

# ARTA Third Quarter Report

1 July 2009 to 31 March 2010

**Auckland  
Transport**

*An Auckland Council Organisation*

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# 1 Summary and Highlights

## **March 2010 sets eight year record for public transport patronage.**

March 2010 set new records for public transport patronage with 6.4million passengers carried, the highest monthly figure for the last eight years. Of note, bus patronage in particular has made a quick recovery from the impact of the NZ Bus industrial dispute in October 2009 thanks to investment in infrastructure and improvements to customer service. Patronage on the Northern Express continued its rapid growth reaching 18.9% for the year to date against the annual target of 15%.

## **New Newmarket Train Station boosts rail patronage**

Rail patronage marked six consecutive months of double digit growth with a record high of 918,000 rail passengers in March, up 14.3% on March 2009, well above forecast target. The opening of Newmarket Station in January added to continued infrastructural improvements for customers.

## **Rail punctuality on the improve**

Rail punctuality in the months of January to March 2010 was a significant issue particularly on the Western Line which experienced a series of signals and points failures. Speed restrictions on the single track sections at New Lynn and Grafton work sites also reduced the opportunity for trains to recover from delays. However the commissioning of the double track line between Grafton and Newmarket during Easter weekend and timetable adjustments associated with the opening of Grafton Station on 11 April resolved a number of these issues with punctuality in April showing a marked improvement.

## **Bus services recover from disruption**

Bus patronage for the year to date (excluding the Northern Express and school services) has shown small positive growth of 0.3% (101,655 trips). Growth is concentrated in the North and South sector, where services have been redesigned over the last two to three years with simpler routes and higher frequencies.

## **Ferry services exceed growth forecasts**

Patronage on ferry services exceeded growth forecasts with 3.5% growth in the year to date.

### **School, tertiary and workplace travel plans take 8,974 car trips off the road each morning peak**

ARTA's TravelWise programme has taken just under 9,000 car trips off Auckland's roads during morning peak through its proactive school, tertiary and workplace programme. In addition child pedestrian injury crashes have been reduced by 48% around Auckland schools participating in the programme and car travel reduced by 135,000 km's.

### **Improvements in customer information**

ARTA's MAXX website is a hugely popular form of customer information. The website was upgraded to continue its customer responsive approach in early 2010.

### **Auckland's Integrated Ticketing Project well on track**

Work is well underway to supply New Zealand and Auckland's first multi modal integrated ticket. ARTA and Thales are working closely with NZTA to support the development work for the New Zealand smart card interoperability standard.

## 2 Passenger Transport Patronage

### 2.1 Overall Patronage Trends

Total public transport patronage for the year to March 2010 has increased by 2.1% or 900,434 boardings over 2008/09. Patronage has recovered from the impact of the NZ Bus industrial dispute in October, and is once again growing rapidly in response to investment in infrastructure and improvements to customer service. The month of March 2010 set new records for PT patronage with 6.4 million on the PT system, the highest monthly figure in the last eight years.

Patronage on the Northern Express continues to grow rapidly and is 18.9% for the year to date against the annual target of 15%. Rail patronage for the year to date is also above target; patronage on the Western Line was up by 8.5% against a target of 5.5%, and growth on the Southern Line was 11.6% against a target of 9%. The opening of Newmarket Station in January 2010 boosted patronage, with a record high of 918,000 rail passengers in March, up 14.3% on March 2009, which marks six consecutive months of double digit growth in rail. Rail patronage on the Western Line received a further boost with the opening of Grafton Station in April.

Ferry services are also exceeding growth forecasts, with 3.5% growth in the year to date.

Patronage on ARTA school bus service contracts continues to run at significantly lower levels than forecast. Much of this is due to the disruption of services in October; school services were impacted more heavily and have recovered more slowly from the disruption. Other factors affecting school services are described in Section 3 – TravelWise results.

Despite positive results for most service areas, ARTA is not expecting to achieve its patronage target of 4% growth in passenger boardings, due solely to the impact of the NZ Bus industrial dispute.

Performance Measure	2009/10 Target	Year to date result	% change from 2008/09	# change from 2008/09
Total PT patronage increases by 4%	60,972,000 passenger boardings Increase of 2,351,000 = 4.0%	44,524,484	2.1%	900,434
Northern Express patronage	1,724,000 passenger boardings Increase of 224,000 = 15%	1,293,573	18.9%	205,672
Western Rail Line patronage	2,858,000 passenger boardings Increase of 149,000 = 5.5%	2,168,713	8.5%	169,761
Southern & Eastern Rail Lines patronage	5,387,000 passenger boardings Increase of 446,000 = 9.0%	4,062,192	11.6%	422,743
Patronage on all other bus services	43,966,000 passenger boardings Increase of 1,485,000 = 3.5%	31,760,076	0.3%	101,655
Patronage on ferry services	4,396,000 passenger boardings Increase of 21,000 = 0.5%	3,471,760	3.5%	116,098
Patronage on school bus services	2,641,000 passenger boardings Increase of 26,000 = 1%	1,768,170	-6.2%	-116,085

## 2.2 Rapid Transit Network Patronage

The Rapid Transit Network carried 7,524,478 trips in the year to date, which is an increase of 11.9% (798,176 boardings) against the SOI target of 9.0% growth.

Performance Measure	2009/10 Target	Year to date result	% change from 2008/09	# change from 2008/09
Northern Express patronage	1,724,000 passenger boardings Increase of 224,000 = 15%	1,293,573	18.9%	205,672
Western Rail Line patronage	2,858,000 passenger boardings Increase of 149,000 = 5.5%	2,168,713	8.5%	169,761
Southern & Eastern Rail Lines patronage	5,387,000 passenger boardings Increase of 446,000 = 9.0%	4,062,192	11.6%	422,743
<b>RTN total</b>	9,969,000 trips on the Rapid Transit Network. Increase of 819,000 = 9.0%	<b>7,524,478</b>	<b>11.9%</b>	<b>798,176</b>

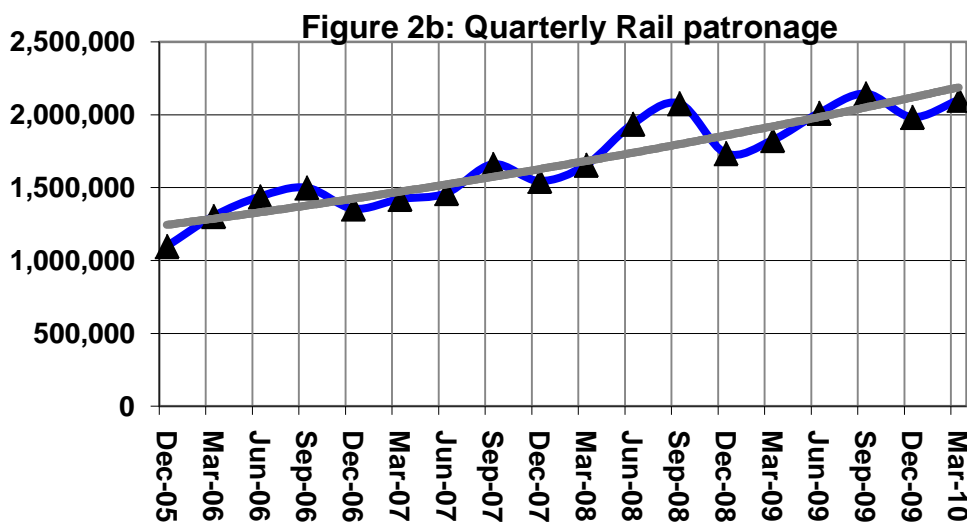
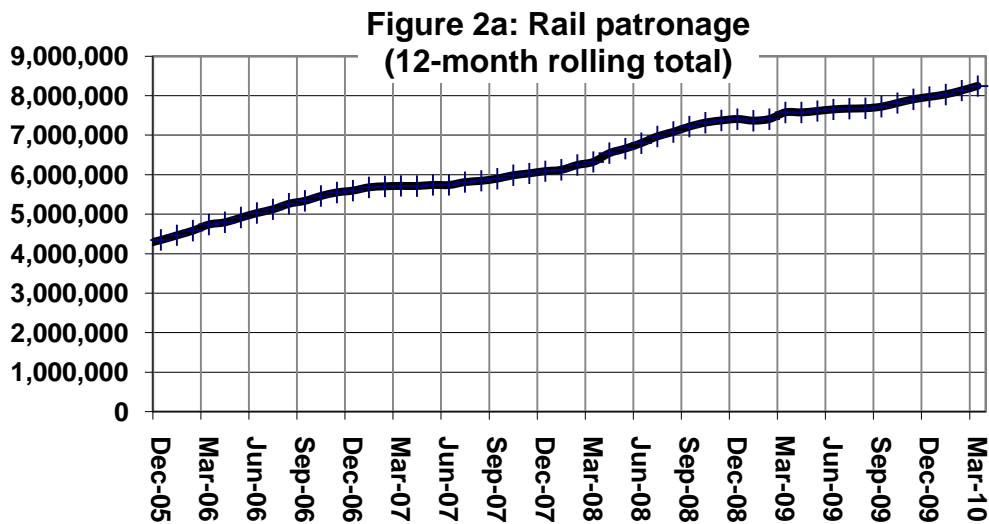
As forecast, the rate of growth on the Rapid Transit Network has accelerated in the third quarter of 2009/10 due to the impact of rail station upgrades, especially the opening of Newmarket Station in early 2010, and increased reliability due to improvements to rail tracks and signalling systems and the opening of Newmarket and Grafton stations; both of these projects included significant improvements to track layout and line speeds.

## Rail Patronage

There have been 6.231 million passenger journeys made on the region's rail services in the nine months to end March 2010, an increase of 10.5% on the same nine months last year. Results for the March quarter are even better, with 15.1% growth relative to the March quarter of 2009.

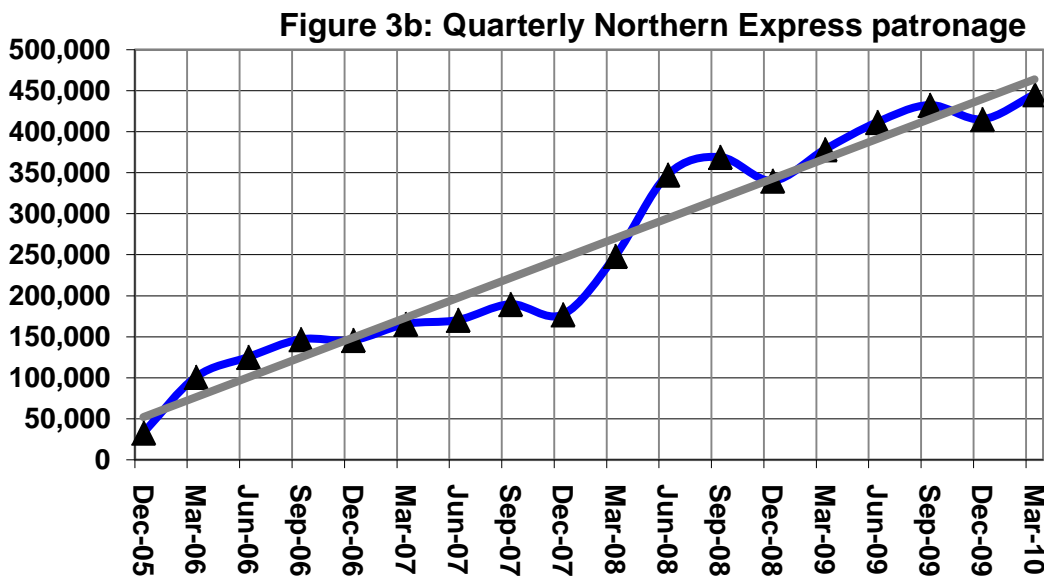
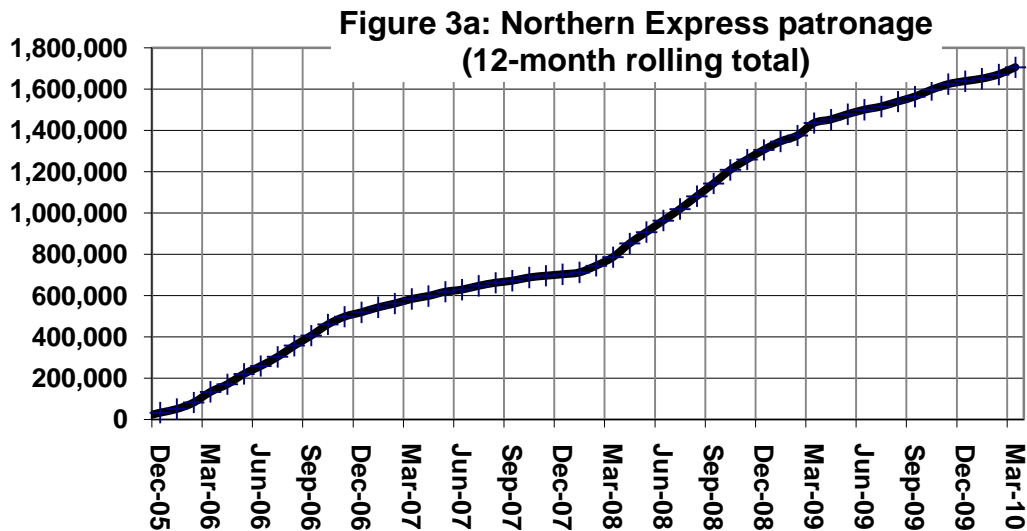
Western Line patronage gained a significant boost when Newmarket Station opened in January 2010 as shown by 8.5% growth in the year to date and 13.9% for the March quarter. Patronage received a further boost with the opening of Grafton Station in April, and the associated commissioning of the double track section between Newmarket and Boston Road providing continuous double track between Newmarket and Avondale. Station construction at Avondale and New Lynn is also nearing completion, although further line closures are planned over weekends in May and June to complete the final, New Lynn stage of the Western Line double tracking.

Eastern & Southern Line rail has seen 11.6% growth for the year to date against a growth target of 9%.



## Northern Express Patronage

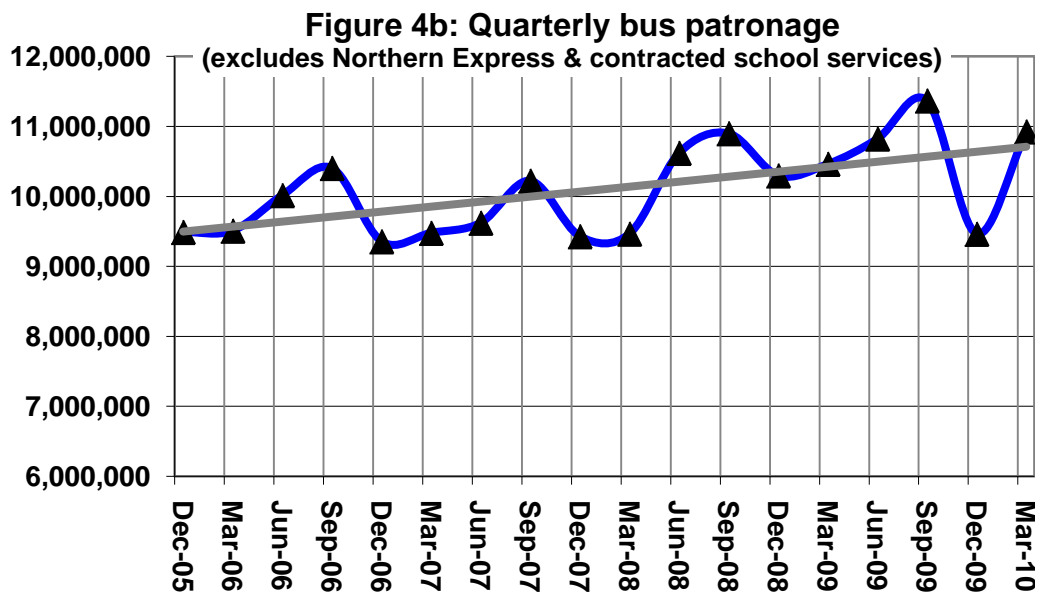
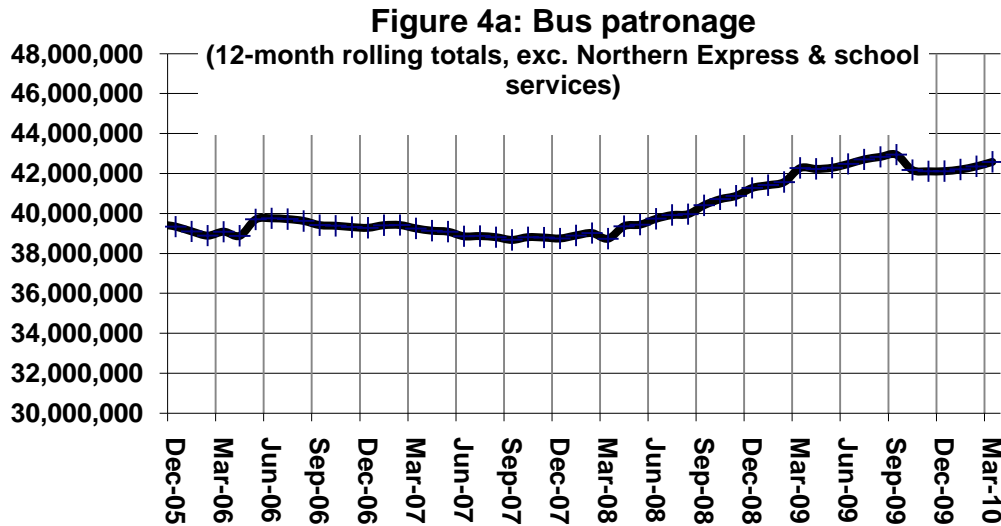
Patronage growth on the Northern Express is up 18.9% against the annual target of 15%. Increased evening services were provided from October 2009. Adding further capacity at peak times is difficult as it necessitates the purchase of new vehicles which are then not fully utilised. ARTA's focus for peak travel is on ensuring that customers are aware that they can board a range of services to experience the advantages of Busway travel, not just the branded Northern Express buses.





## 2.3 Bus Patronage

Bus patronage (excluding the Northern Express and school services) has now recovered from the impact the NZ Bus industrial dispute in October 2009, and patronage for the year to date has shown small positive growth of 0.3% (101,655 trips).

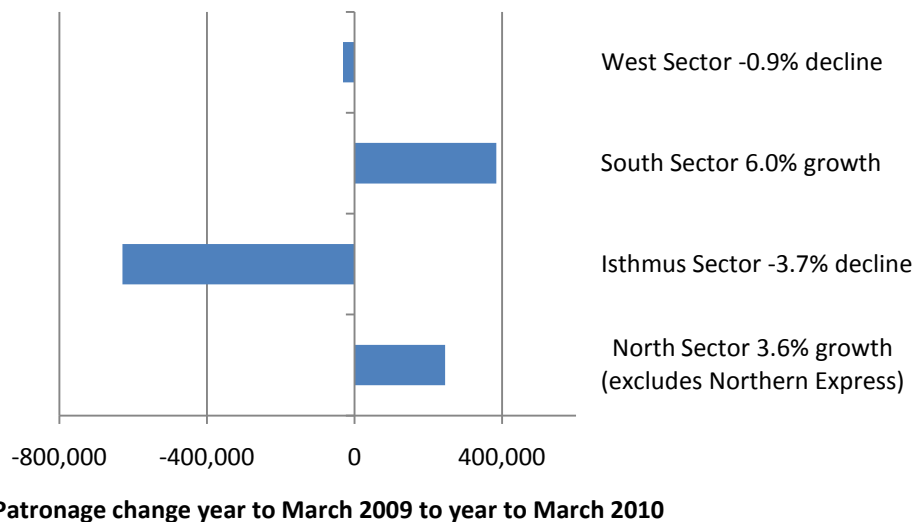


Bus patronage growth by sector is shown in Figure 4c. Growth is concentrated in the North and South sector, where services have been redesigned over the last two to three years with simpler routes and higher frequencies.

ARTA will be implementing service changes in the West sector later this year.

On the isthmus, a new marketing approach will be introduced on Dominion and Mt Eden Roads as the first step in a long term plan to build patronage on key bus corridors through the Isthmus. Further detail of this is set out in Section 8.

**Figure 4c: Bus patronage growth (decline) by sector**

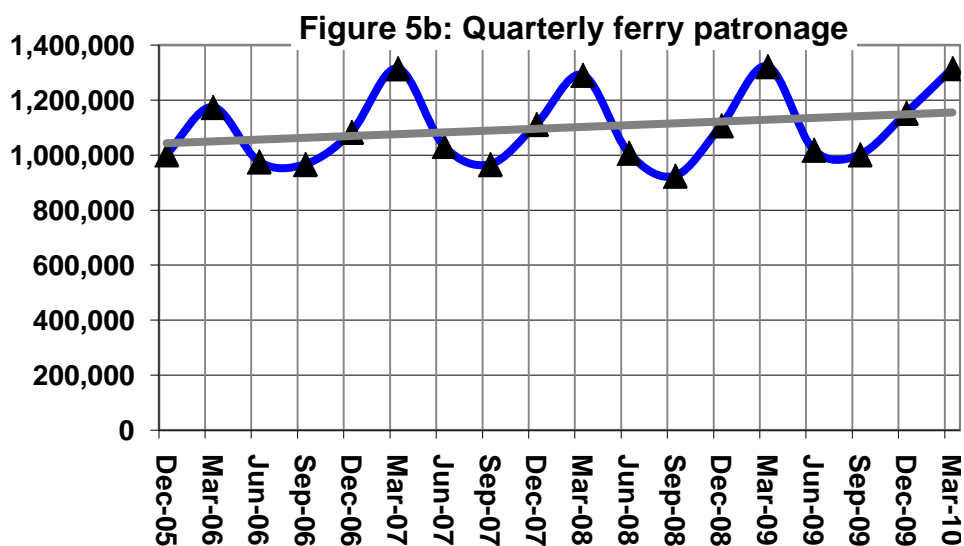
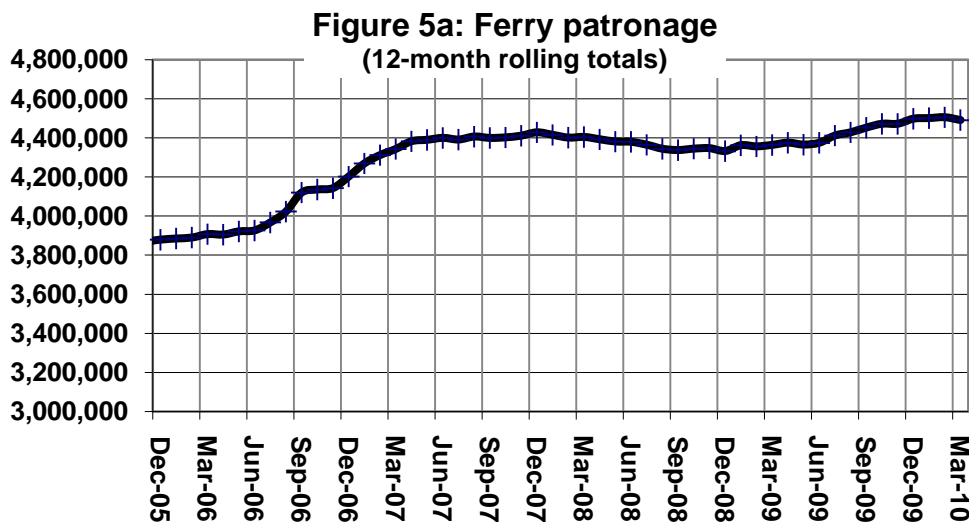


Specific bus services showing rapid growth are:

- Local and Manukau Cross-town.** Bus routes were redesigned on 1 February 2009. Routes were simplified with some extensions and new timetables. Patronage on these services for the year to date (nine months) is 28.8% (156,873) higher than the same period in the previous financial year.
- Dannemora/South Howick services.** Changes were made to the route structure along with increased frequency in September 2008. Patronage in the year to March 2010 is 19.9% (72,273 boardings) higher than for the same period in the 2008/09 financial year.
- North sector (including Hibiscus Coast).** Changes were made to services when the Northern Busway opened in February 2008. Patronage on the bus services in this sector (excluding the Northern Express) for the financial year to date has grown by 3.6% (245,801 boardings).

## 2.4 Ferry Patronage

Ferry patronage grew by 3.5% (116,098 additional boardings) relative to the nine months to March 2009. This is lower than the 6.1% growth to December, due mainly to the timing of Easter, which fell in April this year. Devonport and Waiheke Island commercial services in particular have a strong peak in patronage over the Easter weekend.

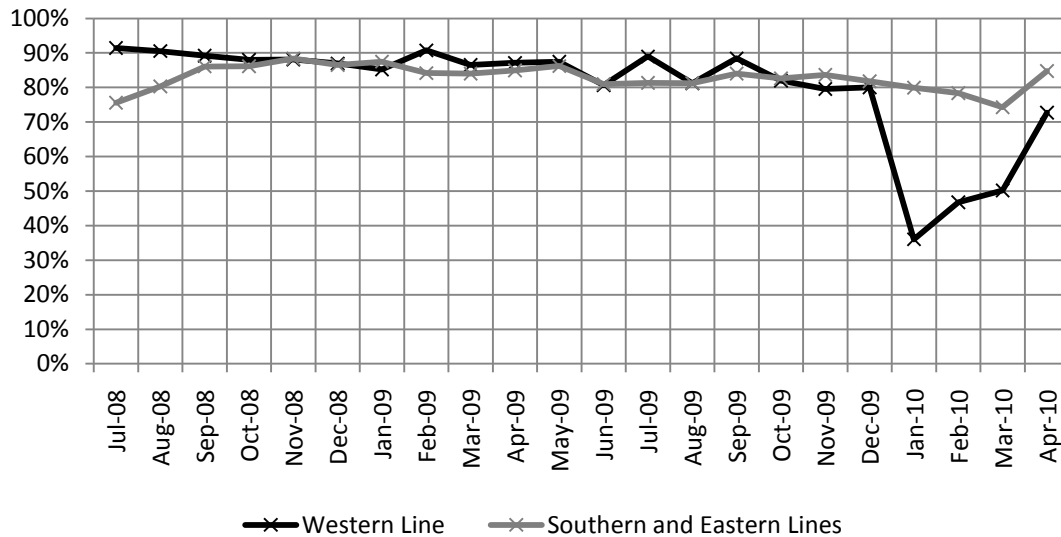


### 3 Rail Punctuality and Reliability

#### Punctuality (on time performance)

For the year to March 2010, 73% of Western Line rail services and 81% of Southern Line services ran on time, defined as being within 5 minutes of schedule.

**Figure 6a, Punctuality of Rail Services**



Punctuality in the months of January to March 2010 was a significant issue, with 57% of services operating within 5 minutes of schedule during the quarter, primarily due to delays on the Western Line. Signal and points failures were the most common cause of delay to Western Line services, but even minor delays were compounded by speed restrictions on the single track sections at New Lynn and Grafton work sites which reduced the opportunity for trains to recover from delays. The commissioning of the double track line between Grafton and Newmarket during Easter weekend, and timetable adjustments associated with the opening of Grafton Station on 11 April resolved a number of these issues and punctuality in April showed a marked improvement.

ARTA is working with KiwiRail and Veolia to address the remaining issues impacting on rail reliability on the Western Line. These include ongoing speed restrictions at New Lynn, some remaining sections of older track and signalling, and rolling stock maintenance issues.

## 4 Integrated Ticketing progress report

The Auckland Integrated Fare System programme is progressing to schedule and on budget.

The prime contractor, Thales commenced work on 26th January 2010. A series of workshops have been conducted by Thales in the March quarter, attended by ARTA subject matter experts and AIFS Project Team Members. These workshops focussed on clarification and validation of the Business Requirements, and led to the achievement of programme milestone #2 acceptance of the complete Business Requirements.

In parallel with this, work has also been progressing on the finalisation of the AIFS Fares and Ticketing policy. This has involved ARTA internal policy group reviews, consultation with operators, and the provision of policy documents to Thales. Supporting this, the Communications and Marketing Division has also conducted an online survey of customers to test reactions and preferences for AIFS ticketing product options.

Regular consultation with the transport operators continues through a series of Operator Reference Group meetings, held monthly. These meetings have been well attended and are providing a useful forum for involving this key stakeholder group in the programme.

ARTA and Thales have been providing ongoing support and input to NZTA's development work for the New Zealand smart card interoperability standard. Foundation documentation relating to the standard has been supplied by Thales, and this is being further refined by NZTA through a series of technical and policy workshops that ARTA and Thales team members have attended.

Recruitment of key AIFS team members has progressed, with the appointment of the AIFS Project Manager on 19th April, and securing the services of ARTA Infrastructure Manager (shared with the ARTA projects group). Recruitment of two other key positions, the Technical Manager and Change Manager, is also progressing.



*Thales technology in other cities – aisle gate*



*Bus validator*



*Platform validators*

The prime governance group for AIFS, the Programme Control Group (PCG), continues to meet on a monthly basis to formally review progress, ensure that key risks and issues are being managed and consider any programme change control items that may arise. As part of the overall governance, the PCG is also in the process of securing independent quality assurance services for the programme.

Active risk and issues management continues. At this point in time, there are no untreated significant risks or issues affecting the programme.

The programme is tracking to budget and milestone payments have been approved to Thales for satisfactorily completing project Milestones #1 and #2.

Looking forward to the next quarter, the team is scheduled to complete Milestone #3 (June) – the finalisation of the Solution Requirements Phase. For this milestone, Thales will be delivering a significant documentation set. This will be a “hold point” and all requirements must be completed to ARTA’s satisfaction before Thales progresses to work on the Preliminary Design Phase.

Preliminary work will begin on the development of ARTA’s civil works programme to support the installation of devices and communications at rail stations and ferry terminals.

The AIFS team recruitment process will continue, as will involvement in the NZTA smart card interoperability standard finalisation process.

## 5 TravelWise Annual Evaluation

Over 50,000 students at 108 TravelWise schools participated in surveys in support of the 2009 TravelWise evaluation.

TravelWise achievements to the end of the 2009 calendar year include:

- Taking 8,974 car trips off the road each morning
- Reducing child pedestrian injury crashes around TravelWise schools in Auckland City by 48%
- Reducing car travel by 135,000 km, giving a congestion benefit of \$20.35 million each year
- Long term safety benefits of infrastructure installed to date of \$132 million
- An established reputation with schools, and a growing reputation with NZ's top companies and major institutions

These results show that the TravelWise programme is on track to achieve the goal set in the 2005 Regional Land Transport Strategy of achieving voluntary reductions in car travel to Auckland schools, workplaces and tertiary institutes of 20,000 trips each morning by 2016. For context, 20,000 is the maximum number of trips that could cross the Auckland harbour bridge – 8 lanes of motorway – in an hour.

New research undertaken by the NZ Transport Agency and Auckland City shows that schools which have fully implemented their School Travel Plans have experienced a 48% reduction in child pedestrian injuries, compared with a 15% reduction at a set of “control” schools which do not have Travel Plans. This reduction in injuries has occurred alongside a 6% increase in children walking to school.

In 2009, Auckland celebrated the establishment of the 300th Walking School Bus. By the end of 2009, there were 304 Walking School Buses operating at 130 schools throughout Auckland, involving 5,038 children and 2,174 adult volunteers.

The first group of children who walked on Auckland's early Walking Buses are now at high school, and qualitative research undertaken by the University of Auckland indicates that this group continues to walk to school and to local destinations.

A Travel Plan for the CBD campuses of the University of Auckland and the Auckland University of Technology has been implemented and has achieved a reduction of 1,127 car trips to the CBD universities each morning. Tertiary Travel Plans are now underway at Manukau Institute of Technology and Auckland University of Technology Akoranga tertiary campuses, but the timing of this report did not allow for the inclusion of the results from follow-up surveys at these two institutions. A supplementary report on Tertiary Travel plans will be included in ARTA's report of the year to end June 2010, once new followup survey information is available.

Ten workplaces have completed and evaluated Travel Plans by the end of 2009, and collectively have achieved a reduction of 642 car trips to work each morning peak. This reduction in car trips corresponds to 4.5 million fewer kilometres travelled, and a reduction of 1,469 tonnes.

## 5.1 TravelWise results for Public Transport use

In the Half Year Report, the decline in patronage of ARTA-contracted school buses was noted and ARTA undertook to analyse results from the annual TravelWise survey in order to better understand trends in public transport use for the journey to school.

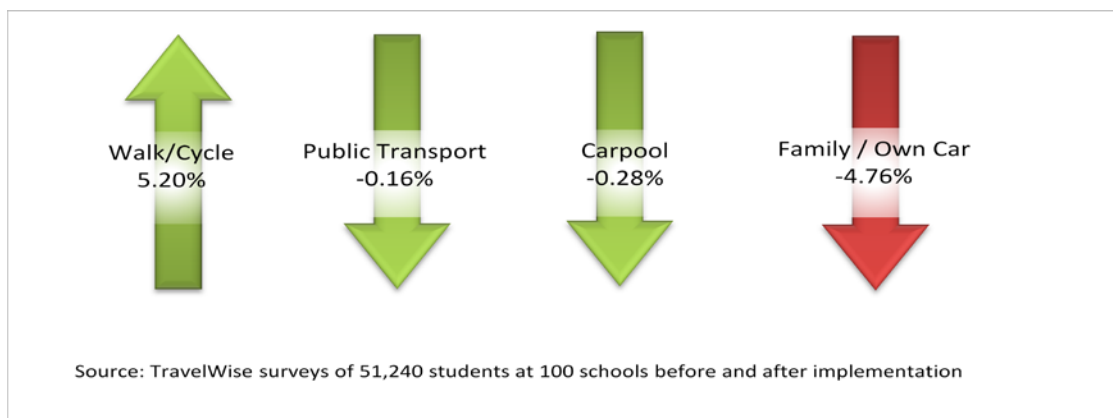
It was noted in the Half Year report that public transport use by school aged children overall is fairly static. Total concessionary fare claims have varied between 8.8 million and 9.0 million trips each year since 2005, with no clear upward or downward trend.

Bus services for the journey to school are a mixture of:

- Regular scheduled services
- ARTA-contracted school bus services
- Ministry of Education-contracted school bus services
- Commercial school bus services
- Services subsidised directly by schools

Survey results to date have made it clear that school students cannot accurately identify which category of bus service they use, so TravelWise data will only show how many students travelled by bus and cannot be used to break down categories of bus services.

Survey results from 100 TravelWise schools are shown in Table 5.1. There has been a small decrease in travel by public transport of 0.16%.



This result arises because of a decline in travel to **primary** school by public transport, as part of the overall shift to more walk trips. In TravelWise intermediate and secondary schools, the decline in bus travel is matched almost exactly by the increase in rail travel, so that the number of students using PT in the mornings has stayed constant.

Excluded from the above results are six schools in Waitakere City where a Ministry of Education school bus service review has resulted in significant changes to bus service times and subsidies. For these six schools, there has been a decrease in travel by bus of 6.9% which is only partly offset by the 0.8% increase in train travel. At these six schools, the shift from bus travel has largely been taken up with an increase in students walking, and in “Park and Walk” trips which combine a car trip with a walk of 400m (5 minutes) or more.

ARTA regularly reviews school bus service provision against defined patronage criteria, and also includes school bus service reviews within wider sector reviews. The above results can be analysed school by school to identify opportunities to better tailor school services to need, especially at schools where there has been a significant shift from bus to rail travel.



## 6 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 March 2010
Purchase of interim diesel rolling stock to meet patronage demand until the arrival of electric trains	<p><b>Interim Rolling Stock SA Trainsets 18-23</b>            Trainsets 18 and 19 are in service, and Trainset 20 is being used for maintenance cover.            The leasing of motive power for these trainsets is still being negotiated with KiwiRail – revised dates for locomotives to enter service, and lease rates being the key variables.</p>
Construction of stabling facilities required to house the new rolling stock	<p><b>Distributed Stabling (DART 17)</b>  <b>Strand/Tamaki Drive</b>            Following discussions with ARTA, ONTRACK and KiwiRail a brief for approval by the parties is to be circulated. Outline design is in progress pending further detailing on scope and user requirements.            The availability of emergency platform capability and stabling for operations is dependent on the timely installation of the required track and signals program by ONTRACK/AEP Signal Team. Modelling of scenarios is underway with regard to Emergency platforms to ensure timely delivery of emergency platform and stabling capacity to ascertain delivery risks.</p> <p><b>Western Line Site Henderson (formally Railside Avenue)</b>            Physical works have begun, with the corridor section of work successfully completed during the Christmas block of line. Work has now begun on the remainder of the site and is tracking to meet the required delivery date in mid-May.</p>
Complete Newmarket Station, to open Jan 2010	Newmarket Station opened for services on 18 January 2010
Complete New Lynn, Grafton and Avondale Stations;	<p><b>New Lynn</b> - first train in trench achieved as planned on 3 March. Trains in both directions will use the trench from June 2010. New Lynn station will open for passenger services in late Aug 2010.  <b>Grafton</b> Station complete, opened 11 April.  <b>Avondale</b> station will be complete by end May in preparation for formal opening on June 2010.</p>
Upgrade Kingsland station and improve connections to Eden Park;	Kingsland Station construction is underway and will be completed July 2010.

Rail Programme of Action	Update as at 31 March 2010
Construct stations on the Onehunga line, and provide a half-hourly train service to Onehunga at peak times;	Construction of stations progressing well and works are on target to complete stations construction by mid July 2010.
Construct a new major station at Manukau City, and provide train services to Manukau, subject to completion of the Manukau Link rail track by ONTRACK.	Station construction on target for completion mid 2011 to enable services to commence. Fully integrated station concourse to be constructed by end 2011.
Additional peak capacity on Southern and Eastern lines from 2009/10	Onehunga Branch Line services to be operational 19 September 2010. 6 car trains on Western Line require KiwiRail platform lengthening works at Baldwin Ave, Mt Albert and Mt Eden stations. These works are scheduled for late 2010.
Increased interpeak and late night services on all rail lines, staged across 3 years	Evening services (to 10 pm Mon – Fri) on the Western line will be extended to Henderson from 19 September 2010
10 minute peak services on the Western line from 2010/11	Quay Park Junction works have been confirmed for delivery over Xmas 2010/ January 2011 with full line closure. 6 trains per hour on the west can only be introduced shortly thereafter.
Ferry PoA	Update as at 31 March 2010
Complete renewal works and passenger facilities at the Downtown ferry terminal;	Works continue to progress well on Pier 1, moving from south to north resulting in further reductions to the impact of noise on businesses nearby. Work is planned to commence during May on the area located beneath the contractor's site area and the diesel tank on Pier 2. Works will be completed by mid-2010 as scheduled.
Contribute to a Hobsonville ferry terminal, and commence ferry services to Hobsonville (timing to be determined in consultation with the Hobsonville Land Company);	Hobsonville Ferry Terminal project completion planned for late 2011, although this date is under review by Hobsonville Land Company.
Construct improvements to Beach Haven ferry terminal in 2009/10.	This project is on hold due to funding constraints.

Bus Programme of Action	Update as at 31 March 2010
<p>Put in place a simpler, more effective network design for bus services in the Eastern, Western and Southern sectors;</p>	<p>Implementation of new North West Sector bus network (Massey, West Harbour, Hobsonville, Kumeu, Huapai and Helensville) scheduled for June 2010.</p> <p>Consultation on revised services in the Great South Rd corridor (Pukekohe, Papakura, Manurewa, Otara) is scheduled for June 2010.</p>
Multimodal Programme of Action	
<p>Prepare and implement a Regional Public Transport Plan under new legislation, including changes to bus contracts to achieve better value for money and integration of the overall public transport system.</p>	<p>Consultation on the draft Regional Public Transport Plan is complete. 42 submissions were received, and 20 submitters spoke to the Hearings Panel.</p> <p>The final RPTP was approved at the April meeting of the ARTA Board and the final plan will be released shortly.</p>
<p>Implement an integrated ticket on bus, rail and ferry services;</p>	<p>The Auckland Integrated Fares System (AIFS) project was mobilised in January 2010. Work is progressing on the detailed design of AIFS. Work is on time and within budget. Further detail is provided in Section 4 of this report.</p>
<p>Improve scheduling and passenger information across bus, rail and ferry services;</p>	<p>ARTA is in the process of implementing a new planning, scheduling and journey planner with IVU, and identifying and working through the business process changes.</p> <p>Passenger Information Displays (PIDs) have been installed at Britomart, Grafton and Newmarket stations and at Downtown, Birkenhead and Devonport ferry terminals. Rail PIDs presently display service schedule information for next service arrivals and free text messaging for service disruptions and/or changes. Once the real time data feed is available from the ONTRACK train tracking system, estimated arrival times for services will be displayed. Enabling works for PIDs at other rail stations are underway and a request for tender will be advertised for the supply and installation of PIDs later in 2010.</p> <p>ARTA has introduced PT services on Google Transit and Google maps. A refresh of the MAXX website has simplified access to service information. ARTA is working towards real-time information on web and PDAs/mobile phones from May 2010.</p>
<p>Put in place consistent policy standards for CCTV at public transport interchanges, and upgrade CCTV at priority sites from 2010/11.</p>	<p>Policy standards development progressing.</p>

## 7 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.

A preferred route has now been identified for Auckland's proposed CBD Rail Loop tunnel. The route was chosen out of three shortlisted options identified by consultants acting on behalf of ARTA and KiwiRail. The preferred alignment for the CBD Rail loop investigation was presented to the ARC and ACC transport Committees and the ACC CBD Board. Investigations into the concept design and preparation of the business case is commencing. A draft concept design and business case for the project will be completed by September 2010.

The Regional Public Transport Plan was been through a public submissions and hearing process with the final Plan proposed to be adopted in April, following the ARC's adoption of the Regional Land Transport Strategy.

A Memorandum of Understanding to scope and progress investigations into the Rapid Transit Network (RTN) alignment to the airport is being developed in partnership with NZTA, Auckland International Airport, Manukau City Council and Auckland Regional Council.

The development of the bus based RTN in East Auckland have progressed with the detailed design contract of the AMETI RTN between Panmure and the Tamaki River, including the bus rail interchange at Panmure being commenced. The designs are part of a \$15m detailed design contract awarded by Auckland City Council. Public open days to outline the proposed designs of the AMETI project including the bus based RTN elements will be held in Panmure in May.

AMETI TDM measures are being developed with a focus around the Sylvia Park community. TDM investigations will examine measures to improve access to the railway station, bus routes and enhancing cycling and walking infrastructure. Community engagement will be undertaken in April/May to identify opportunities and work programmes to provide for travel behaviour change.

The review of the Regional Cycle Network (RCN) has been completed and the map updated. This is the first review of the RCN since it was created in 2007.

ARTA attended the first meeting of the Central Motorway Junction Cycleway Advisory Group. This project involves continuing the popular NW Cycleway into the CBD exiting at the Wellesley Street underpass. This 'flagship project' is expected to be completed by 2012 and cost approximately \$6m.

In the second week of March, the annual Regional Manual Cycle Monitoring programme was carried out in warm and dry conditions, conducive to cycling. This is the fourth year of this programme that provides comparative data of cycling movements at 83 sites across the

region. Other information collected includes the wearing of helmets and the number of children cycling to school. The reports are due for release in the first week of May.

The 'Share the Road' cycle/motorist safety advertising campaign finished in March, it is now being evaluated.

Regional Road Deaths for the calendar year to 31 March 2010 (Jan, Feb, March 2009) compared with 31 March 2009 were:

<b>RDC</b>	<b>NSCC</b>	<b>WCC</b>	<b>ACC</b>	<b>MCC</b>	<b>PDC</b>	<b>FDC</b>	<b>Region</b>	
<b>Mar 10</b>	4	1	1	3	3	0	3	15
<b>Mar 09</b>	3	1	3	6	4	0	7	24

## 8 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.

### QTN launch

The first two QTN routes will be launched on June 2010. These routes will be Mt Eden Road and Dominion Road.

These routes have been identified in ARTA's strategies as part of the Quality Transit Network and will be known by the public transport passenger as "b.line". The b.line logo is shown to the right. The key features for the b.line are:



- A minimum 15 minute service frequency, from 7.00 am to 7.00 pm weekdays
- Real time information for all b.line stops available through website, PDAs/mobile phones, text message and where there are real time screens at bus stops
- At least 15% route is a Bus Priority Lane at peak times
- The b.line logo will be included on new bus stop flags and on timetables at the bus stop

### Marketing

A new campaign has been developed to support the launch of the new b.line routes. The campaign will have a strong local focus to drive patronage growth on these routes

### Customer Information

ARTA has partnered with Google to make train, bus, ferry and cycling information available via online maps through Google Transit via web, PDAs/mobile phones and the MAXX website. Further improvements and additions to this service are planned.

The MAXX website now also features a Sustainable Transport Events calendar.

### Travel Planning

The annual TravelWise evaluation was prepared, the results of which are outlined in Section 5.

TravelWise Week in March was the most successful year ever with 133 schools registered to participate – 120 Primary and Intermediate Schools and 13 High schools. The total number of students registered was over 54,000. Thousands of students took part in the week of activities to promote sustainable transport to school and some of them walked alongside Auckland Blues rugby players. The four winning TravelWise Week schools each had between 86% and 98% of all students travelling to school sustainably for all 10 school trips of the week.

### Workplace Travel Planning

The Botany Town Centre Travel Plan won the New Zealand Planning Institute's Best Practice Award for 2010. Two major new clients joined the programme: Telecom and the Victoria Park Tunnel Project.

## 9 FINANCIAL REPORTS

### 9.1 Income Statement

<b>Auckland Regional Transport Authority</b>						
<b>INCOME STATEMENT</b>						
NZD '000 March-10	YEAR TO DATE			FULL YEAR		
	Revised Budget	Actual	Variance Fav/(Unfav)	Revised Budget	Reforecast Dec 09	Variance Fav/(Unfav)
<b>OPERATING REVENUE</b>						
ARC Opex Grants	70,071	65,968	(4,103)	95,600	93,519	2,081
NZTA Opex Grants	87,154	83,142	(4,012)	119,078	117,309	1,769
Other Grants and Subsidies	945	934	(11)	1,160	1,231	(71)
Rail Fare Revenue	14,310	14,786	476	19,714	19,940	(226)
Bus Fare Revenue	5,046	5,575	529	7,251	7,341	(90)
Ferry Wharf Revenue	1,739	1,871	132	1,982	2,330	(348)
Other Sundry Operating Income	88	101	13	12	125	(113)
<b>Total Operating Revenue</b>	<b>179,353</b>	<b>172,377</b>	<b>(6,976)</b>	<b>244,797</b>	<b>241,795</b>	<b>3,002</b>
<b>OPERATING EXPENDITURE</b>						
Human Resource	9,785	9,155	630	13,287	13,115	(172)
Prof Services - Project Delivery	1,575	516	1,059	2,165	1,783	(382)
Prof Services - Customer Services	6,243	4,907	1,336	8,400	8,494	94
Prof Services - Others	2,052	906	1,146	3,405	3,034	(371)
Support Services	2,071	2,061	10	2,763	2,763	0
Materials	259	90	169	330	303	(27)
Printing and Office Supplies	1,271	655	616	1,619	1,381	(238)
Repairs and Maintenance	1,070	802	268	1,457	1,498	41
Communications	220	162	58	289	275	(14)
Information Systems	750	472	278	1,011	1,007	(4)
Bus Contract	93,706	91,524	2,182	126,261	123,475	(2,786)
Rail Contract	51,392	50,535	857	70,802	70,861	59
Ferry Contract	4,560	4,372	188	6,182	6,036	(146)
Security	668	800	(132)	914	951	37
Advertising & Promotion	1,056	429	627	1,355	1,279	(76)
Other Expenditure	1,589	1,791	(202)	1,983	2,925	942
Depreciation	14,804	16,185	(1,381)	19,767	20,449	682
Investigations Expenditure	1,223	1,294	(71)	2,851	1,984	(867)
<b>Total Operating Expenditure</b>	<b>194,294</b>	<b>186,656</b>	<b>7,638</b>	<b>264,841</b>	<b>261,613</b>	<b>(3,228)</b>
<b>Net Operating Surplus/(Deficit)</b>	<b>(14,941)</b>	<b>(14,279)</b>	<b>662</b>	<b>(20,044)</b>	<b>(19,818)</b>	<b>(226)</b>



## 9.2 Statement of Financial Position

Statement of Financial Position									
As at 31 March 2009									
	June 09 \$000s	ARTA				June 09 \$000s	ARTA		
		Mar-10 \$000s	Dec-09 \$000s	Movement \$000s			Mar-10 \$000s	Dec-09 \$000s	Movement \$000s
<b>Liabilities</b>					<b>Assets</b>				
<b>Current Liabilities</b>					<b>Current assets</b>				
Trade payables	7,036	13,555	7,228	6,327	Cash and cash equivalents	105	1,271	72	
GST payable	0	831	0	831	Trade receivables	554	832	606	
Employee benefit liabilities	1,025	812	690	121	GST receivable	494	0	165	
Income in advance	59	7,159	7,397	(238)	Accrued income	13,335	17,221	12,517	
Accrued expenditure	31,421	30,837	32,293	(1,456)	Prepayments	0	7,113	7,092	
Transport grants payable	19,819	8,206	8,206	0	Inventories	5,126	5,470	5,823	
<b>Total current liabilities</b>	<b>59,360</b>	<b>61,399</b>	<b>55,814</b>	<b>5,585</b>	<b>Related party receivables</b>				
<b>Non-current Liabilities</b>					Operating account	28,975	32,132	32,084	
Transport grants payable	1,152	1,564	1,564	0	Transport grants	19,819	8,206	8,206	
Deferred tax	5,375	5,375	5,375	0	<b>Total current assets</b>	<b>68,408</b>	<b>72,246</b>	<b>66,565</b>	
<b>Total non-current Liabilities</b>	<b>6,527</b>	<b>6,939</b>	<b>6,939</b>	<b>0</b>	<b>Non-current assets</b>				
<b>Total liabilities</b>	<b>65,886</b>	<b>68,337</b>	<b>62,753</b>	<b>5,585</b>	Property, plant & equipment	240,381	295,107	275,169	
<b>Equity</b>					Intangible assets	21,896	21,628	21,717	
Accumulated funds	4,265	5,501	5,200	301	<b>Related party receivables</b>				
Capital grants reserve	261,685	316,706	297,062	19,644	Transport grants	1,152	1,564	1,564	
<b>Total equity</b>	<b>265,950</b>	<b>322,207</b>	<b>302,263</b>	<b>19,944</b>	<b>Total non-current assets</b>	<b>263,429</b>	<b>318,298</b>	<b>298,451</b>	
<b>Total equity and liabilities</b>	<b>331,836</b>	<b>390,544</b>	<b>365,015</b>	<b>25,529</b>	<b>Total assets</b>	<b>331,836</b>	<b>390,544</b>	<b>365,015</b>	

## 9.3 Statement of Cash Flows

<b>Statement of Cash Flows</b> <b>For the Period Ended 31 March 2010</b>		
Full Year Ended 30 June 2009		As at 31 Mar 2010
<b>\$000</b>	<b>Cash flows from operating activities</b>	<b>\$000</b>
	Cash was provided from:	
101,532	ARC Opex grants	62,811
70,771	ARC Capex grants	43,485
7,711	ARC funding for IA grants vested in ARTA	11,201
4,457	LTNZ Capex grants	20,722
104,750	LTNZ Opex grants (excl. GST)	85,804
1,350	Other Grants and Subsidies	8,059
18,625	Rail Fare revenue	14,598
4,436	Bus Fare revenue	5,266
1,998	Ferry Wharf revenue	1,849
-	GST	831
252	Other Sundry Operating income	96
315,881		254,722
	Cash was applied to:	
222,913	Payments to Suppliers (excl. GST)	162,343
12,724	Payments to Employees	9,368
7,711	Payments to recipients of IA grants vested in ARTA	11,201
184	GST	0
243,532		182,912
<b>72,349</b>	<b>Net Cash from Operating Activities</b>	<b>71,810</b>
	<b>Cash Flows from Investing Activities</b>	
	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	70,644
0	Purchase and Development of Intangible Assets	-
0	Other Investments	-
72,392		70,644
<b>(72,392)</b>	<b>Net Cash applied to Investing Activities</b>	<b>(70,644)</b>
	<b>Cash Flows from Financing Activities</b>	
	Cash was provided from:	
0	Increase in loans	-
	Cash was applied to:	
0	Repayment of Loans	-
<b>0</b>	<b>Net Cash from Financing Activities</b>	<b>-</b>
<b>(43)</b>	<b>Net (Decrease)/Increase in Cash &amp; Investments Held</b>	<b>1,166</b>
148	Cash & Investments Balances at Beginning of the Period	105
<b>105</b>	<b>Cash &amp; Investments Balances at the End of the Period</b>	<b>1,271</b>
	<b>Cash &amp; Investments Balances Consist of:</b>	
0	Bank Overdraft	-
105	Cash	1,271
0	Short Term Investments	-
<b>105</b>		<b>1,271</b>

### Reconciliation of Net Surplus with Net Cash Flows from Operating Activities

	Mar 10 \$000
Cash was provided from:	
Net Surplus	56,257
Adjustment for items not involving cash:	
Depreciation and amortisation	16,186
Donated asset	-
Deferred tax	(0)
Movements in working capital:	
(Increase) in receivables from ARC	(3,157)
(Increase) in trade and other receivables	(10,784)
Decrease/(Increase) in Inventory	(344)
Increase in GST	831
Decrease/(Increase) in grants receivable from ARC	11,201
(Decrease)/Increase in trade and other payables	12,822
(Decrease)/Increase in grants payable	(11,201)
<b>Net Cash from Operating Activities</b>	<b>71,810</b>

## 9.4 Capital Statement

<b>2009/2010 CAPITAL STATEMENT</b>				
NZD '000  March-10	YEAR TO DATE			FULL YEAR
	Budget	Actual	Variance Fav/(Unfav)	Original Budget
<b>CAPITAL REVENUE</b>				
ARC Capex Grants	48,781	42,746	(6,035)	79,893
NZTA Capex Grants	25,491	27,342	1,851	72,752
IA Grant Funding	-	447	447	0
Rail Fare Revenue				
Bus Fare Revenue				
Other Sundry Operating Income				
<b>Total Capex Revenue</b>	<b>74,272</b>	<b>70,535</b>	<b>(3,737)</b>	<b>152,645</b>
<b>CAPITAL EXPENDITURE</b>				
Interim Rolling Stock - (SA Trainsets 18-23)	21,822	23,781	(1,959)	26,500
Capex Renewals (Rolling Stock)	5,380	730	4,650	7,500
Interim Maintenance Depot & Storage	3,950	1,137	2,813	11,980
Western Line Duplication - Avondale	1,200	837	363	1,520
Western Line Duplication-Grafton	4,250	2,586	1,664	4,621
Newmarket Remodelling	14,100	13,972	128	15,274
Manukau City Rail Link	900	381	519	11,764
Onehunga (Dart 19)	3,690	444	3,246	3,690
New Lynn Rail Station	3,400	6,241	(2,841)	9,000
Kingsland Enhancement RWC	900	2,740	(1,840)	4,500
Station Renewals	700	-	700	1,000
Multi Modal Passenger Info System	2,725	435	2,290	3,898
Real Time Buses (P0)	-	481	(481)	0
Real Time Buses (P1 & 2)	184	240	(56)	184
Real Time Buses (P3 & 4)	1,136	99	1,037	1,526
Route Scheduler	1,256	1,341	(85)	1,924
Integrated Ticketing	1,150	10,214	(9,064)	34,789
Ferry Terminal Renewals - Stg 1 Downtwn	1,900	2,480	(580)	2,884
Ferry Terminal Renewals - Other wharves	300	42	258	44
Ferry Terminal Renewals - General	33	8	25	500
Ferry Terminal Renewals - Quay St footpath	1,050	-	1,050	1,500
Ferry Terminal Upgrade Beach Haven	315	-	315	2,832
Ferry Terminal Upgrade Half Moon Bay	28	-	28	100
Half Moon Bay Mooring & Dredging works	-	734	(734)	0
Ferry Terminal Upgrade Birkenhead	2,067	1,487	580	2,067
FT Upgrade DT Pier 4	950	(0)	950	1,500
FT Upgrade DT Pier 1c	750	(0)	750	750
Landing Gear and Berth equipment	-	41	(41)	
Marketing Capex	100	76	24	648
Cycling (wharves)	30	8	22	150
<b>Capital Expenditure</b>	<b>74,266</b>	<b>70,534</b>	<b>3,732</b>	<b>152,645</b>

## 9.5 Summary of Financial Performance for 9 months to March 2009

### Operating Results:

The budget for the 9 months ended 31 March 2009 is based on the amended 2009/10 funding agreement approved by the Finance Committee of the Auckland Regional Council in November 2009.

#### 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** are \$4.1m less than budget and **NZTA Opex Grants** are \$4.0m less than budget due to less expenditure than planned.

**Rail Fare Revenue** is more than budget by \$0.5m due to higher patronage than originally planned.

**Bus Fare Revenue** is higher than budget by \$0.5m due to continued higher patronage than planned across all the gross bus contracts. Some of this growth is associated with additional Northern Express services being provided in October during NZ Bus industrial action and a fare increase in February.

#### Expenditure

**Human Resource** is \$0.6m less than budget due to some vacancies that will now not be filled due to the transition process and less expenditure for temporary staff.

**Professional Services – Project Delivery** is \$1.1m less than budget due to reduced expenditure for project development, professional services and other project related expenditure.

**Professional Services – Customer Services** is \$1.3m less than budget mainly due to;

- Re-prioritising projects within the Marketing, Communications and Customer Service areas as a result of funding cuts being required to meet the NZTA funding envelope. This has slowed down the delivery of some programmes of work in these areas.
- Lower than planned use of external contractors and legal advice.
- Lower than planned monthly support charges being incurred for the Real Time System
- Lower than planned costs for modelling of the Rugby World Cup.

**Professional Services - Other** is \$1.1m less than budget due to lower than planned use of consultants by Finance, Customer Services, and Human Resources.

**Materials** are \$0.2m less than budget due to the delay and reprioritisation in School and Work Travel Planning programme activities and delays in collateral for marketing activities yet to be implemented. Funding was also allocated for timetable cases / supplies for maintenance, which has not been required to the level originally planned.

**Printing and Office Supplies** is \$0.6m less than budget due to the delay in launching some marketing campaigns whilst the programme was reprioritised to meet the NZTA funding cuts as well as less on-road and timetables being required during the period.

**Repairs and Maintenance** is \$0.3m less than budget due to less vandalism at rail stations and fibre optic repair costs.

**Communications** is \$0.1m less than budget due to lower costs of mailbox drop campaigns and less server communication costs being incurred for the Real Time System than planned.

**Information Systems** is \$0.3m less than budget due to a timing delay relating to IT and Real Time licence charges. Funding has also been allocated for licences associated with the new scheduling and journey planner software, however this project is slightly behind schedule and these costs have not been incurred to date.

**Bus Contract** is \$2.2m less than budget due to negative indexation; less expenditure incurred for the provision of services for special events than planned (mainly due to an integrated ticket for Super14 matches); higher than anticipated savings over the Christmas/New Year reduced service period and lower demand for child concessionary fares and Total Mobility. This is offset by higher expenditure for SuperGold and tertiary fares which both continue to see growth.

**Rail Contract** is \$0.9m less than budget due to fuel price savings and lower than anticipated reactive maintenance at stations partially offset by an increase in Veolia leave liability and an increase in spare parts inventory.

**Advertising and Promotion** is \$0.6m less than budget due to less cost being incurred than planned for advertising associated with service review consultation.

**Other Expenditure** is \$0.9m less than budget mainly due to a combination of price, volume and mixed variances, which arise when staff costs and overhead are coded back to the projects.

**Ferry Contract** is \$0.2m less than budget due to negative indexation adjustments as a result of lower fuel prices.

**Depreciation** is \$1.4m more than budget due to timing differences in the capitalisation of some of the fixed assets during the year.

**Security** is \$0.1m more than budget due to supplying an additional fulltime security guard at Newmarket Station for the first few months of its opening.

**Investigations** is \$0.1m more than budget due to the timing of CBD Rail Tunnel Investigations.

### **Net Operating Surplus/(Deficit)**

Net Operating Deficit is \$14.3m for the 9 months ended March 2010 – this arises largely because depreciation is not funded and due to the price/volume variance arising when staff costs and overhead are costed backed to projects.

## Capital Results:

### Revenue

Capital Revenue is \$3.7m less than budget. This represents grants received for capital expenditure that are recorded as assets on the balance sheet.

### Expenditure

Capital Expenditure for the 9 months is \$3.7m less than budget. The details are as follows:

- Rolling stock projects are \$2.7m less than budget for the 9 months due to a budget phasing difference of \$4.7m for the rolling stock renewals programme. There are continued negotiations with KiwiRail regarding the rolling stock Asset Management Plan delaying the rolling stock renewals programme. This is offset by \$2.0m more than budget for train sets 18-23 in the current year, however the total cost of these train sets is less than originally planned.
- Project delivery rail infrastructure projects are \$4.8m less than budget due to:
  - Manukau City Rail Link \$0.5m less than budget. This is due to a timing variance. The project is currently in the design phase. A review is planned to align with Manukau Institute of Technology programme timing. This will result in a delay to the construction phase and subsequent carry forward of \$9.0m of the 09/10 budget.
  - Western Line Duplication Stage 5 \$1.7m less than budget due to budget phasing. The project is expected to be completed in line with budget.
  - Avondale Station \$0.4m less than budget due to budget phasing. The project is forecast to be on plan.
  - Onehunga ( Dart 19) \$3.2m less than budget due to a timing difference as a result of ONTRACK delays.
  - Station Renewals \$0.7m less than budget due to funding uncertainties, this will now not be spent this financial year.
  - Interim Maintenance Depot and Storage \$2.8m less than budget due to budget phasing.
  - Newmarket remodelling \$0.1m less than budget.

Partially offset by:

- New Lynn Station \$2.8m more than budget due to a timing difference between financial years.
- Kingsland Enhancement RWC \$1.8m more than budget in the current 09/10 year as the whole programme has been brought forward from the 2010/11 year budget.
- Other non-rail capital projects are \$3.8m more than budget primarily due to:
  - Integrated Ticketing \$9.1m more than budget due to budget phasing. The expected total project cost as approved by NZTA and ARC has not changed.
  - Half Moon Bay mooring and dredging works \$0.7m over budget. This project had no original budget but has had funds transferred from the Beach Haven Ferry Terminal upgrade.
  - Ferry Terminal Renewals Downtown \$0.6m more than budget due to budget phasing. The project is forecast to be on budget.
  - Route Scheduler \$0.1m more than budget due to budget phasing. The project is forecast to be within budget.

- Real Time Buses (P0) \$0.5m more than budget due to budget phasing.

These are partially offset by:

- Ferry Terminal Upgrade Projects (Quay St Footpath, Downtown Pier 4, and Downtown Pier1c) \$2.8m less than budget due to these projects being deferred to a future financial year.
- Real Time Buses Phases 3 & 4 \$1.0m less than budget due to Type II signs not expected to be spent this year.
- Ferry Terminal Upgrade Birkenhead \$0.6m less than budget due to budget phasing. The project is forecast to exceed original budget project costs by \$0.7m due to a modified scope of work. The additional funding required has been approved by NZTA and ARC, sourced from savings in other ferry projects.
- Ferry Terminal upgrades Other Wharves \$0.3m less than budget due to no approved NZTA funding.
- Ferry Terminal Upgrade Beach Haven \$0.3m less than budget. This project has been deferred with this year's budget being reallocated to Half Moon Bay Dredging and the expanded scope of work at Birkenhead.

## Statement of Financial Position

The key features of the movement in the Statement of Financial Position for the 9 months ended 31 March 2010 are:

### Current Liabilities

The total current liabilities have increased by \$5.6m for the quarter due to the processing of a large invoice in respect of the Rail Contract paid in April set off by a decrease in accrued expenditure (\$1.5m).

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

**Total current assets** are \$5.7m more than as at 31 December 2009 due to an increase in the amount claimed from NZTA for the next quarter Veolia contract and an increase in the balance of the operating account between ARC and ARTA \$1.2m.

The **Related Party Receivables** account represents monies owed by ARTA to ARC or by ARC to ARTA.

### Long Term Assets

**Fixed Assets** represents the amounts spent on capital expenditure. The net additions for the 9 months to December 2010 was \$54.7m mainly spent on work in progress for train sets 18-23, Newmarket Station upgrade, New Lynn Station upgrade, and Integrated Ticketing.

## 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

### Administration Budget results for the 9 months ended 31st March 2010

Expenditure Category	ARTA 09/10 Full Year Budget	March YTD - Plan	March YTD - Actual	% Total Full Year Budget	% YTD Budget	Admin Budget Remaining
	\$	\$	\$			\$
Board	502,250	362,441	314,390	72%	87%	139,809
Human Resources	13,633,105	9,991,504	8,551,188	73%	86%	3,641,601
Shared Services	2,815,550	2,154,469	2,133,881	77%	99%	661,081
IT Projects	1,188,000	710,435	581,939	60%	82%	477,565
Sundry Expenditure	237,000	195,487	177,406	82%	91%	41,513
<b>Total</b>	<b>18,375,905</b>	<b>13,414,336</b>	<b>11,758,804</b>	<b>73%</b>	<b>88%</b>	<b>4,961,569</b>

The above table shows ARTA Administration costs are \$1.7m less than budget for the 9 months ended March 2010.

The main difference is in the human resources line \$1.4m and this is due to both a control on staff numbers and some vacancies that will now not be filled due to the transition process.

IT projects are \$0.1m less than budget due to budget phasing.



## ARC Funding Categories

### ARC Funding CAP - OPEX

Activity Class	Budget 09/10 \$000	ARC Operating Funding 2009/10 (Original) \$000	Additional Funding Approved \$000	Total Revised Funding CAP \$000	ARC Funding to 31 March 2010 \$000	Balance available for Apr 10 - Jun 10 \$000	%variance
Corporate Support	3,438	2,464		2,464	1,613	851	35%
Board	502	377		377	236	141	37%
Professional Services	27,793	11,248		11,248	6,456	4,792	43%
Paratransit	4,672	1,964		1,964	1,136	828	42%
Sustainable Transport	4,933	1,185		1,185	366	819	69%
Investigations	2,819	1,128		1,128	527	601	53%
Rail Contract	83,452	25,364	-567	24,797	18,374	6,423	26%
School Buses	10,257	5,128		5,128	3,375	1,753	34%
Concessionary Fares	10,876	5,438		5,438	4,132	1,306	24%
North Contracts	32,513	13,755		13,755	9,373	4,382	32%
West Contracts	13,512	6,756		6,756	4,405	2,351	35%
West/Isthmus Contracts	13,475	6,738		6,738	4,816	1,922	29%
Isthmus Contracts	8,375	4,187		4,187	3,023	1,164	28%
South Contracts	24,369	12,185		12,185	8,379	3,805	31%
Other Contracts	2,435	1,232		1,232	427	805	65%
Ferry Contracts	6,020	3,010		3,010	2,065	945	31%
Ferry Maintenance	2,423	236		236	0	236	100%
Rail Level Crossings (TA)			91	91	51	40	43%
<b>TOTAL ARC OPEX FUNDING</b>	<b>251,864</b>	<b>102,394</b>	<b>-476</b>	<b>101,918</b>	<b>68,753</b>	<b>33,126</b>	<b>33%</b>

ARTA claimed 67% of its original annual allocation for the 9 months to March 2010.

Professional Services is lower than budget due to delays in implementing various projects as a result of NZTA funding constraints, lower than planned support charges for the Real Time System, as well as delays to the Rugby World Cup Programme.

Paratransit is less than budget due to less demand for total mobility services.

Sustainable Transport is less than budget due to the delay in the publication of the NLTP and NZTA funding restrictions for all projects in this area. Cuts have been made to the School and Work Place Travel Planning programmes, Walking and Cycling initiatives and Road Safety to operate within the NZTA funding allocation.

Investigations funding is lower than budget due to delays in getting NZTA approvals for Rail investigations. Rail investigations are currently still at CAT2 and will not be put forward to NZTA this year. CAT2 is a "yet to be approved" status.

Bus contracts are lower than budget mainly due to negative indexation for the quarterly adjusted contracts effective from 1 July 2009, NZ Bus stop work credit notes arising from the industrial dispute in October 2009, low fuel prices, planned changes to the City Circuit that have not been implemented, and lower than planned demand for child concessions, partially offset by senior citizens (PM Peak), SuperGold and tertiary CFS which all continue to see growth.

Ferry Maintenance is funded almost entirely by operators and there has not been the need yet to claim this financial year against this funding category.

Rail Level Crossings is behind plan due to budget phasing, but forecast to be fully spent by Year End.

### ARC Funding CAP - CAPEX

Activity Class	Budget 09/10 \$000	ARC Operating Funding 2009/10 (Original) \$000	Additional Funding Approved \$000	Total Revised Funding CAP \$000	ARC Funding to 31 March 2010 \$000	Balance available for Apr 10 - Jun 10 \$000	% Variance
2 - Interim Rolling Stock	26,500	26,500	-1,089	25,411	23,780	1,631	6%
5 - Newmarket	15,274	6,110	-1,609	4,501	5,589	-1,088	-24%
6 - Rail Rolling Stock Refurbishment	7,500	7,500		7,500	729	6,771	90%
7 - Western Line Duplication Stg 3	1,520	608	120	728	257	471	65%
9 - Real Time Passenger Information System	5,611	2,363	36	2,399	306	2,093	87%
10 - Integrated Ticketing	11,450	4,580	195	4,775	2,934	1,841	39%
11 - Interim Rolling Stock - Depot and Storage	11,980	11,980	118	12,098	1,137	10,960	91%
12 - Passenger Transport Capital Infrastructure	2,572	1,075	30	1,105	571	534	48%
14 - Ferry Terminal Upgrades & Renewals	12,324	5,248	961	6,209	2,514	3,694	60%
20 - Manukau City Rail Link	11,764	4,706	61	4,767	153	4,614	97%
21 - New Lynn Rail Station	9,000	3,600		3,600	2,496	1,104	31%
23 - Western Line Stage 5	4,621	1,848		1,848	1,033	816	44%
24 - Onehunga Dart 19	3,690	1,476	65	1,541	177	1,364	88%
25 - Station Renewals	1,000	500		500	0	500	100%
26 - Kingsland Station	4,500	1,800		1,800	1,030	770	43%
27 - BBYC Landing Gear and Berthing Equip.	0	0		0	40	-40	
<b>TOTAL ARC CAPEX FUNDING</b>	<b>129,306</b>	<b>79,894</b>	<b>-1,112</b>	<b>78,781</b>	<b>42,745</b>	<b>36,036</b>	<b>46%</b>

ARTA's capex programme for the 9 months ended March 2010 has consumed 54% of the ARC full year approved funding. This is made of the following specific variances:

- Interim Rolling Stock is on schedule and it is anticipated that this project will be completed within the annual allocation this financial year.
- Newmarket Station is currently more than budget however this is a timing difference between financial years and the finished asset has come in on total budget of \$35.6m.
- Rolling Stock Renewals are below budget due to the delay associated with finalising the rolling stock Asset Management Plan with KiwiRail, a request has been made to carry forward \$2.8m to the next financial year.
- Avondale Station is below budget due to budget phasing, and is forecast to be on budget.
- Real Time Passenger Information System and Multi Modal passenger information Systems is below budget due to a delay whilst consideration is given to other options for implementing this project to achieve the maximum benefit for the least cost. A request to carry forward \$1.2m to the 10/11 financial year has been made.
- Integrated Ticketing is favourable to budget due to budget phasing.
- Interim Rolling Stock Depot and Storage is below budget due to budget phasing.

- Passenger Transport Passenger Infrastructure is below budget due to the Marketing Information infrastructure component of this category being reduced in the NLTP constrained environment.
- Ferry Terminal Upgrades is below budget due to the NZTA CAT2 status of planned works at Downtown Pier 1c, pier 4 and Quay Street footpath upgrade. These projects have now been deferred to a later year. A process to reprioritise the ferry projects to make best use of available funding is currently underway.
- Manukau City Rail Link is below budget due to a timing variance and the project is currently in the design phase. A review is planned to align with Manukau Institute of Technology programme timing. This has resulted in a delay to the construction phase and subsequent carry forward of some of the 09/10 budget.
- Western line stage 5 is in the final stages of completion and is forecast to be \$0.3m under budget.
- Onehunga Station progress has been delayed due to alignment with the ONTRACK programme.
- Station Renewals is currently at CAT2 status with NZTA and will not be spent this financial year.