Cash from Financing Activities	0
177	Net (Decrease)/Increase in Cash & Investments Held	(29)
148	Cash & Investments Balances at Beginning of the Period	148
325	Cash & Investments Balances at the End of the Period	119
	Cash & Investments Balances Consist of:	
0	Bank Overdraft	0
325	Cash	119
0	Short Term Investments	0
325		119

Capital Statement

Auckland Regional Transport Authority 2008/2009 CAPITAL STATEMENT					
NZD '000 March-09	YEAR TO DATE			FULL YEAR	
	Budget	Actual	Variance Fav/(Unfav)	Dec 08 Reforecast	Original Budget
CAPITAL REVENUE					
ARC Capex Grants	56,508	51,313	(5,195)	78,520	85,337
NZTA Capex Grants	9,156	3,013	(6,143)	12,951	13,038
IA Grant Funding		889	889	424	0
Total Capex Revenue	65,664	55,217	(10,448)	91,895	98,375
CAPITAL EXPENDITURE					
Interim Rolling Stock - (SA Trainsets 15-17)	11,960	3,968	7,992	5,261	11,960
Interim Rolling Stock - (SA Trainsets 18-23)	14,226	21,386	(7,160)	23,500	25,324
Western Line Duplication - Stage 3	187	206	(19)	322	363
Western Line Duplication - Stage 4	450	873	(423)	865	930
Newmarket Remodelling	4,800	12,878	(8,078)	19,403	6,000
Rail Infrastructure Safety Works	949	341	608	1,299	949
Interim Maintenance Depot & Storage	2,000	795	1,206	1,223	2,000
Capex Renewals (Rolling Stock)	7,030	4,101	2,929	7,588	9,912
Multi Modal Passenger Info System	375	4	371	427	500
Real Time Buses (P0)	0	902	(902)	903	0
Real Time Buses (P1 & 2)	1,292	919	373	1,455	1,455
Real Time Buses (P3 & 4)	2,900	1,517	1,383	1,999	3,185
Integrated Ticketing	8,661	277	8,384	8,576	8,661
Ferry Terminal Upgrades - Bayswater	865	296	569	811	1,862
Ferry Terminal Renewals - Stg 1 Dwtwn	2,156	1,651	505	2,902	1,656
Ferry Terminal Renewals - Other - Detail D	0	3	(3)	100	100
Ferry Terminal Renewals - Other - HMB	0	0	0	450	450
Ferry Terminal Renewals - Other - P3 & P4	0	0	0	450	450
Ferry Terminal Upgrade Beach Haven	0	49	(49)	201	1,800
Ferry Terminal Upgrade Half Moon Bay	0	103	(103)	63	600
Ferry Terminal Upgrade Birkenhead	0	70	(70)	1,500	1,500
Ferry Terminal Renewals	0	0	0	430	430
ARTNL Fitout Costs	0	0	0	0	300
MAXX Website Upgrade	0	0	0	0	0
Marketing Implementation Plan	560	52	508	150	1,393
Helensville/Huapai	575	491	84	486	800
Station Upgrades (Ellerslie, Middlemore & Morningside)	2,663	1,510	1,153	4,883	4,883
Business Support	0	31	(31)	145	150
Manukau City Rail Link	430	196	234	474	2,000
Britomart Transport Centre Renewals	0	0	0	0	840
Western Line Duplication - Stage 5	312	52	260	400	800
Sustainable Transport Capital	50	0	50	0	0
Cycling (wharves)	30	0	30	0	200
Onehunga (Dart 19)	495	26	469	411	1,500
Station Renewals	249	0	249	250	500
New Lynn Rail Station	1,071	1,008	62	1,622	2,000
Extension of Fibre Optic Cable	0	0	0	50	600
Ticket Machines for Interim Integrated Ticketing	435	0	435	0	435
Oncosts & Contingency (Electrification)	944	959	(15)	2,098	0
Route Scheduler	0	0	0	1,000	0
Ferry Terminal IA Grant - Washup	0	1	(1)	193	0
Pier 1 Glass Wall	0	5	(5)	5	0
Capital Expenditure	65,664	54,667	10,997	91,895	96,487
IA Grant Funded Capital Expenditure					
Ferry Terminal Upgrade - Beach Haven, Half Moon Bay, Gulf Harbour, Downtown	0	545	(545)	0	0
Middlemore Station	0	0	0	0	0
Papakura Station	0	0	0	0	0
	0	545	(545)	0	0
Grand Total Capital Expenditure	65,664	55,212	10,443	91,895	96,487

Summary of Financial Performance for 9 months to 31 March 2009

OPERATING RESULTS – THIRD QUARTER:

The budget for the third quarter ended 31 March 2009 is based on the 2008/09 funding agreement as approved in December 2008.

Revenue

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

ARC Opex Grants \$2.2m and **NZTA Opex Grants** \$4.6m are more than budget due to more expenditure than planned.

Rail Fare Revenue is lower than budget by \$0.1m as a result of disruptions caused by track closures over the Christmas/New Year period and the average fare being lower than originally budgeted due to higher than expected use of tertiary discount travel.

Bus Fare Revenue is higher than budget by \$0.3m due to higher than planned bus patronage on routes where ARTA receives the fare revenue.

Ferry Wharf Revenue represents revenue from ferry operators and commercial rentals for the ferry terminals previously operated by ARTNL. This is currently tracking to budget.

Other Sundry Operating Income is \$0.1m more than budget due to the negotiation of several small unbudgeted income streams for advertising at rail stations.

Expenditure

Human Resources is \$0.7m less than budget mainly due to lower than budgeted spend on recruitment (due in part to a first quarter recruitment freeze), staff training and travel.

Professional Services – Project Delivery is \$0.7m less than budget mainly due to delays in commissioning consultants to work on projects in this area caused by delayed key staff appointments as a result of the first quarter recruitment freeze. It is forecast that professional fees phased for the second half of the financial year will be spent but the amount attributable to the first half of the year will remain underspent resulting in a \$0.4m favourable variance at the end of the financial year.

Professional Services – Other is \$3.6m more than budget due mainly to the write back of capital work in progress at 30 June 2008 for integrated ticketing procurement expenditure.

Materials is \$0.3m less than budget mainly due to less marketing timetable replacements and walking school bus incentive material required than was budgeted.

Printing and Office Supplies is \$0.4m less than budget due to fewer resources required for Travel Demand Management marketing projects and promotional activities.

Bus and Ferry Contracts are \$4.0m more than budget, this being related to higher than budgeted inflation payments, partially offset by savings in ferry contract operator negotiations and delays in service changes for both modes across all sectors.

Rail Contract is \$0.9m less than budget year to date as a result of lower than budgeted fuel prices, seasonal lows in the leave liability and lower than budgeted driver hire and service kilometres due to the line closures over the holiday period.

Depreciation is \$0.8m more than budget due to the timing of completing and capitalising property, plant and equipment differing from the budgeted timelines for capital projects.

Investigations Expenditure is \$2.8m more than budget due to acceleration of the Rail Electrification Project in the first half of 2008/09, as detailed in the Half Year Report.

Net Operating Surplus/(Deficit)

Net Operating Deficit is \$12.8m for the half year, this is less than budget due to the phasing of assets capitalised out of work in progress and the write off of Integrated Ticketing capital work in progress relating to the 07/08 financial year.

CAPITAL RESULTS:

Revenue

Capex Revenue is \$10.4m less than budget year to date due to there being less capital expenditure than budgeted. This represents grants received for capital expenditure that are recorded as assets on the balance sheet.

Expenditure

Capital Expenditure for the quarter is \$10.4m less than budget. This variance is mainly due to:

- Rolling Stock Projects are \$3.8m less than budget due to cost efficiencies gained on train sets 15-17 (\$8.0m) and a delay in the SX refurbishment and rolling stock renewals programmes (\$2.9m). These savings are partially offset by progress on train sets 18-23 tracking ahead of schedule (\$7.1m more than budget).

It is anticipated that train sets 18-23 will remain ahead of schedule but only by \$1.5m at financial year end.

- Project Delivery Rail Infrastructure Projects are \$4.2m more than budget due to:
 - Acceleration of the programme of work at Newmarket station, and increased scope and costs for this project as approved by the ARC (\$8.1m);
 - A timing difference in the Western Line Stage 4 stations programme of work (\$0.4m);

Partially offset by:

- Delay in the detailed design at New Lynn rail station;
 - Delay in being granted site access to the Papakura station for the Rail Infrastructure Safety Works Papakura Lift project;
 - Deferral of Manukau City Rail Link, Western Line Duplication Stage 5, rail station renewals and the Onehunga (DART 19) projects until the 09/10 financial year, and;
 - Delay in work scheduled for the distributed stabling facility proposed for RAILSIDE AVENUE.
- Other non-rail capital projects are \$11.4m less than budget due to:
 - The write-off of the procurement phase of Auckland Integrated Fares System (\$1.3m this year) to opex (fully funded by NZTA), a delay in NZTA approval of the construction phase (\$7.0m) and the decision not to purchase interim integrated ticketing machines (\$0.4m);
 - Delays associated with further roll out of the real time system while prototypes are trialled (\$0.8m), and;
 - Slower than budgeted progress on ferry terminal upgrades at Downtown and Bayswater due to the greater complexity of remedial work required than was known at the time of the budget.

STATEMENT OF FINANCIAL POSITION

The key features of the movement in the Statement of Financial Position for the quarter ended 31 March 2009 are:

Current Liabilities

Total **trade payables** has increased by \$6.9m and **accrued expenditure** has increased by \$4.7m for the quarter mainly due to the holidays in December incurring less cost than the third quarter spending activity and several high value supplier invoices in March relating to Newmarket and train sets 18-23 which are both running ahead of schedule.

Equal and opposite current and long term **Grants Payable** and **Grants Receivable from ARC** 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

Prepayments is \$5.0m higher than December 2008 due to the Veolia quarterly invoice for the period 1 April – 30 June 2009 being received in March.

The **Inter-company** account represents monies owed from ARTA to ARC or from ARC to ARTA.

Long Term Assets

Fixed Assets represents the amounts spent on capital expenditure. The net additions for the quarter were \$8.6m.

Equity

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

Statement of Cash Flows

The Statement of Cash flows reflects the cash transaction for the **Income Statement** and the closing position of **Cash and Bank** in the **Statement of Financial Position**.

ARTA ADMINISTRATION COSTS

Expenditure Category	ARTA 08/09 Draft Budget - Full Year	March YTD - Plan	March YTD - Actual	Variance against YTD Budget	Remainder
	\$	\$	\$	\$	\$
Board	498,500	356,195	349,443	6,752	149,057
Human Resources	12,798,019	10,284,557	8,700,919	1,583,638	4,097,100
Shared Services	3,530,000	2,741,205	2,486,878	254,327	1,043,122
IT Projects	650,000	505,133	403,294	101,839	246,706
Sundry Expenditure	153,000	153,000	135,864	17,136	17,136
Total	17,629,519	14,040,090	12,076,398	1,963,692	5,553,121

Headcount based on 137

The above table shows ARTA Administration costs are \$12.1m for the period ending 31 March 2009; \$1.9m favourable to budget.

The Human Resources line is \$1.5m favourable as salaries have been under spent due to the recruitment freeze in the first quarter and subsequent delay in recruiting budgeted for new staff.

Shared Services is \$0.3m favourable due to a delay in recognition of some IT capital not yet billed to ARTA by ARC.

IT Projects is \$0.1m favourable due to a timing difference in the actual use of consultants.

ARC FUNDING CATEGORIES

ARC Funding CAP - OPEX

Activity Class	Budget 08/09 \$000	ARC Operating Funding 2008/09 (Original) \$000	Total Revised Funding CAP \$000	ARC Funding to 31 March 2009 \$000	Balance available for Apr - Jun 09 \$000	% variance
1 – Corporate Support	3,674	2,896	2,896	2,140	756	26%
2 – Board	499	374	374	262	112	30%
3 – Professional Services	17,406	8,703	8,703	6,094	2,609	30%
5 – Paratransit	4,031	2,005	2,005	1,720	285	14%
6 – Sustainable Transport	4,770	1,366	1,366	477	889	65%
7 – Marketing Information and Real Time	5,894	2,034	2,034	1,433	601	30%
9 – Integrated Ticketing	0	0	-	0	-	
10 – Investigations	1,810	1,718	1,718	4,294	(2,576)	-150%
11 – Rail Contract	66,563	19,022	19,022	16,328	2,694	14%
12 – School Buses	9,402	4,701	4,701	3,323	1,378	29%
13 – Concessionary Fares	9,585	4,793	4,793	3,554	1,239	26%
14 – North Contracts	31,263	13,651	13,651	10,252	3,400	25%
15 – West Contracts	12,347	6,173	6,173	4,626	1,548	25%
16 – West/Isthmus Contracts	12,951	6,476	6,476	5,003	1,473	23%
18 – Isthmus Contracts	7,468	3,734	3,734	2,797	937	25%
19 – South Contracts	22,665	11,324	11,324	8,440	2,884	25%
20 – Other Contracts	1,014	889	889	364	525	59%
21 – Ferry Contracts	6,113	3,057	3,057	1,781	1,276	42%
22 - Ferry Maintenance	2,327	200	200	0	200	100%
23 - Rail Level Crossings (TA)	2,800	2,800		0	2,800	
TOTAL ARC OPEX FUNDING	222,582	95,916	92,916	72,887	23,029	25%

ARTA claimed 75% of its annual budget allocation for the three quarters to 31 March 2009.

Paratransit is unfavourable year to date against budget as a result of a timing difference – in June NZTA will make a ‘funding assistance rate top up’ payment which will bring the spend to slightly less than originally budgeted for the full year. Sustainable transport is favourable due to vacancies in the travel planning area resulting in fewer resources and grants paid to schools for the first half of the year and no expenditure on new travel behaviour change activities this financial year.

Investigations is \$2.6m unfavourable year to date largely due to the costs of the concept design stage of the electrification project exceeding the original budget estimate.

Rail contract is more than budget for the half year mainly due to the higher fuel costs in the first quarter, and increase in the ACC levy and unbudgeted costs for the Newmarket shuttle services earlier in the year and the need to fund the Veolia final quarter invoice in advance. The current quarter (Jan – Mar 09) is favourable to budget due to lower fuel costs and lower driver hire and service kilometres after service disruptions during the Christmas/New Year period.

Other contracts is significantly under spent for the year to date due to no use of the contingency amounts attributed to bus service improvements as a result of 09/10 budget constraints.

Ferry contracts is less than budget due to a provision for negotiations with ferry operators not being required.

Ferry maintenance funding will be required in the fourth quarter as costs are forecast to exceed revenue collected from operators for passenger access charges and berthage.

ARC Funding CAP - CAPEX

Activity Class	Budget 08/09 \$000	ARC Operating Funding 2008/09 (Original) \$000	ARC Funding to 31 March 2009 \$000	Balance available for Apr - Jun 09 \$000	% Variance
2 - Interim Rolling Stock	37,284	37,284	25,353	11,931	32%
3 - ARTNL- Fitout Costs	300	300	0	300	100%
4 - Western Line Duplication Stg 4	930	930	873	57	6%
5 - Newmarket	6,000	6,000	12,878	-6,878	-115%
6 - Rail Rolling Stock Refurbishment	9,912	9,912	4,101	5,810	59%
7 - Western Line Duplication Stg 3	363	363	206	157	43%
9 - Real Time Passenger Information System	5,140	2,416	1,148	1,268	52%
10 - Integrated Ticketing & Machines	9,096	4,275	111	4,164	97%
11 - Interim Rolling Stock - Depot and Storage	2,000	2,000	795	1,205	60%
12 - Passenger Transport Capital Infrastructure	1,593	749	53	696	93%
14 - Ferry Terminal Upgrades & Renewals	8,848	4,198	980	3,218	77%
16 - Helensville/Huapai	800	800	491	309	39%
17 - Business Support	150	150	31	119	80%
18 - Rail Infrastructure Safety Works	949	949	342	607	64%
19 - Station Upgrades	4,883	4,883	1,511	3,372	69%
20 - Manukau City Rail Link	2,000	2,000	197	1,803	90%
21 - New Lynn Rail Station	2,000	2,000	1,009	991	50%
22 - Britomart Transport Centre	840	840	0	840	100%
23 - Western Line Stage 5	800	800	51	749	94%
24 - Onehunga Dart 19	1,500	1,500	26	1,474	98%
25 - Station Renewals	500	500	0	500	100%
26 - Fibre Optic Cable	600	600	0	600	100%
28 - Oncosts and Contingency	0	0	959	-959	
22 - IA Grant Funding Projects	0	0	200	-200	
TOTAL ARC CAPEX FUNDING	96,488	83,449	51,315	32,135	39%

ARTA's capex programme for the year to date shows 61% of the annual budget spent in the three quarters to 31 March 2009.

Delays in integrated ticketing due to uncertainty over scope and funding, station infrastructure design timing differences and savings on the contract costs for train sets 15 – 17 are partially offset by the train sets 18-23 progressing ahead of schedule and approved increases in cost and acceleration of physical works at Newmarket station.