

Business Report

Recommendation:

That the Chief Executive's report be received.

Prepared by:

David Warburton, Chief Executive

Corporate

Business Acumen

A new Business Acumen Programme has been developed which will be delivered to a range of senior staff from across AT in March. The programme consists of three modules – Finance for AT Leaders (delivered by AT's Finance team), Business Acumen, and Strategic Negotiation (delivered by the Victoria University of Wellington). A half-day follow-up session will be held after the third module to evaluate progress and plan continuing professional development.

Finance

The Sale and Purchase Agreement in relation to the sale of diesel trains is in the final stages of negotiation with the prospective purchaser. The objective is to make the first shipment by the end of May 2016 with the second and last shipment forecast to be in June 2016.

AT HOP – Card Sales

A record number of AT HOP cards for a month was set in February 2016 (32,310) at the new price of \$10 each. The previous highest month for sales was March 2015 (29,603).

Procurement

Ten tenders were published in February with an estimated value of \$21 million. Four tenders had an estimated value of over \$2 million.

Tender	Type
Detailed Design Supplier Panel for Urban Cycleway Programme 2015 till 2018	RFP
Auckland City Rail Link Main Works Tender Services	RFT
Procurement of LED Luminaires for 2016-2017	RFP
Half Moon Bay Passenger Ferry Terminal and Wharf Construction	RFT

There were 89 contracts issued in February with a total value of \$61 million. Four contracts were over the value of \$2 million.

Contract	Supplier
Tunnel Works – Construction of the CRL tunnel boxes beneath Downtown Shopping Centre footprint	Precinct Properties Holding Ltd
Traffic Signals Maintenance and Upgrades – South Area	Downer New Zealand Limited
Traffic Signals Maintenance and Upgrades – Central Area	Traffic Systems Limited
Traffic Signals Maintenance and Upgrades – North/West Area	CSL Infrastructure Ltd

Regional Land Transport Programme (RLTP) Funding

During the month of February, the following project was approved for funding:

- **RSP – Coatesville Riverhead Highway Safety Improvements (Implementation)** – this activity has been approved for a total of \$2.67 million (\$ 1.36 from the National Land Transport Fund) under Delegated Funding Authority.

Note: All project costs include 5.32% administration fee

Customer Service Metrics – February

- Average call wait time: AT Metro 43 seconds, AT HOP 30 seconds
- Service level: AT Metro 57%, AT HOP 71%, AT Specialist Team - core hours 69%
- Abandonment of call: AT Metro 14.45%, AT HOP 6.42%, AT Specialist Team – core hours 6.53%
- Call volumes: AT Metro 36,773, AT HOP 12,727, AT Specialist Team – core hours 22,559
 - Please note bus strike action during this period

BT Programme

FY 16/17 capital planning process is progressing to plan. BT Business Relationship Managers (BRMs) and Programme Managers are working with business units to understand priorities and change initiatives for next year. Once baselined these initiatives will be taken through a prioritisation process to determine the work program for the 2016/17 financial year.

Capital Infrastructure

A Stakeholder Management project is being commenced to define the requirements for Stakeholder and Community Consultation Management Solution for internal and external communications and to manage public consultation with the community.

Corporate

Digital media projects (On Bus Displays, QMS Advertising, and Digital Asset Library) are all progressing well. The Digital Asset Library will hold and catalogue all digital assets, effectively creating a corporate image library.

CCTV Camera Procurement

An RFT process has been completed to select a vendor to supply CCTV cameras. A contract is expected to be signed this month.

Network and Security Programme Delivery

A solution to provide the ability to capture and normalise all relevant security information across the entire AT computer network has completed its Proof of Concept and is being deployed across the AT networks. This will provide complete centralised storage of all events occurring at every network point and in Phase 2 will enable automatic detection of intrusion activity.

PCI compliance reporting will be a Phase 1 deliverable with 100% of all events automatically captured for long term storage, with only events that impact PCI compliance moved to the Security Manager console. This will streamline compliance reporting whilst allowing AT to detect incidents that would otherwise not be detected and improve the efficiency of existing incident handling activities.

Emerging Technology

Work is underway to evaluate the impacts of “Cloud” technology to ensure that AT has a robust roadmap.

AT has moved its email servers into the Office 365 service offering. This provides increased storage for users, more robust access and disaster recovery and reduces in-house storage costs. The opportunity has been taken as well to change the email addresses from @aucklandtransport.govt.nz to @at.govt.nz. This is currently being implemented across AT

Government regulatory changes impacting the technology space:

- Radio Regulations amendments now cover all devices that have a transmitting function. This includes devices using cellular, Wi-Fi and Bluetooth and work is underway to ensure we comply.
- Programme established to ensure AT is complying with the Electrical Standards and new OSH requirements in relation to power leads. A policy has been drafted and implementation strategy prepared which will be presented to the next Risk and Audit committee.

Proposed Auckland Unitary Plan

The zoning and precincts hearings have now commenced. AT has presented evidence in support of the Council on the zoning and precincts. These hearings have been scheduled for 35 days through to the end of April and are the final substantive hearings of the PAUP. The Independent Hearings Panel has indicated that it would like AT’s attendance at these hearings.

Local Boards

With Local Body elections on the horizon, Local Board members are generating an increased number of requests for information and raising a number of issues requiring attention. Staff are working hard to supply the required information and deal with the issues raised.

Local Boards are also keen to see the many Local Board Transport Capital Fund (LBTCF) projects they have initiated, completed.

A focus for the next electoral term will be to present incoming local boards with a selection of potential LBTCF projects that have already been scoped and had costings estimated. This should allow the new boards to make spending commitments earlier in the term.

Central Access Plan

The Programme Business Case for the Central Access Plan (isthmus to city centre) is being developed jointly with NZ Transport Agency and Auckland Council. A preferred programme will be provided to the NZ Transport Agency Board for approval in May which identifies a series of interventions to resolve growing bus patronage demands against corridor / terminus capacity constraints.

Special Housing Areas (SHAs)

Hearings were held in February for the Oruarangi SHA in Mangere (approx. 500 dwellings). There were no significant transportation issues. The Flatbush SHA hearing decision was released in February with positive transport outcomes achieved.

Transport infrastructure delivery negotiations continue with developers in Huapai (Station Road), Scott Point and Hingaia.

Tranche 9 SHA applications were approved and gazetted by the Minister in February. AT has completed its due diligence assessment of approximately 78 sites for Tranche 10. These were presented to the Auckland Development Committee at its February workshop and will be fully considered for recommendation in the committee meeting on 10 March in the Closed Session.

Auckland Transport Alignment Project

The Auckland Transport Alignment Project (ATAP) Foundation report was released by the Minister of Transport and the Mayor on 19 February. AT's Chairman was in attendance. It includes:

- An overview of the strategic context for ATAP and the current transport situation in Auckland
- An outline of the future trends and agreed assumptions
- The evaluation framework used to test how different options support ATAP objectives
- An assessment of future transport challenges

Transport for Future Urban Growth

Auckland Council, Auckland Transport and NZ Transport Agency are working together to plan transport for future urban areas. A round of public consultation has been completed during February and March. The public and stakeholder feedback on the issues and aspirations will assist in recommending a preferred network. This preferred network will be subject to a further round of public consultation in April/May of 2016.

Staff Intranet

Over 330 staff completed a survey to present their view on how to improve the intranet. The survey identified online links to forms and templates, in particular, need improvement. The survey also found that 82% of staff access and use the intranet every day.

Customer Insights

Usability and customer experience of regional public transport signage was tested. Recommendations included improvements to readability, clarity around connections for end to end journeys, consistency with digital channels, and preferences for information about fares and payment for non-PT users.

Focus group research has been completed investigating the process for buying and registering AT HOP with the SuperGold concession. Recommendations were made around improving clarity of process and requirement communications as well as highlighting potential issues for customers.

Stakeholder groups have been held in Ararimu and Onehunga and upcoming in Mangere investigating local traffic safety and speed issues to contribute to the 'Love Being a Local' campaign.

A survey of businesses was completed investigating programme preferences and branding for the Commute travel demand programme.

Project Updates

Albany Highway Upgrade

Construction is progressing with a focus on completing the sections south of Rosedale Road and the second half of Days Bridge. Overall the project is still expected to be completed late 2016, ahead of schedule and within the approved budget.

New Lynn to Waterview Shared Path

Public consultation for the New Lynn to Waterview Shared Path, including the Whau Bridge, commenced earlier this month. Discussions with properties affected by the construction of the Whau Bridge is on-going.

Wynyard Quarter – Integrated Road Programme

Drainage, footpath and tie-in work adjacent to NZ Bus on Gaunt St have been completed. Tram pole and lighting foundations have been cast and construction of the eastern combined service trench and tie-in works to Fanshawe St are nearing completion in Halsey St south.

Thrusting of the Watercare rising main under Fanshawe St through Victoria Park is programmed for later this month.

Stage 1 (Halsey and Gaunt St) will open mid-May and works to Halsey north are programmed to be completed in mid-December 2016.

Quay Street Cycle Route

The construction contract has been awarded, and work on site has started this month. The works will commence from Lower Hobson heading East and are planned for completion by June 2016.

Franklin Road Upgrade

Stage 1, utility upgrade works, are planned to start next month and to be complete by November 2016. These works include stormwater/sewer separation from Ponsonby Road to Wellington Street and upgrading of water mains under the footpaths on both sides of the road.

Half Moon Bay Ferry Upgrade

Ferry wharf consent is approved with final detail around minor conditions being reviewed. The project team provided an update to the Howick Local Board in February. A tender for the construction of the wharf was issued to the market this month and completion of the ferry wharf and public transport linkage is on schedule for later in 2016.

Pukekohe Station

Detailed design for the bus interchange is progressing as planned. The Harris Road/Customs Street/Manukau Road intersection solution is under final evaluation following meetings with key stakeholders in February. The project is on target for completion of the interim bus stops by October 2016 and full project completion by mid-2017.

Karangahape Road Streetscape Upgrade and Cycleway

This joint project with Auckland Council includes the creation of a cycleway and enhancements to the footpath and road environment. Making it easier to walk and cycle along and around Karangahape Road is vital to the vibrancy and future development of the area.

On Sunday 28 February Auckland Council and Auckland Transport staff were in Myers Park Medley to raise awareness and get thoughts from the community on what they want for the Karangahape Road Streetscape Upgrade and Cycleway. Engagement sessions were also held at White Night on 12 March. Submissions for feedback closed on 13 March, feedback from the engagement will be used to develop options and an initial design. Further public feedback will be sought in April or May this year.

Route Optimisation

To date 78 of 212 intersections programmed for optimisation in 2015/16 have been completed (37%), with a further 51 intersections in progress. March will see optimisation for St Lukes Road, Great South Road, East Coast Road and Browns Bay/Beach Road.

Intersection improvements at Stanley Street and Grafton Road have been completed and work is underway for the pedestrian improvement at Halsey Street/Fanshawe Street. Implementation of the Lake Road, Northcote transit lane extension is also underway and will be completed in March.

City Centre Tactical Operations Plan

With the level of new development and new transport projects occurring in the City Centre a co-ordinated approach to the management of the roading network is required. Development of a Tactical Operations Plan is underway, which will provide a framework for the operation of the network including construction planning, incident management, traffic management and customer communications. Over the last month two teams have become operational – the tactical response team and the working group. The working group is a proactive planning team from across AT and the NZ Transport Agency looking at upcoming projects, developments and events on the network to plan interventions in advance and manage travel demand in the city centre.

The tactical response team manage daily operations in the city centre, responding to traffic delays and issues and has additional support from two SCATS (Sydney Co-ordinated Adaptive Traffic System) intersection control operators providing 7am-7pm coverage. Travel times and traffic delays are monitored in the city centre on six key routes: Quay Street, Customs Street, Victoria Street, Wellesley Street, Queen Street and Hobson/Nelson Street. During February traffic entering the city increased from the January holiday period. Delays have been experienced particularly at Quay Street (3 minutes in the evening peak and 1-2 minutes across the whole day) and Customs Street (increase of 1-2 minutes across the day). With the works at Victoria Street delays have increased with average speed being as low as 12.5 km/h however, interventions by the Tactical Response Team have increased these speeds by up to 25 percent.

Planning and Consenting Update

Notices of Requirement, Consents and Archaeological Authorities

1. Lodged Applications in February

Resource Consents:

- Mt Eden Double Decker Bus Route package 3
- Mt Albert Pedestrian Bridge
- Half Moon Bay Ferry Terminal

NoR and Regional Consents:

- None this month

Outline Plans of Work:

- Mt Albert Railway Station / Mt Albert Pedestrian Bridge

Archaeological Authorities with Heritage New Zealand Pouhere Taonga:

- CRL Enabling Works Archaeological Authority

2. Targeted to be lodged within the next three months

NoR and Regional Consents:

- Murphys Road Bridge Improvements
- CRL Regional Consents
- AMETI Stage 2A NoR
- AMETI – Pakuranga Regional Consents

Resource Consents:

- Nelson Street Cycleway
- Birkenhead Mainstreet Improvements Phase 2
- Franklin Road Improvements (Package Two, AT application)
- Murphys Road Widening and Bridge Improvements
- Mt Eden Double Decker Bus Route (package 4 and package 5)
- Wynyard Quarter South Upgrades (Package C - Westhaven Drive and Beaumont Street)
- New Lynn to Waterview Shared Path (Whau Bridge)
- Ngapipi / Tamaki Safety Improvement Project
- Seal extensions (Stages 1 and 2)
- Manukau Bus Interchange
- Westgate Bus Stop
- Rosedale Bus Station

Outline Plans of Works:

- Waterview Shared Pathway (Stage 1)
- Alford Street Bridge and Harbutt Bridge (April)
- Seal extensions (Stages 1 and 2)

3. Public Notifications and Hearings

NoR and Resource Consents:

None this month

4. Decisions/Approvals

- Mill Road independent commissioner recommendation received to confirm the designation
- CRL Britomart independent commissioner recommendation received to confirm the designation
- Mangere Future Streets resource consent approved
- Quay St Cycleway resource consent approved and outline plan of works confirmed
- Currys Lane Cycleway resource consent approved
- Mountain Road Walkway resource consent approved
- Wynyard Quarter South Upgrades (Package B - Wynyard Common, Daldy Street, Gaunt Street West, Beaumont Street South) resource consent decision pending
- Mt Eden Double Decker Bus Route package 1 resource consent decision pending
- Orewa Reserve Footpath resource consent decision pending
- Franklin Road Improvements (Package One, joint application of Watercare, Vector, Chorus and Auckland Council Stormwater) resource consent decision pending

5. Environment Court Appeals

- Environment Court Hearing for Medallion Drive Link commenced 18 January 2016 and was adjourned on 22 January 2016. The hearing reconvened on 22 February and closed on 26 February 2016. Decision pending
- Two Environment Court appeals have been received on the Penlink designation

Land Acquisition

Two unconditional agreements signed in February 2016: AMETI (1), Encroachments (1), total project cost incurred for the month were \$713K.

YTD 24 Property agreements have been signed and settled at a cost of \$5.28M.

Assets and Maintenance

Road Corridor Access

Watercare Hunua 4 Bulk Watermain	Physical work is continuing in the Greenlane and Onehunga areas with full road closures in place on Wheturangi Road between Greenlane West and Matai Road and Horotutu Road between Campbell Road and Kawau Road.
UFB Program	<p>Delivery of Year 5 (2015/16) of the UFB rollout is continuing with 142 cabinet areas currently under construction.</p> <p>AT is currently working with Chorus and VisionStream to review the purpose of the preliminary notification and pre-commencement walkovers with a view of combining these into a single walkover. The bringing together of these walkovers, which are carried out prior to construction, will reduce cost and enable an earlier construction start.</p> <p>The completion process is also being reviewed with the view of combining the Chorus and AT signoffs. This, together with the use of the RAMM system for reporting purposes, should improve the ease and accuracy of reporting.</p>

Street Lighting

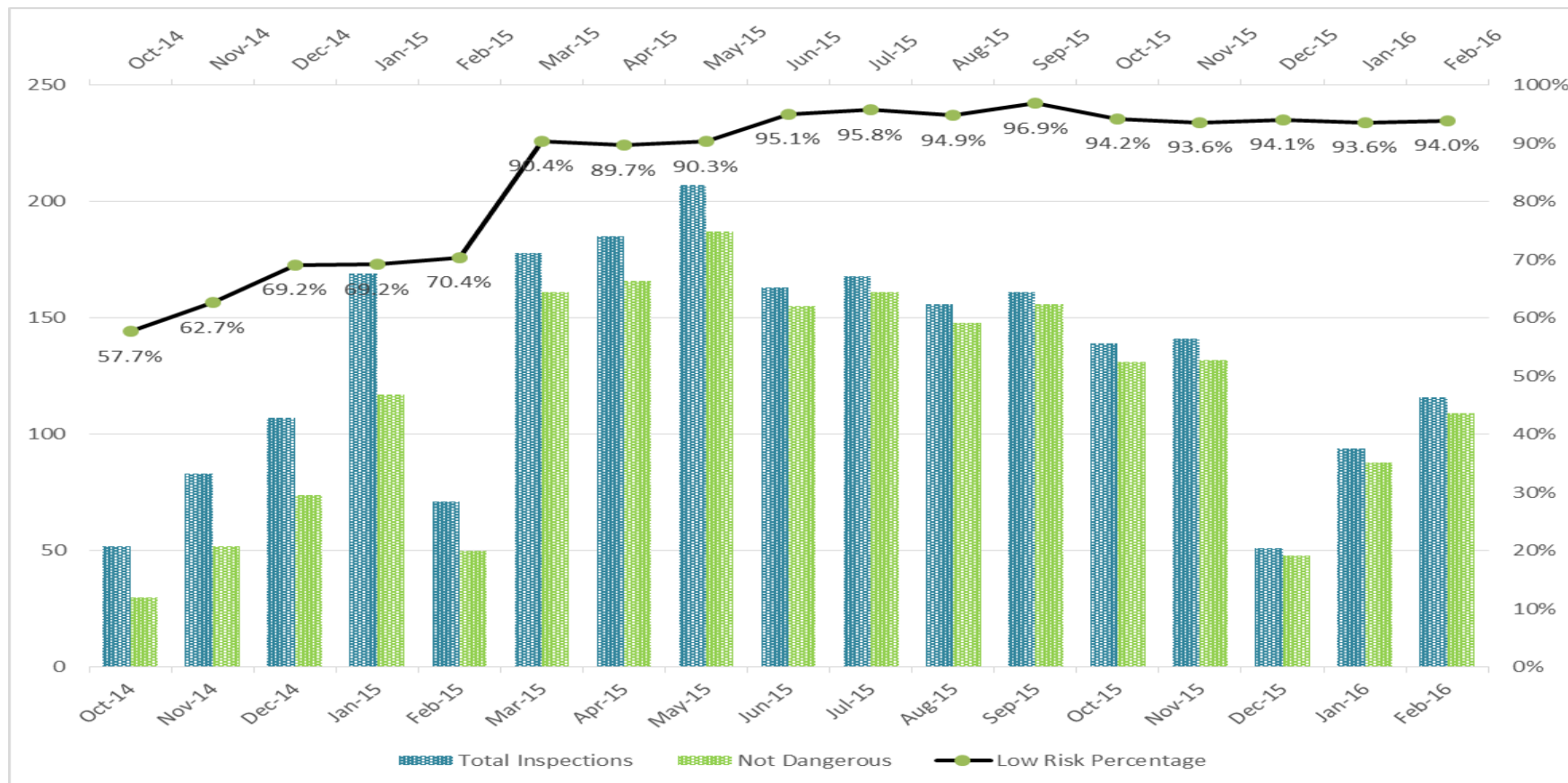
Tenders have been requested for the provision of LED luminaires for the 2016/17 year. Prices will be obtained for the supply of 16,000-18,000 luminaires from multiple suppliers. To date a total of 5,800 LED luminaires have been installed on the network and connected to the central management system. Of these, approximately 4,300 are located south of the Harbour Bridge with the remaining 1,500 in the Devonport and Birkenhead/Northcote areas.

Technical Services

Professional Services Supplier Contracts

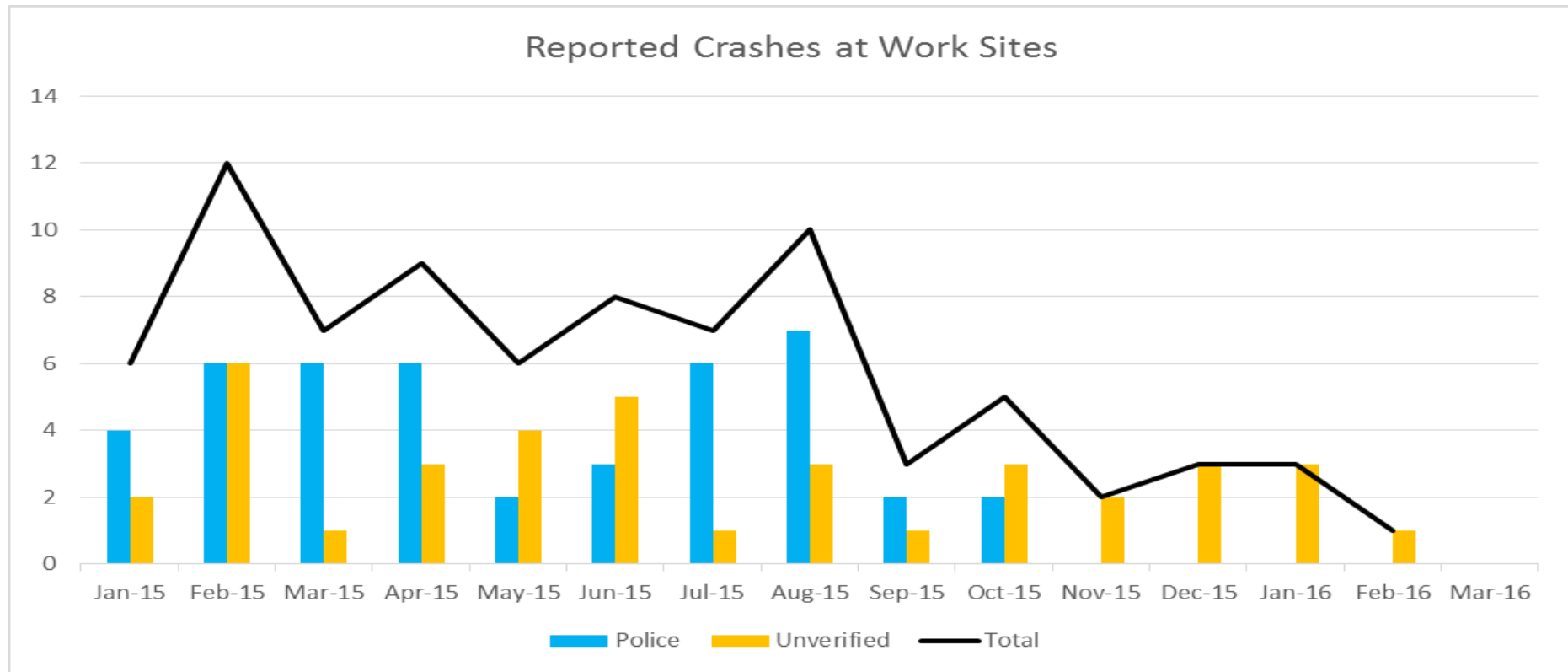
As at end of February 2016, approximately \$5.08m has been spent against the TSS budget of \$9.6m (47% of budget). The YTD planned budget was \$5.81m (YTD variance \$730k). Slightly behind in programme by \$80k for South, \$320k in North, \$195k in Central and \$90k for street lights. Underspend in North is mainly due to delay in starting the unsealed road trial project.

Temporary Traffic Management



The percentage of low risk sites in February 2016 was 94% (target is greater than 90%). Of the 116 reviews that were undertaken, 5 were completed outside normal business hours with 4 rated as Satisfactory (the target is 90% satisfactory).

It is noted that of the seven reviews undertaken as the result of complaints four were deemed to be satisfactory.



There was only one reported crash at a work site during February 2016. This was reported by the contractor responsible for the work site. It is currently being investigated.

Road Corridor Delivery

FEBRUARY 2016					
Asset Renewal Activities	February YTD Actual (km)	February YTD Forecast (km)	Full Year Target (km)	Completion v. YTD Target (%)	Completion v. Full Year Target (%)
Pavement Rehabilitation	20.13	24.93	37.70	81%	53%
Resurfacing	328.20	389.54	480.07	84%	68%
Footpath Renewals	53.32	49.17	75.65	108%	70%
Kerb and Channel Replacement	52.62	59.01	82.67	89%	64%
TOTAL	454.27	522.65	676.09	87%	67%

Both achievement and expenditure in February were less than forecast which was disappointing. The shorter month, long weekends and high level of rainfall in February all contributed to this. Overall, completion against the YTD forecast to the end of February is 87%, with completion against the full year target being 67% at the eight month mark. Every effort is being made to get the programme back on track. Delivery of the programme is not considered to be at risk.

Pavement rehabilitation projects are currently underway on The Drive, Apirana Avenue, Wairau Avenue, Sabulite Road, Nile Road, Access Road, Riverhead Road, Woodcocks Road, Little Barrier Avenue, Beach Road, St George Street, Swaffield Road, Cavendish Drive, Wellington Street/Vincent Street roundabout, Whitford-Maraetai Road, Kitchener Road and Nelson Street.

PT Facilities Infrastructure Development

High Risk Projects & Programme Updates

Wharf Renewals	Several urgent wharf renewal projects have been requested by AT Metro to be completed this financial year. A project planning exercise is currently being undertaken by the team to ensure the successful delivery of these projects by 30 June 2016.
Bus Infrastructure Improvements	Currently on target to fully expend the approved budget by 30 June 2016. An extra \$1 million has been signalled to be added into this budget. Due to the nature of the work and the level of consultation required for these projects, delivery of this extra work this financial year will be at risk unless the additional funding is confirmed in the near future.
Bus Priorities and Bus Lanes	The forecast spend has been reduced by \$1.3 million. The \$1.3 million will be carried over into the 2016/17 year increasing the 2016/17 budget to \$7 million.

Other Activities

Go By Bike Month

February was Go By Bike Month, which began on 10 February with Go By Bike Day (<https://at.govt.nz/about-us/news-events/a-day-of-going-by-bike/>), and featured a number of events across the region to encourage people onto their bikes, including the Auckland Bike Challenge.

The Auckland Bike Challenge was a health challenge, encouraging cycling as a mode of getting from one place to another for commuting, transport or fitness. The month-long online challenge has had significant success in encouraging greater uptake of cycling in Auckland. It has been well supported by key stakeholders including Healthy Auckland Together, Auckland Regional Public Health, the Sustainable Business Network and Bike Auckland. A total of 166 workplaces took part, and over 2,860 people registering to ride a bike in February including 600 new cyclists. A total of 23,111 trips were logged amounting to over 329,374km travelled by bike.

Walk Month March

The Walk Month March campaign centres on the theme “A short drive is a great walk” (approximately two thirds of car journeys in Auckland are less than 3km).

A number of events took place across the month including national ‘Walk to Work day’ on Wednesday 9 March, where the organisation had ‘pit stops’ on popular walking routes around the city centre with prizes and giveaways to acknowledge existing walkers and encourage others to “give it a go”.

The Auckland ‘FeetBeat’ walking challenge was also held. The competition involved a virtual walk around New Zealand as an inspiration for people to walk more and to incorporate a walk in their journey to work. More than 50 teams including Counties Manukau Health, Beca and Vodafone registered. More information on Walk Month March including events, maps and safety tips can be found at www.at.govt.nz/walkmonth



A fun workplace team walking challenge!

Compete against other teams to walk the virtual length of New Zealand. Great prizes to be won throughout the month, so get in on the fun!

Register your team at
AT.govt.nz/walkmonth



AdInsight

AdInsight is a project to trial Bluetooth technology to enhance real-time decision-making. The trial involves installing specialised Bluetooth devices onto traffic signal controller boxes, and new software to manage the analysis of data. The Bluetooth devices are being made in NZ and the last of these were delivered in early March. The trial will last for six months, with all hardware installed and ready to 'go live' by the end of March. Collection of data for three months is required before sufficient data is gathered to commence full analysis. This is expected to be around June/July. The project will lead to a more proactive approach by traffic control operators and can be applied across multiple modes (although the trial is only on roads). AdInsight has recently had an enhancement added which provides the opportunity to improve how we communicate with customers around real-time delays to their journeys, this new enhancement is currently under review to determine whether it can be incorporated into this trial.

Personalised Journey Planning (PJP)

Three PJP projects are underway in Kingsland/Morningside, Hauraki/Belmont and Stonefields residential areas. These are key areas for commuters to the city centre and reflected congested corridors on the network. Residents in each area who currently drive alone in peak times offered personalised journey planning advice on other suitable modes of transport, and those that commit to trialling a new option are provided with supporting incentives. The goal of these projects is to encourage residents to make a long-term change, supporting modal share changes and reducing morning peak congestion.

The Stonefields Personalised Journey Planning project is taking an innovative approach by using an online mobility game called 'From5to4' (www.F5T4.co.nz). This encourages commuters to change to more sustainable modes of transport for their trip to work. This approach originates in the Netherlands and has been used in other European cities. Engagement with the public is both through local events and direct engagement with households.

Walking School Bus Week: 15 - 19 February

Pedestrian safety is a high priority in the Auckland Region with an upward trend in deaths and serious injuries (DSI) over the past five years. The Walking School Bus (WSB) Programme has an important role in improving pedestrian safety around schools while also reducing morning peak congestion. Currently, there are 154 schools in Auckland that have WSB's (out of 345 total schools in Auckland with primary aged students) with over 4000 children on WSB routes and more than 1000 volunteers.



The Community and Road Safety team developed and delivered the *first regional* WSB'S promotion week for primary schools across the Auckland region. The key objective was to raise awareness of the benefits of the programme, seek more participation from parents and students as well as highlighting the road safety benefits the programme brings. During the week, more than 4900 students registered to participate in the themed days across the week. WSB Week was a great success with positive media promotion including interviews on Radio Live, Stuff.co.nz, and articles in local papers.



Sober Driver Campaign

The summer sober driver campaign concludes on 27 March. AT promoted the campaign at a number of events including at the "Big Gay Out" festival. The response has been very encouraging, with high levels of audience interest. The team engaged with over 2,000 people around the topics of speed and alcohol, with 79% of participants who completed a survey reporting that their awareness of the consequences of driving under the influence of driving had been raised. There was also a high level of engagement and positive media coverage including:

- The first Facebook post on 3 February reached 173,413 people with 290,206 video views and 40 shares. The second Facebook post on 12 February reached 89,633 people with 2,278 clicks to the campaign page (www.AT.govt.nz/drivedrinkfree)

Media coverage included:

- National Business Review, which stated that the campaign is innovative and forward thinking and is highly likely to be successful with the target market (*Dr Bodo Lang, Senior Marketing Lecturer at University of Auckland*).
- Stoppres.co.nz: <http://stoppres.co.nz/news/auckland-transport-offers-happy-ending-vouchers-sober-drivers>
- NZ Herald: www.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=11586322

An article is pending in the Wall Street Journal.

AT Metro

Patronage Performance Commentary

Ref:- AT Monthly Indicators Report 1.3 AT Metro patronage breakdown.

For the 12 months to February-2016 Auckland public transport patronage totalled 81.7 million passengers, an increase of +5.9% on the previous year. February monthly patronage was 6.8 million, an increase of 1.7% on February-2015 and -5.7% below SOI target (YTD -1.9%). February normalised adjustment ~ 2.7% accounting for special event patronage, the NZ Bus and Howick & Eastern one day bus strike and one more public holiday with the same number of business days and weekend days.

Bus services totalled 60.1 million passenger trips for the 12-months to February-2016, an increase of +2.4% on the previous year. Patronage for February-2016 was 4.8 million, a decrease of -3.1% on February-2015 and -8.2% below SOI target (YTD -3.9%). February normalised adjustment ~ -0.6% accounting for special event patronage, the bus strike and one more public holiday with the same number of business days and weekend days.

Train services totalled 15.8 million passenger trips for the 12-months to February-2016, an increase of +21.6% on the previous year. Patronage for February-2016 was 1.5 million, an increase of +21.2% on February-2015 and +0.9% above SOI target (YTD +4.8%). February normalised adjustment ~ +17.2% accounting for special event patronage, the bus strike and one more public holiday with the same number of business days and weekend days.


Ferry services totalled 5.7 million passenger trips for the 12-months to February-2016, an increase of +6.6% on the previous year. Patronage for February-2016 was 0.57 million, an increase of 1.8% on February-2015 and -2.4% below SOI target (YTD +0.3%). February normalised adjustment ~ -1.1% accounting for special event patronage, the bus strike and one more public holiday with the same number of business days and weekend days.

Rapid and Frequent services totalled 30.5 million passenger trips for the 12-months to February-2016. Patronage for February-2016 was 2.6 million, an increase of +11.5% on February-2015 and -10.8% below SOI target (YTD -5.0%).

Progress against AT Metro Key Strategic Priorities

Delivery against the AT Metro key business priorities is provided below:

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| <ol style="list-style-type: none"> 1. Integrated Ticketing & Fares 2. Procurement & Contract Reform (PTOM) 3. Resource Efficiency & Effectiveness 4. New Network incl. Rapid & Frequent Service Network 5. Infrastructure Development | <ol style="list-style-type: none"> 6. On-Time Service Performance 7. First & Final Leg 8. Customer Experience 9. PT Adoption Marketing & Promotion 10. AT Metro Safety & Security |
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Key Priority Targets	Monthly Update
1. Integrated Ticketing & Fares	
<ul style="list-style-type: none"> • Integrated fares: concept 2013; business case 2014; development 2015; implementation mid-2016 	<p><u>Integrated Fares</u></p> <ul style="list-style-type: none"> • Simplified integrated fares development is progressing with a go-live date targeted for end-July 2016. An independent review of the proposed integrated fares product structure and price modelling by Deloitte is nearing completion and will support a final recommendation to the AT Board in April. • 28 February 2016 annual AT Metro fare review included final fare zone boundary alignment between bus and rail prior to simplified integrated fares implementation, including alignment at Orakei of two zone rail from the CBD with the existing two zone bus and removal of the inner CBD and airport mini-zones. <p><u>Tertiary HOP</u></p> <ul style="list-style-type: none"> • Annual tertiary discount renewals for HOP card holders are underway. Temporary satellite Customer Service Centres are opening in Britomart, AUT, University of Auckland and Unitec. This is the first presence at Unitec. <div style="text-align: center;">  </div> <p><u>Ferry</u></p> <ul style="list-style-type: none"> • Work is progressing with Explore to include AT HOP on Waiheke ferry services.

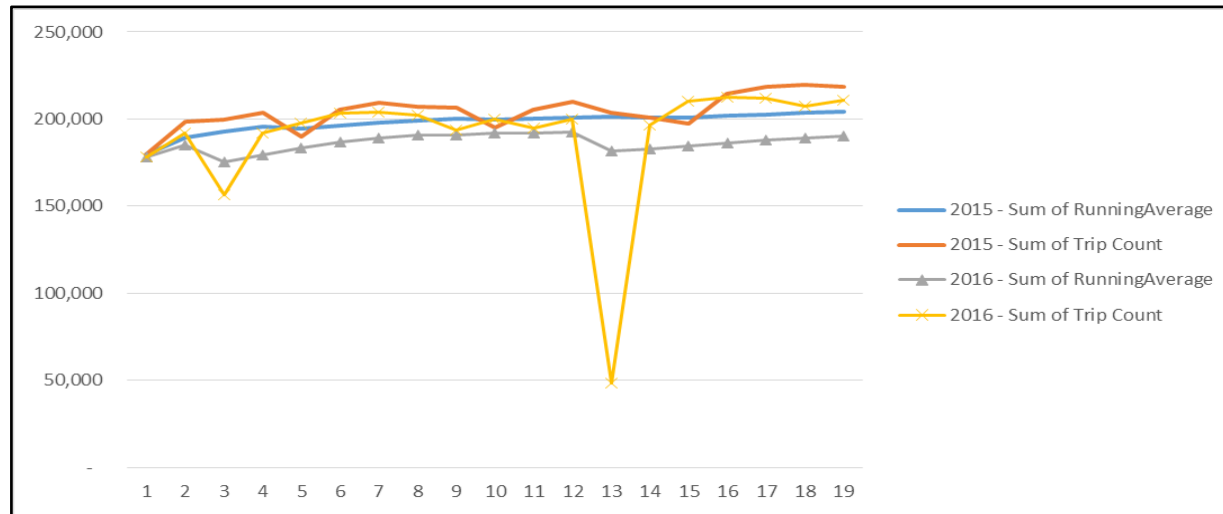
2. Procurement & Contract Reform (PTOM)	
<ul style="list-style-type: none"> • 2015: South Auckland New Network bus tender • March 2016: West Auckland New Network bus tender • July 2016: West Auckland New Network negotiated contracts • 2nd quarter 2016: Ferry tenders released • September 2016: North, Central and East Auckland bus tenders • October 2016: South Auckland New Network bus service contracts start • March 2017: North, Central and East Auckland New Network negotiated contracts • Mid-2017: ferry contracts start • 2017/18: rest New Network bus contracts start 	<p><u>Bus:</u></p> <ul style="list-style-type: none"> • The eight contracts for PTOM, Bus Services (South Tranche) were signed on 23 February 2016 with Ritchies Murphy Transport Solutions Limited, Howick and Eastern Buses Ltd and Go Bus Limited. A 15% service KM and 21% service hours increase will be implemented for bus services in South Auckland at a net price reduction with a targeted commencement of October 2016 • The Bus PTOM West tender is expected to be released to the market late March 2016. <p><u>Ferry:</u></p> <ul style="list-style-type: none"> • Final draft proposed contracts have been prepared. Endorsement from NZ Transport Agency is being sought. • RFT for eight contracted ferry service routes is targeted for release to the market in April 2016.
3. Resource Efficiency & Effectiveness	
<ul style="list-style-type: none"> • Value for Money: SOI farebox recovery targets and reducing subsidy / passenger metrics 	<ul style="list-style-type: none"> • In advance of 'March Madness' demand spikes, additional service capacity has been implemented: <ul style="list-style-type: none"> ○ Additional bus frequency for Birkenhead Transport buses along Glenfield Rd & Onewa Rd – an additional 17 urban and school trips per day introduced 2 February. ○ Additional capacity on Howick & Eastern Buses. One additional trip each to the 545, 575 & 580 services in East Auckland to improve customer travel options. ○ Additional West Harbour ferry service capacity was provided from 1 March 2016. ○ Additional Pine Harbour ferry services introduced 29 February 2016, with a +25% increase in service. ○ Additional Gulf Harbour ferry services introduced 29 February 2016. ○ Additional capacity from larger vessels provided on Gulf Harbour and Half Moon Bay ferry services for March. ○ The order for 53 new double decker buses by Howick & Eastern Buses, Ritchies and NZ Bus, under contract to AT, is progressing. 18 Double deckers will be in operation on the Northern Express by end of May 2016.



- Waiheke Bus Company have put in place additional service trips to meet the additional Fullers ferry services from 28 February 2016
- Additional 7 trips introduced on Ritchies services from 29 February.
- Additional NZ Bus trips and frequency will be implemented in March on Mt Eden Road, Dominion Road and New North Road.
- Table below shows changes, by mode, since March last year. AT Metro has added over 38,000 seats to an average work day, with a further 14,000 coming on stream over the next few months. Whilst not exclusively peak-based, there is a large bias to those two times of the day when the bulk of our customers travel.

Summary AT METRO Capacity Increases Since April 2015 (weekday average seats)				
	April 2015 - February 2016	March 2016	April - June 2016	Total
Bus	13,485	3,080	13,446	30,011
Rail	19,399	-	702	20,101
Ferry	2,367	700	-	3,067
TOTAL AT Metro	35,251	3,780	14,148	53,179

- NZ Bus and Howick & eastern are separately currently in collective bargaining with Unions. Both sets of drivers are working to rule. Industrial action occurred on 4 and 19 February. The full one day industrial action on Friday 19 was well communicated to customers having an affect over the whole network. There was some transference to train and ferry. Overall effect on the month was -2.5% patronage or -150,000 trips as illustrated below.



- The bus industrial action on 4 and 19 February necessitated mobilisation of staff and resources in advance of the event. This involved staff and ambassadors at the busiest bus stops to help provide alternative travel plans to those customers who didn't know about the changes.



- Timetable modelling is underway for a six trains per hour peak Western Line timetable, targeted for implementation mid-2016.
- The next Timetable following mid-2016 will focus on quicker run times and the resultant benefits for 'freeing up' train units to support the increased patronage being experienced across the network. This review will be a full timetable recast capturing the benefits of signalling, interlocking and line speed changes, including through curves, which have been completed and validated prior to that timetable being implemented. This timetable will also factor in the closure of Westfield station in late 2016.

4. New Network incl. Rapid & Frequent Service Network

- | | |
|--|---|
| <ul style="list-style-type: none"> • 2015: North, East, Central bus consultations • Oct 2015: Hibiscus Coast bus service design implemented • Oct-2016: South bus service design implemented • May-2017: West bus service design implemented • Dec-2017 to Mar-18: North, Central and East bus service design implemented | <ul style="list-style-type: none"> • <u>South Auckland New Network</u>: PTOM contacts have been signed, and planning for communications and engagement continues ahead of implementation of services in October 2016. • <u>West Auckland New Network</u>: Tender documentation for West Auckland will be released in March 2016. A further survey of West coast service potential requirements will commence shortly. • <u>North Shore New Network</u>: Final route decisions are being made, and work continues on preparing the final New Network design for submission to the board in April. • <u>Central and East Auckland New Network</u>: Public consultation closed in December 2015. Analysis of feedback is now largely complete, with work on route options now underway to address feedback. A review of school bus routes in these areas has begun. • <u>Beachlands/Maraetai</u>: Analysis of feedback is continuing. |
|--|---|

5. Infrastructure Development

Train:

- Station improvements continue across the rail network. Refurbishment of Papakura Station and Middlemore lifts is underway.
- Study currently being undertaken to identify short term safety improvements to all 21 level crossings on the Western Line in preparation for increased services.
- Ellerslie station canopy works have been completed with the exception of some small snagging items.

Bus:

- Progress continues towards completing the new bus stops required to operate New Network-South with the construction of the remainder of the programme targeted for this financial year. 32 projects are under construction or about to commence; a further 152 projects are progressing through design, consultation and construction. The new modular bus shelter design are being implemented.
- Work is progressing on the programme for bus stops and shelters for the New Network –West, a total of 117 projects.
- Designs for Manukau Bus Station and Otahuhu Bus Station have been completed. Otahuhu construction has commenced with the sod turning by the Minister of Transport at Manukau on Friday 12 February. Otahuhu Station is on-track to open with the launch of the bus New Network design for South Auckland in October 2016.
- Detailed design is underway for the Pukekohe rail/bus interchange, targeted for construction completion by mid-2017 and interim solution to coincide with launch of the Pukekohe bus New Network.
- A review of the post City Rail Link bus stop and layover requirements in the lower CBD is underway.

Ferry:

- Downtown Ferry Terminal Pier 2B upgrade is operational.
- New ticket office for Explore NZ at Matiatia (Waiheke) within the terminal building is scheduled to open in March 2016.



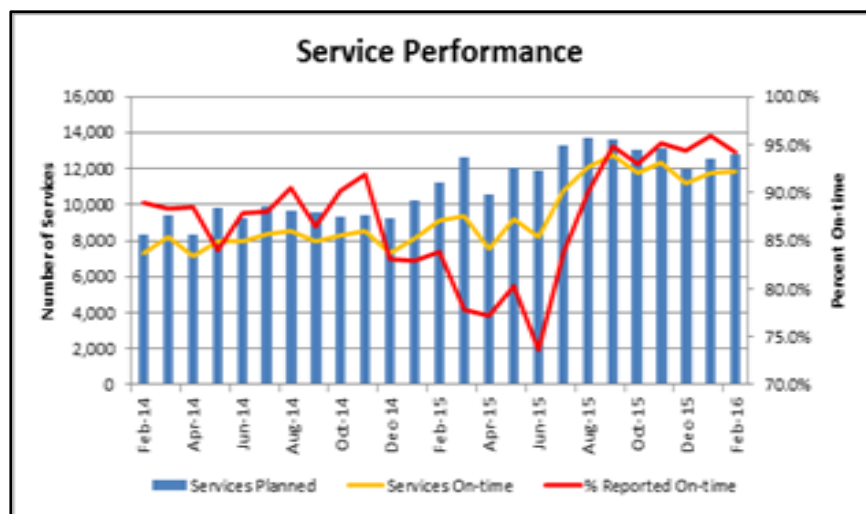
6. On-Time Performance

Train:

Ref:- AT Monthly Indicators Report - 4.1 AT monthly activity report.

Service delivery (or reliability) is the proportion of trains not cancelled in full or part and arrive at their final destination. Punctuality is the proportion of trains that were not cancelled in full or part and that arrived at their final destination within five minutes of the scheduled time.

In February 2016 service reliability was 98.6% compared to the 12 month average of 96.9% and 97.9% for January 2016. Service punctuality performance compared to services scheduled is illustrated in the chart below. Service punctuality (red line) was 94.3% compared to the 12 month average of 88.0% and 95.9% for January 2016 (and the low of 73.6% in June 2015). There were nearly 12,765 train services scheduled in February (blue bars), the number of actual services operated on-time (yellow line) was over 12,000.



Major incidents that affected February 2016 service performance:

- Track, Signal, Train Control and Traction Overhead (KiwiRail) – Infrastructure related matters caused delays to services on three days in the month, the most significant being a signal fault outside Britomart in the morning peak disrupting services into/out of Britomart causing delays on all lines.
- Train operations were affected by two third party incidents during the month: on 7 February a passenger medical emergency on-board at Penrose lead to delays and cancellations on most lines; on the 21 February a broken down freight train at Manurewa in the late evening caused disruptions on the Southern line.

Work is continuing on a number of track infrastructure speed improvements initiatives as part of the Rail Performance Improvement Plan communicated to the Board during the latter half of 2015. Vector curve speed review is underway. Improvements to driver rule change has resulted in 15-29 seconds improvement at key junctions. Line speed points and signalling works are programmed for Easter and will provide additional robustness for the propose 8 May timetable improvements on the Western line.

Bus:

Service delivery (or reliability) is the proportion of services not cancelled in full or part and arrive at their destination. Punctuality is the proportion of services that departed their origin within five minutes of the scheduled time.

Overall the network reliability was 96.0% and punctuality was 90.7%. This was down on January's performance, and showed almost no change in the year-on-year performance.

Reliability at Start						Punctuality at Start					
Operator	Business Unit	Feb-16	Jan-16	Month-on-Month Change	Year-on-Year Change	Operator	Business Unit	Feb-16	Jan-16	Month-on-Month Change	Year-on-Year Change
Whole of Network		96.0%	98.1%	-2.2%	0.0%	Whole of Network		90.7%	95.2%	-4.5%	0.3%
Metro Inner	NZ Bus	95.3%	98.3%	-3.0%	1.6%	Metro Inner	NZ Bus	89.0%	94.6%	-5.6%	3.5%
Metro Outer	NZ Bus	96.0%	99.1%	-3.1%	-1.0%	Metro Outer	NZ Bus	90.1%	97.3%	-7.1%	-2.2%
North Star	NZ Bus	97.7%	98.8%	-1.1%	1.4%	North Star	NZ Bus	93.5%	97.0%	-3.5%	1.9%
Go West	NZ Bus	97.3%	98.5%	-1.1%	-0.7%	Go West	NZ Bus	93.3%	95.8%	-2.5%	-1.8%
Waka Pacific	NZ Bus	93.1%	97.7%	-4.6%	-2.6%	Waka Pacific	NZ Bus	86.2%	94.1%	-7.9%	-4.5%
West	Ritchies	97.4%	96.5%	0.9%	4.9%	West	Ritchies	92.9%	92.4%	0.6%	6.5%
North	Ritchies	97.4%	98.4%	-1.0%	2.2%	North	Ritchies	92.8%	95.6%	-2.8%	4.0%
NEX	Ritchies	99.0%	99.4%	-0.4%	0.1%	NEX	Ritchies	98.2%	98.6%	-0.4%	1.5%
Howick & Eastern		95.7%	98.2%	-2.6%	-0.3%	Howick & Eastern		89.7%	95.5%	-5.8%	1.0%
Birkenhead Transport Ltd		96.7%	98.5%	-1.8%	0.5%	Birkenhead Transport Ltd		90.8%	95.5%	-4.7%	0.6%
SkyBus		86.5%	87.0%	-0.6%	-1.0%	SkyBus		76.4%	77.0%	-0.6%	-0.7%
Tranzit		96.9%	98.1%	-1.2%	1.2%	Tranzit		93.7%	95.1%	-1.4%	2.4%
Urban Express		98.4%	99.3%	-0.9%	-0.6%	Urban Express		95.7%	97.5%	-1.8%	-1.9%
Waiheke Bus		96.1%	96.6%	-0.4%	-0.6%	Waiheke Bus		92.3%	93.2%	-0.9%	1.2%

• Bus lane programme rollout:

Projects Completed	Projects due for completion	Detailed Design	Under investigation
Parnell Road CRL Phase 1 Esmonde Road Park road	Lake Road (March 2016) Manukau Pah Road Great North Road - New Lynn to Ash St (May 2016) Hobson St (April 2016)	Dominion road (Mt Albert to Denbigh Avenue) Dominion road (Denbigh to Richardson)	Developing concept designs for all Southern network routes Hibiscus Coast bus priority Mt Eden road

• A review of bus and special vehicle lane operating hours is underway to develop a more consistent Auckland-wide approach, and is subject of a March board paper.

Ferry:

- Service delivery (or reliability) is the proportion of ferries not cancelled in full or part and arrive at their final destination. Punctuality is the proportion of ferries that were not cancelled in full or part and that departed their origin within -59 seconds and +4:59 of the scheduled time.
- For February 2016, 97.9% of contracted service trips were operated, leaving their origin stop no more than one minute early or ten minutes late (reliability measure). Service punctuality for February 2016 was 96.2%.

Route	Scheduled Trips	Reliability	Punctuality
Bayswater	922	99.89%	99.46%
Half Moon Bay	538	93.87%	91.08%
Birkenhead	990	95.76%	92.53%
Gulf Harbour	228	100.00%	95.18%
Hobsonville	190	100.00%	98.95%
West Harbour	513	99.42%	99.22%
Rakino	48	97.92%	89.58%
Pine Harbour	616	99.51%	99.51%
Total	4,045	97.95%	96.24%

- Half Moon Bay and Birkenhead reliability was impacted by vessel reliability and operator application of harbour speed restrictions.
- Timetable changes to Birkenhead/Northcote Point and Half Moon Bay to help improve punctuality are in the process of development.

7. First & Final Leg

- A trial of enhanced Metro service information for stations and stops is being included in the broader New Lynn wayfinding trial to inform the customer service information strategy for New Network services commencing with South Auckland in October 2016. Customer focus groups have been concluded and an overview of the information strategy will be provided to the April or May Customer Focus Committee of the Board.
- A trial bus shuttle service will be launched 21 March between the Half Moon Bay ferry terminal and a new 100 space Park-and-Ride at Lloyd Elsmore Park. Trial service for 6-months will be free until the introduction of Zonal Fares in late-July, when it will become a one-zone fare.

8. Customer Experience

Train:

- Passenger Information Display improvements completed at Penrose and Manukau stations to communicate departure platforms at all lifts.
- New platform markers are being trialled at four pilot locations (New Lynn, Fruitvale Road, Avondale and Sylvia Park Stations), including EMU accessibility train door waiting areas.
- On-board train digital information screens will commence testing in March and April.

Bus:

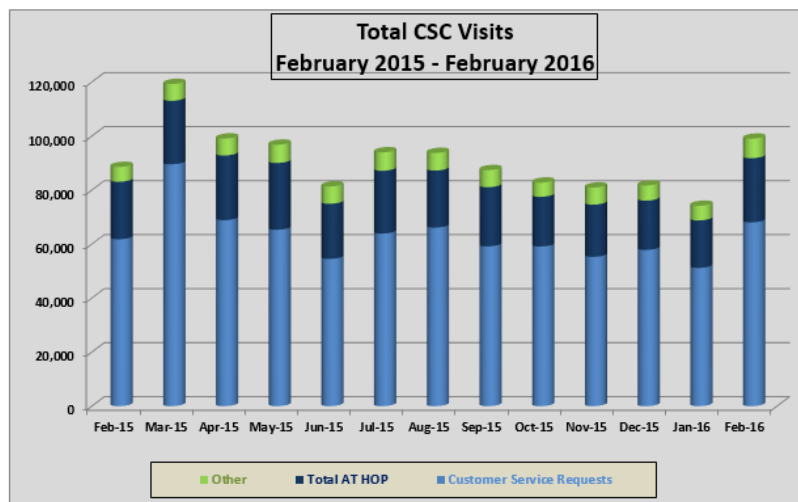
- Work is continuing on rollout of the AT Metro brand. Operator & driver uniform workshops have been held with decisions to amend some of the items. Uniform samples due this month.

Multi-modal:

- The “Track my Bus” mobile app saw an increase of 596 (+16.7%) users in February 2016, rising to 4,161, compared to 3,565 users in January 2016. This is the second consecutive month of increased usage.
- The AT public transport app was used by 59,207 customers in February 2016, compared to 50,687 in January 2016. There were almost 2,900 new users in February, bringing the total to almost 6,000 new users in 2016. This increased level of activity reflects the start of the 2016 primary and secondary school terms.
- There was a significant increase in activity on AT.govt.nz in February, compared to January, with the commencement of both primary and secondary school terms. Total page views increased by almost 0.38 million to 1.64 million, up from 1.26 million in January.
- The combined customer visits to the Customer Service Centres (CSC) for February January 2016 was 99,050, an increase of 24,852 (33.5%) on January’s visitor numbers of

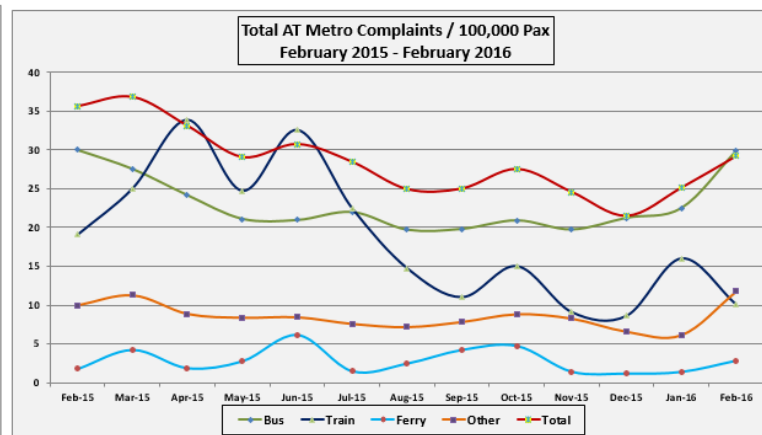
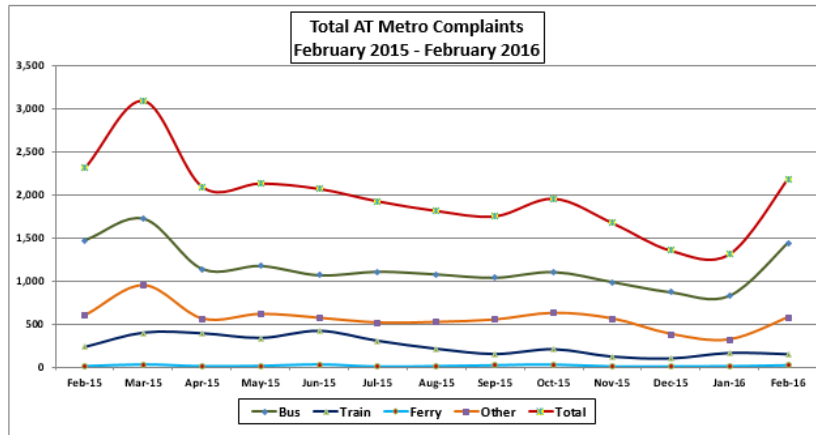
74,198. However, visitor numbers were significantly up on the same period in 2015, increasing by 10,463 (+11.8%) from 88,587 in February 2015. The increase in visitors was in part due to more AT HOP queries and card sales, partly due to the start of Term 1, 2016 for both primary and secondary pupils in early February. There was also the initial influx of tertiary students, particularly first year students, applying for their concessions. There was a year-on-year reduction in the number of journey planning queries, again indicating that more customers are moving towards self-service journey planning, following the implementation of the new Journey planner in November 2015. The CSC Team is also continuing their focus on encouraging customers to consider self-service options, with almost 11,000 customers assisted in using Ticket Machines and online top-ups as alternatives. This frees up staff time to assist other customers with more complex queries.

- In the past 12 months, there have been almost 1,091,000 visits to the Metro Customer Service Centres (CSC), an average of almost 2,990 visits per day. This compares to just under 890,000 for the 12 months to February 2015, an increase of over 200,000 customers (+22.5%) during the period.



Customer Complaints:

- The downwards trend in customer complaints seen in the previous three months since October 2015 was reversed in February, with the total increasing to 2,179, the highest number since March 2015 (3,078). However, total complaints in February 2016 (2,179) are down by 131 (-5.7%), compared to February 2015 (2,310). Total complaints for the three month period ended 29 February 2016 were 4,842, a decrease of 494 (-9.3%) against 5,336 during the comparative three month period ended 28 February 2015. Overall, there have been significant reductions in complaints relating to operational (Fail to Run, Late Running, Fail to Uplift etc.), particularly from bus customers. This reduction in complaints reflect network wide initiatives being delivered, including amongst other improvements, the introduction of new services and additional double decker buses on the Northern Express service.
- Complaints per 100,000 Pax (29.21) increased in February compared to the downwards trend seen in previous months. However, this is considerably lower than the comparative month in both 2014 (38.16) and 2015 (35.65). There were specific, non-recurring issues raised in relation to the bus driver industrial action that occurred in February, which adversely impacted overall volumes. Another positive aspect is the significant decrease in complaints regarding the train services, which have continued the downwards trend, with 2016 showing 10.02 Complaints per 100,000 Pax, compared to 2015, where numbers peaked at 19.09.



9. PT Adoption Marketing and Promotional Campaign Programme

The PT Adoption process and accompanying diagnostic tools are a foundation to the AT Metro marketing and promotion plan. The 12 month campaign planner is reviewed on a monthly basis, with a 90 day forward focus. The current campaign planner continues with six key themes: 1. Year Shapers (Double Deckers, New Network, Simplified Fares, Britomart changes, EMU roll out completion, CRL, SuperGold); 2. New Network Consultation; 3. Operational and service changes; 4. Customer segment specific initiatives (Tertiary, SuperGold, Education, Leisure, Events, Visitors); 5. Modal specific promotional activities (Bus, Train, Ferry, Multi-Modal); 6. Investigation (off peak, shoppers, New Movers).



Multi-modal campaigns:

- Annual fare review. Some revised fares, removal of the CBD zone fare and aligning Orakei train station to two stages in line with bus will be introduced on 28 February 2016
- Where is my local AT HOP retailer, for AT HOP top-ups and card purchases.
- HOP card penetration/sales in South and West Auckland.

- Destinations and HOP card promotion for summer cruise ship season in conjunction with ATEED (iSites).
- 'Avoid the drama' promotion to encourage off peak public transport use, particularly for restaurant, bar and event destinations.

Train:

- Specific rail collateral developed for Child Monthly Pass and Orakei fare stage change as part of the overall Annual Fare review comms plan.

Ferry:

- New Pine Harbour timetable launch at end-February.
- Bus meet ferry info for Waiheke.

Bus:

- Bus patronage campaign – 'know your bus' – targeting local communities with good service levels and available capacity.
- Ritchies, NZ Bus, Birkenhead Transport and Howick & Eastern capacity changes.
- Westgate route changes customer information comms in market.
- Hibiscus Coast new network activation (focus on Millwater and Arkles Bay new services).

10. AT Metro Safety & Security

Multi-modal:

- Strategy discussions are progressing with Police around an enhanced joint approach to Metro security and fare enforcement.

Train:

- Additional pedestrian crossing lights and barrier gates will be installed at Morningside pedestrian crossing over the Easter line closure.
- Total of 17 incidents on rail network during February, of which 14 police responses and 20 arrests resulted

Bus:

- Bus operators are being trained in the new AT H&S system.

Ferry:

- Works continued to migrate feeds from CCTV cameras at outer wharves into ATOC.