

**Backgrounder for  
Independent Panel undertaking  
Council Controlled Organisation Review  
July 2020**



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# 1: Executive summary

Auckland Transport (“AT”) is pleased to make this background information available to both the Independent Panel (“panel”) which is undertaking a review of Auckland’s Council Controlled Organisations (“CCOs”) and Aucklanders.

We appreciate the engagement we have had with the panel since the beginning of the review. We have endeavoured to provide the panel with a range of evidence to support its review. The panel has identified issues of interest and we are pleased to have been able to provide responses to these.

This ‘backgrounder’ is being made available to give transparency and enable understanding of the environment in which AT seeks to deliver on what it was created to deliver; to provide an efficient, effective and safe Auckland land transport system and to achieve the vision laid out by Auckland Council (“AC”) in the Auckland Plan ,and the objectives set out in the Government Policy Statement on Land Transport.

An important starting point for any assessment of the success of the supercity model is the Report of the Royal Commission on Auckland Governance. In **section 2** of this document, we briefly recap the conclusions of this report, especially as they relate to transport.

In **section 3** our objective is to set out what we do, why we do those things and how we do them. Our objective is to give the panel and Aucklanders a greater understanding of the complex environment in which we work day to day.

In **section 4** we provide AT’s responses to those issues, issues we have raised and our recommendations for delivering better outcomes for Auckland.

In closing this document, we have provided a small number of case studies which highlight the effectiveness and efficiency of work undertaken by AT.



## 2: The Royal Commission and the creation of AT

*The starting point for this 'backgrounder' is the Royal Commission on Auckland Governance ("Royal Commission"). Noting the effort and resource invested in the Royal Commission, its report provides a good basis for understanding Auckland's challenges prior to the establishment of the Supercity and the rationale for the creation of AT.*

### 2.1 The Royal Commission and the problems the model was trying to fix

Finding the optimal governance arrangements for transport has often been at the heart of Auckland's local governance changes.

Auckland's governance changes have involved an ongoing tension between the need for a strong level of regional governance and local responsiveness, as well as democratic accountability and corporate-like efficiency. Overlaying this has been an ongoing tension between central government and local government as to the best outcomes for their respective constituents.

By the time the Royal Commission was established in 2007, there were many concerns about a lack of integration between different modes of transport, slow decision making for upgrades to the transport system, and what was seen as a complicated system of governance.

The Report of the Royal Commission was released two years later in March 2009.

### 2.2 The deficiencies

The concerns noted above in respect of transport were clear in the submissions made to the commission.

The Auckland Regional Transport Authority (ARTA) said in its submission to the commission:

**"The duplication of functions within the system results in silo decision-making, some of which is carried out by organisations who may not be best positioned to understand regional needs, and an inability to deliver major and system-wide initiatives. These issues combine to limit the capability of the region to deliver improved outcomes to transport users and the community and increase transaction costs."**

Barry Mein, an expert in transport and Auckland governance, identified a number of problems with the then transport governance system. He noted that a large number of organisations had a statutory responsibility for transport across Tāmaki Makaurau and the two areas with the most potential for confusion were planning and funding, where responsibilities were divided between many parties.

The challenges were most obvious in public transport. Responsibilities for rail infrastructure were divided between Ontrack (below the track) and ARTA. For bus and ferry infrastructure, responsibilities were split between ARTA and the territorial authorities.

In addition to the public agencies with transport responsibilities, there were also other government agencies and regional or project-specific groups that engaged in transport matters occasionally. These included ad-hoc groups established to coordinate the actions of different statutory bodies, such as the Auckland Mayoral Forum.

Submissions from Aucklanders and from elsewhere in New Zealand also highlighted other problems of the system prior to the creation of the Supercity. They included:

- Fragmented decision making;
- Lack of linkage between roading and land-use decisions;
- Inconsistency between local councils managing the roading network across Tāmaki Makaurau; and
- No organisation with a clear responsibility for delivering on transport policy, including prioritisation.

## 2.3 The Royal Commission's proposals

The Royal Commission recommended the creation of a Regional Transport Authority (“RTA”) for Auckland. It would have responsibility for the planning, development, and management of arterial roads as a road controlling authority and all public transport infrastructure service planning and procurement. The RTA would be a council-controlled organisation owned by AC.<sup>1</sup>

The RTA would be responsible for preparation of a regional transport plan to be approved by AC to be consistent with land use planning and central government legislation and policy requirements.<sup>2</sup> It would also be responsible for delivering key elements of the regional transport plan. This would include planning, design and construction, and operation of arterial roads and all public transport infrastructure and services.

This included the delivery of integrated ticketing and real-time bus/train arrival displays. The Royal Commission placed an emphasis on improving both rail and ferry passenger services.

The Royal Commission did have a key concern, which is relevant in the context of the panel's work. This was that the RTA, with its focus on transport, may overemphasise the transport role of the roads at the expense of urban design, amenity, local land use development, town centre development, and the interests of people walking and cycling. The Royal Commission felt it would be necessary to place specific requirements on the RTA in this regard.<sup>3</sup>

The Royal Commission also recommended the RTA be responsible for a sustainable transport plan to increase use of public transport and more cycling and walking, as well as demand management (e.g. congestion pricing).

## 2.4 The creation of AT

Many of the recommendations of the Royal Commission were adopted by central government.

However, Government did not agree with the recommendation relating to local representation. It took the view that the Royal Commission's proposal for six local councils was unlikely to address existing tensions and competition between the current authorities. It also noted that it was unlikely to facilitate effective and timely strategic planning to issues such as population growth.

Government instead opted for a much larger number of local boards as alternative local governance structures and strengthened the regional tier of AC.<sup>4</sup> In terms of transport, Government decided that local boards would have an advisory role with respect to transport services, input into strategies, policies, plans and bylaws, and a budget for the transport elements of local ‘place-shaping’.<sup>5</sup>

The Government made high-level decisions in April 2009 to establish an RTA (AT) with responsibility for all local authority transport functions within a framework that was consistent with existing national funding and governance arrangements.<sup>6</sup>

1 Royal Commission on Auckland Governance, Report, Volume 1, Auckland, 2009, pp. 548-549.

2 This was intended to follow the approach taken by central government, with the preparation of a (non-statutory) New Zealand Transport Strategy, and a statutory GPS, to which the Transport Agency and other Crown agencies are obliged to give effect.

3 For example: give effect to the strategic plan for urban development; specifically recognise the relationships between transport and land use; consult the local community and the local council in relation to proposals that impact on urban design and land use development near transport corridors and prepare joint management plans for key transport corridors; and policies in relation to walking and cycling.

4 Aide Memoire: Auckland Governance Report 2009: Initial Take on Auckland Governance Report (27 March 2009). See [https://www.dia.govt.nz/diawebsite.nsf/Files/AKGLGbriefing27Mar09/\\$file/AKGLGbriefing27Mar09.pdf](https://www.dia.govt.nz/diawebsite.nsf/Files/AKGLGbriefing27Mar09/$file/AKGLGbriefing27Mar09.pdf)

5 See Office of the Minister of Transport, Cabinet Committee on Implementation of Auckland Governance Reforms: Auckland Governance: Regional Transport Authority and Cabinet Minute of Decision, Auckland Governance: Regional Transport Authority, CAB Min (09) 30/10.

6 See Office of the Minister of Transport, Cabinet Committee on Implementation of Auckland Governance Reforms: Auckland Governance: Regional Transport Authority (August 2009) and Cabinet Minute, “Auckland Governance: Regional Transport Authority”, 29 August 2009, CAB Min (09) 30/10.



The Government preferred a single agency to balance the competing demands on transport resources and allocate resources where they were most needed. Further the view was taken that an appointed board would bring a greater focus on transport delivery than AC, with its multiple functions and responsibilities, could provide. Weight was also given to the scale of the growth pressures and the complexity of transport issues in Auckland which was far greater than in any other part of the country. Lastly, it was also noted that an arm's length entity would also draw on a wider pool of expertise than AC could alone provide.

As a result AT, unlike the other CCOs was provided for in legislation, with its role and functioning subject to a number of other legislative instruments. Some of these are addressed in section 3.

## 2.5 Achievements enabled by the supercity model

From a transport perspective the creation of a regional agency was the single most significant recommendation by the Royal Commission. Auckland had historically suffered in terms of pace of progress, because of the fragmented nature of governance and delivery arrangements. Integrated public transport ticketing and fares is but one obvious example.

Since the creation of AT, there have been many achievements that may never have been seen under previous governance arrangements.

These achievements are set out in the diagram on the next page.

# 10 YEARS of Auckland Transport



## 2010

- **The Super City and AT are officially established, in November 2010.**  
AT begins with less than 1000 staff and is based at the former Waitakere City Council offices in Henderson.

## 2011

- **Auckland hosts the Rugby World Cup increasing public transport for major events is identified as a legacy outcome of the tournament.**

## 2012

- **AT Hop ticketing is introduced**/rolled out on the rail network, with 83,000 cards activated. Later in the year ticketing is introduced on ferries.

## 2013

- **The first double decker bus is introduced** on express services from the North Shore to the city centre.

## 2014

- **Less than a year after its launch, AT HOP has 361,000 users, and 3.6m trips are made on public transport**



## 2015

- **Te Ara I Whiti Lightpath opens to the public**



## 2017

- **AT Mobile app is launched, along with AT Park**
- **AT HOP card is now used for 91% of public transport trips**
- **AT's Call Centre manages over 650,000 phone contacts, AT's website is accessed by more than 4.3m users**

## 2018

- **Waterview Shared Path opens** – a \$25m project
- **Regional Fuel Tax is introduced with a number of projects earmarked for delivery by AT**
- **New figures show that 38% of Aucklanders now ride bikes**
- **Te Reo on trains**
- **Manukau Bus Station opens**

## 2019

- **AT and other partner agencies adopt the Vision Zero strategy;** one of the first key initiatives was the adoption of a Safer Speeds Bylaw which came after significant public consultation.
- **3.77m cycle movements recorded (up 8.9% on the previous year)**
- **AT Park moves past 100,000 registered users**
- **Te Reo on Link buses**
- **100.8m bus, train and ferry passenger trips**

## 2020

- **In Alert Level 4, AT provided over 3,000 free AT Hop cards and quickly updated the AT Mobile app to include real-time patronage.** This enabled customers to plan a public transport journey while meeting their physical distancing requirements.



## 2016

- **A completely redesigned new bus network is rolled out in south Auckland**
- **By now, 82.9m trips are being taken on public transport**



### 3: What we do, how we are funded, why we do it and how we operate

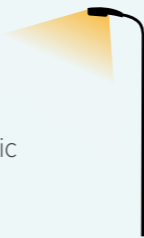
#### OUR ACTIVITIES INCLUDE:



Our call centres respond to more than 600,000 transport related phone calls and our on-site customer service centres provide face-to-face support to more than 1.5 million customer interactions per year.



We plan and fund public transport, promoting travel choice.



We design, build, manage and promote most of Auckland's public transport infrastructure. This includes services, systems, facilities, customer apps and the region's integrated passenger transport ticketing system, AT HOP.

We maintain 7,550 kilometres of arterial and local roads, 325km of cycleways and 7,321km of footpaths.



At the Auckland Transport Operations Centre (ATOC) we, with Waka Kotahi NZ Transport Agency, manage both the local as well as the State Highway and motorway network from Taupō to Cape Reinga, a total of 15,000km of road network.

Leading the Auckland Forecasting Centre, plans networks in greenfields areas (in joint venture with Waka Kotahi NZ Transport Agency) and brownfields areas (alongside Kāinga Ora, Panuku Development Auckland and others).



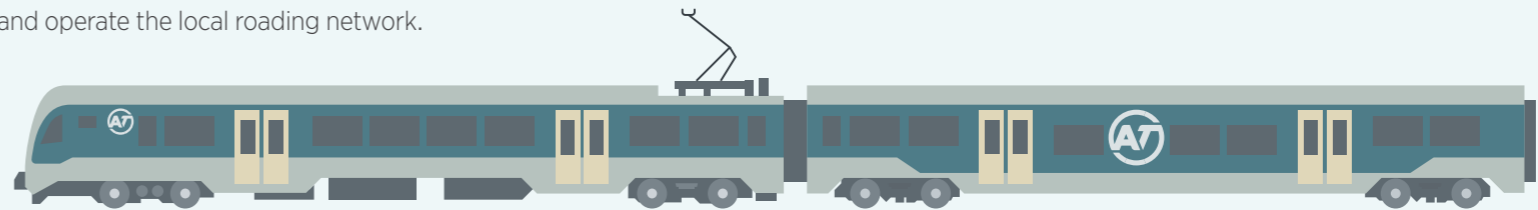
The provision of walking and cycling infrastructure and travel demand activities to encourage more people to walk or ride bikes.



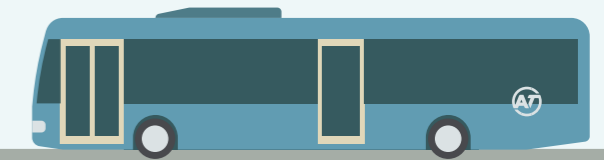
Our day-to-day activities keep Auckland's transport systems moving. We plan and fund public transport, promote travel choices and operate the local roading network.



The provision of services to land developers (resource consenting).



Delivering local board projects, council projects and programmes (such as the Downtown Infrastructure Development Programme).



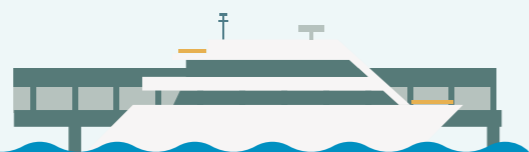
Operating compliance services on the roading network.

AT manages and runs the region's transport network (excluding state highways) on behalf of Auckland ratepayers and taxpayers for the benefit of 1.7 million residents.

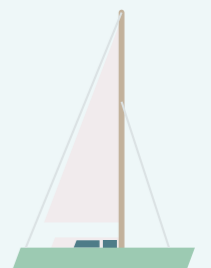


We enable utilities companies, construction companies and others to safely access the road corridor to undertake construction, service their assets and otherwise undertake work associated with their business needs.

We deliver AC and local board capital projects and programmes.



We are delegated the power to manage on behalf of Auckland Council off-street and on-street parking, two small airfields on Great Barrier Island. We also oversee a safe marine environment across the region through our Harbourmaster and manage assets such as wharves, moorings and navigation aids.





### 3: What we do, how we are funded, why we do it and how we operate continued

*AT is the CCO accountable for delivery of an efficient, effective and safe Auckland land transport system. AC and Waka Kotahi NZ Transport Agency (Waka Kotahi) are the primary sources of funding for AT, with additional funding received from the Regional Fuel Tax (RFT) and other sources including user charges and fees, subsidies, and vested assets.*

*AT operates in a complex and evolving operating environment and under significant scrutiny. The delivery expectations of AT have dramatically increased against a backdrop of global and regional political change. More recently, proposed legislative change may lead to duplication of powers and an overlapping remit on AT's role.*

#### 3.1 Role of AT

AT was one of six CCOs established in 2010. Its role is to contribute to an efficient, effective and safe land transport system. It is responsible for all the region's transport services (excluding state highways), from roads and footpaths, to cycling, parking and public transport. AT's day-to-day activities keep Aucklanders moving; including planning and funding of public transport, promoting alternative ways to get around and operating the local roading network.

AT is the regional kaitiaki of \$21.1 billion of publicly owned transport assets.

#### 3.2 A changing Auckland and what that means for transport

AT operates in a complex operating environment which has changed dramatically since establishment in 2010.

Tāmaki Makaurau has experienced faster than anticipated population growth and demographic change against the backdrop of a transport infrastructure deficit. Aucklanders predominantly rely on private motor vehicles to move around the region. The region's urban area has also expanded, particularly in the northwest and south and centres of employment have also spread.

In 2010, Auckland's population was 1.4 million. Fast forward a decade and Auckland is home to almost 1.7million – a city with the population of Christchurch has made Auckland its' home since 2010. The population is expected to increase by another 720,000 over the next 30 years.

Auckland is also becoming increasingly diverse. Forty percent of Aucklanders were not born in New Zealand. This leads to further complexity for AT in how it engages with communities and how it best addresses the needs of its diverse customer base.

The need for sustained investment in transport infrastructure delivered at pace is a top priority. Demand for AT services in terms of travel has increased at levels well beyond population growth. It's a fact that's not well understood.

Economic growth, Auckland's size, and Aucklanders' increasing desires to travel around the region have put more pressure on those involved in transport delivery. Growth in travel needs without adequate transport choice has led to increased congestion, increased carbon emissions, lower productivity and tragic road safety outcomes.

Against a backdrop of transport plans which have generally been underfunded, Aucklanders, many of whom are reliant on their private vehicle, are frustrated with the state of the transport network. It also means that agencies, like AT have not been enabled to deliver the infrastructure and services to keep up with demand.





### 3.3 Why we invest in the transport activities we do

Under the Land Transport Management Act 2003 AT must lead the development of a Regional Land Transport Plan (“RLTP”). With over 60 per cent of AT’s operating funding comes from AC and Waka Kotahi, the RLTP must be consistent with the Government Policy Statement on Land Transport (“GPS”) and take account of policy approved by AC such as the Auckland Plan.

The GPS sets out Government’s position on transport and where it will allocate funding e.g. local roads, public transport, walking and cycling. The Auckland Plan and the Long-Term Plan effectively achieve the same outcome for AC.


The projects AT delivers are driven by the policy direction of both AC and Government. Failure to ensure that the things we do are consistent with policy ultimately means that AT would not get funding to deliver transport improvements for Aucklanders.

In the last five years, the delivery of integrated transport outcomes has been greatly assisted by the Auckland Transport Alignment Project (“ATAP”), which dove-tails with development of the RLTP. Now in its third iteration, ATAP has enabled better alignment on transport investment between Government, AC and AT over a 30 year horizon.

The introduction of the RFT in 2018 brought a legislated hypothecated funding stream. For the first time since amalgamation in 2010, and up until the Covid-19 pandemic, it provided a ten-year runway of investment and certainty to deliver a programme of transport outcomes for Aucklanders.

Government and AC policy is targeted at addressing congestion, poor safety and environmental outcomes, enabling more affordable housing and ensuring value for money for ratepayers and taxpayers. Further, it aims to re-balance the way Aucklanders move around the region. The objective is to reduce the very high levels of private vehicle travel and provide for a dramatic uplift in the use of buses, trains and ferries and increase the number of people walking and riding bikes.

To deliver these policy outcomes, which includes holding road congestion at 2016 levels, the share of public transport trips made across Auckland must grow from approximately 5 per cent to 25 per cent over the next 20 years. This requires a compounding annual patronage growth rate of 10 per cent year on year, every year for 20 years. The challenge is enormous – and has never been done anywhere in the western world. It also exceeds the current public transport growth rate which is 7-8 per cent per annum, already world-class.



The policy outcomes also mean making transport safer for people whether they are in a car, on a bike, walking, or on public transport. This has driven a Vision Zero approach which has four pillars, safe drivers, safe vehicles, safe roads and safe speeds. Auckland's road safety programme seeks to address all those outcomes to tackle what was a \$1.3 billion socio-economic problem in 2017.

AC is showing increased leadership with respect to climate change. This and Government commitments in relation to emissions will demand faster take-up of electric vehicles and greater uptake of sustainable travel modes.

A number of the projects we deliver on behalf of AC and Government such as the re-allocation of road space to new cycleways and bus lanes may feel to the average Aucklanders, and particularly those in private vehicles, as if AT is not being responsive to their needs and the investments being made are not value for money.

Therefore, AT often finds itself engaging with Aucklanders on projects which for many, may seem irrational. Furthermore, projects which often require removal of car parks in town centres, put AT in a situation where it has to work hard to win over local communities and businesses in order to generate changes in the way Aucklanders move around our region.

## 3.4 How we operate

### 3.4.1 Governance (decision-making)

What we do and deliver is subject to decisions made by a number of different parties. The role they play and the interplay between each of the parties as it relates to decision making is not often visible, with multiple parties having decision making rights over the same projects.

#### 3.4.1.1 AT Board of Directors

AT has a board of eight directors to whom management are accountable. The board is chaired by Adrienne Young-Cooper who was appointed by AC's Appointments Committee and started her term in January 2020. The board is in turn accountable to the Governing Body of AC.

The board is responsible for appointment of AT's chief executive, other matters provided for in the Local Government (AC) Act 2009 (LGACA) and AT's nominated delegated authorities. The board's governance role is supported by three board subcommittees.

The board meets approximately ten times per year and board meeting days include a session open to the public. Each of the board's subcommittees meet four to six times per year. On two occasions per year the public have the right to be heard at an open meeting to discuss AT's Statement of Intent.

Under legislation the board is also the convener of the Regional Transport Committee. This meets on a legislatively required basis.

The board actively engages with the management of AT on a daily basis around risk and performance related matters. One of the more formal ways it does this is through business improvement reviews. Outcomes from recent business improvement reviews have been provided to the panel.



### 3.4.1.2 AC Governing Body

The Governing Body of AC makes a number of very important decisions which provide guidance and direction to AT on what it invests in. Since the start of 2018, these decisions have included:

- Endorsement of ATAP which sets out what AT, Waka Kotahi, and KiwiRail will invest in and focus on over the period between 2018 and 2028.
- Approval of the Long Term Plan (LTP) which details the funding to support ATAP between 2018 and 2028 including phasing and outcome targets over the period.
- Approval of the RFT which provides a revenue source for 14 hypothecated transport programmes over the period between 2018 and 2028 and is aligned with the Long Term Plan, ATAP and the Regional Land Transport Plan (RLTP).
- Approval of Annual Plans which set out the annualised budgets and very specific initiatives to be funded through the Annual Plans such as for example 'Child Fare Free Weekends' and efficiency initiatives such as changes to public transport services (including both additions and enhancements).

### 3.4.1.3 AC Local Boards

Local boards have a decision making role with respect to a number of programmes which AT administers and delivers on their behalf. They include:

- The Local Board Transport Capital Fund (LBTCF) which was set up by a resolution of AC's Governing Body. Local boards have discretion over what they choose to invest in provided projects give a transport benefit.
- In 2019, the Community Safety Fund (CSF) was established. It is intended to provide a fund that allows for local board's to decide on projects which improve safety outcomes.
- One Local Initiative (OLIs) – There are four transport OLIs being administered by AT as part of the LTP. All projects are in the business case phase. They were nominated by the local boards taking account of advice provided by AT or AC. Delivery of each of them is dependent at this stage on approvals by other parties (where they are co-funded) such as Waka Kotahi, AT and the Governing Body. Unfortunately, the draft Emergency Budget would see these projects paused in 2020/21.

### 3.4.1.4 Waka Kotahi

It is important to note that while decisions to invest in specific project or programmes are made by the AT Board, in many instances additional approvals are needed, for funding, business case and procurement reasons by Waka Kotahi.

In addition, Waka Kotahi has decision-making rights on a number of funds, rules and regulations which AT must follow day-to-day.



### 3.4.2 Long term planning

Long term planning for transport in Auckland is delivered through a complex web of mostly legislated mechanisms in the majority determined by others. They include:

**GPS:** The GPS helps guide investment in transport by providing a longer-term strategic view of priorities in the transport network. This includes a focus of improving land transport by prioritising safety, access, environment and value for money.



#### Statement of Intent (SOI):

AT's SOI sets out our strategic approach and priorities for the next three years (refer to section 4.1 below for a more detailed overview of the SOI).



**ATAP (2018 -2028):** ATAP is the aligned strategic approach of AC and Government on transport investment priorities.



**RLTP:** The RLTP is a plan of how transport delivery agencies intend to respond to growth and other challenges facing Auckland over the next ten years.



**LTP (2018-28):** The LTP provides AC's plans for transport, water infrastructure, housing, parks, community venues, the environment, and improved outcomes for Māori - Te Toa Takitini.



#### Regional Public Transport Plan (RPTP):

The RPTP is a plan of AT's policies, guidelines and activities for the delivery of Auckland public transport focused over a three-year period with a ten-year horizon.



**Auckland Plan:** The long-term spatial plan for Auckland looks ahead to 2050. It considers how to address the challenges of population growth, shared prosperity, and environmental degradation.



#### Asset Management Plan:

The Asset Management Plan sets out how AT manages and maintains transport assets that are essential to connect people and move goods across Auckland.



In 2018, LEK Consulting completed a review of AT's performance in public transport. With respect to the planning and funding framework (set out in the diagram below) LEK found that Auckland has an excessive number of planning documents which overlap, are mis-aligned and are disconnected from funding.

It is also becoming clear that the legislative and regulatory environment provided for by central government, is not keeping pace with many of Auckland's needs and broader global changes.

Specific examples include the regulatory framework for micro-mobility (e.g. e-Scooters) and parking, road safety, and other road use compliance e.g. use of transit lanes where infringements are neither relative or perceived as fair by the community.

### Planning Framework

	GPS	AUCKLAND PLAN	UNITARY PLAN	NLTP**	AC LTP***	ITP^	ATAP^^	RLTP+	RPTP++	AT SOI#	
<b>PLAN TYPE</b>	Strategic direction	✓	✓	✓							
Funding				✓	✓						
Short-medium term transport planning (<10yrs)								✓			
Long-term transport planning (30 years)						✓	✓				
Investment prioritisation							✓	✓			
Delivery							✓	✓	✓		
Accountability										✓	
<b>PLAN CHARACTERISTICS</b>	Revision timeline	NEW GOVT.	ONE-OFF	3	3	3	ONE-OFF	ONE-OFF	3	3	3
Statutory	✓			✓	✓			✓	✓	✓	
Owner	GOVT.					Mix	Mix				
Revision	✓			✓	✓			✓	✓		

Large number of transport planning documents

Some plans are not regularly updated and are out of date

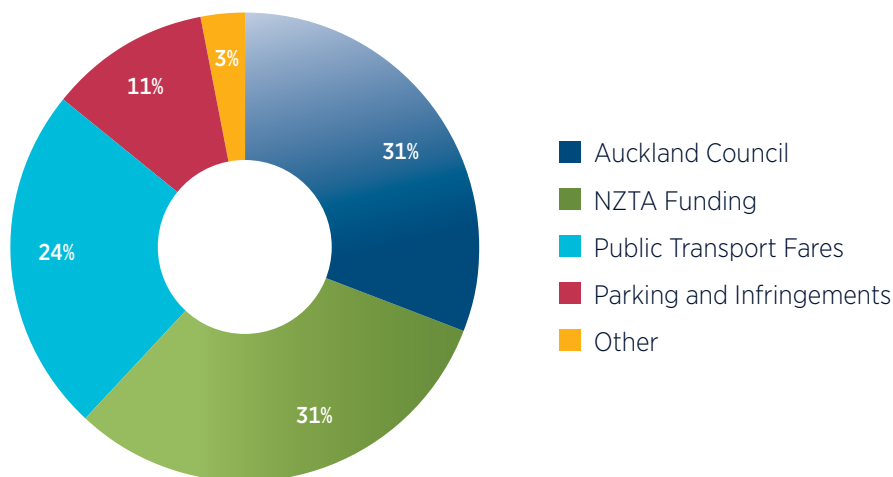
### 3.4.3 Funding

#### 3.4.3.1 Funding Sources

AT's pre-Covid-19 pandemic financial budget for 2020/21 provided for 38 per cent of its operational funding to be sourced from customer charges and commercial sources. This is supplemented by funding from AC (principally rates revenue) and Waka Kotahi (funding).

Waka Kotahi funding comes from the National Land Transport Fund (NLTF), which is comprised of fuel taxes and road user charges. Waka Kotahi funds both operating programmes and capital projects, subject to them meeting eligibility thresholds. AC operating funding mostly comes from rates and some user charges. AC borrows to fund capital projects, and this is paid back through rates.

2020/21 AT Draft operating revenue by source



The scale of revenue generated by public transport fares, parking fees and other sources, over \$380 million projected in 2020/21, has driven a realisation that there is a real imperative to focus on customer experience.

On 1 July 2018, the RFT was introduced across the Auckland region. RFT applies to petrol and diesel. Projected revenue from the RFT is \$150 million per annum, or \$1.5 billion over 10 years paid to AC. This allows AC to increase the capital funding provided to AT to deliver infrastructure projects. The core of AT's capital programme is a package of 14 projects and programmes approved through the RFT scheme. RFT will meet \$1.35 billion of the \$4.27 billion total cost of these projects with the remainder funded by the NLTF and other AC funding.

Key activities funded by the RFT are detailed at <https://at.govt.nz/about-us/transport-plans-strategies/regional-fuel-tax/>

Putting aside debates about the equity or effectiveness of RFT as a revenue source, RFT has given AT greater certainty of funding for its capital programme beyond the typical annual budget cycle which has historically been subject to change. It has enabled much of the construction activity now seen across the region and benefits for Aucklanders will be readily seen from mid-2021.

### 3.4.3.2 Funding and decision making complexities

Part of the reason for AT's establishment was to streamline funding and decision-making. While access and timeliness of funding has improved somewhat, the number of funding decision-makers means there are many hurdles to overcome before a project can progress.

Funding is split into many buckets with funding from different sources regularly required for any one project. Funding and the governance are not often aligned, with multiple governance processes having to be worked through for even relatively low value capital projects. In this context, the decision-making process can be challenging and lead to less than desirable progress and outcomes.

Government funding includes the NLTF, crown grants and additional funding schemes on an ad-hoc basis. Government establishes its investment expectations for the NLTF on a three-yearly basis via the GPS. This direction is subject to political decision-making and change every three years. The fund is then administered on a national basis by Waka Kotahi with AT competing for NLTF funds with local and regional councils across the country. ATAP brought a level of agreement between central and local government on the availability of these funds for Auckland, but it does not provide certainty with rules for funding allocation from the NLTF resulting in some difficulties in accessing funding for AT.

The result of the funding and governance framework is that some projects take longer to deliver than they should. This is frustrating for many Aucklanders, elected members and stakeholders.

LEK consulting in its comprehensive report commissioned by the AT Board made the following observations:

**“While a wide variety of local factors influence project timelines, there is some anecdotal evidence that the business case and project delivery processes are somewhat slower and less efficient in Auckland than comparable jurisdictions, hindering AT’s “speed to market”, and ability to deliver projects when needed to support Auckland’s growth and PT mode share increases.**

**Inefficiencies in business case development appear driven by a strategic overlay, capability gaps and excessive requirements (e.g. designed to meet needs of all stakeholders and not scaled down for smaller projects).**

**Slower project delivery appears to be driven by longer proposal/business case development stages (e.g. longer consultation and iteration phases), uncertain annual funding (e.g. confirmed only weeks / months in advance of year-end, causing ramp down/up of projects), and delays in beginning construction once funding is committed.”**

ATAP raised community expectations that particular projects are funded. The reality has not always worked out this way and it has led to frustration and has a negative impact on AT's and AC's reputation.

Many Aucklanders do not appreciate the number of gates and steps to go through to gain funding from the NLTF. During our engagement with the panel we highlighted the process and timeline of the Northwest Bus Early Improvements as just one example.

The northwest of Auckland has limited good quality fast and frequent public transport services. In the context of delays to the Auckland Light Rail project, AT developed a concept which would see short to medium term 'pop-up' improvements in facilities at Westgate, Te Atatu and potentially Lincoln Road with an increase in the allocation dedicated road space for buses on State Highway 16.

The concept was supported by the Minister of Transport, the mayor and a number of councillors.<sup>7</sup>

<sup>7</sup> See <https://www.stuff.co.nz/auckland/local-news/western-leader/117455889/plans-for-popup-busway-on-aucklands-northwestern-motorway>



The project brings benefits such as providing more transport options for those in West Auckland, housing growth in the northwest, and operational efficiencies that would be gained by moving to a bus network similar to the North Shore.

AT has given this project high priority and taken steps such as the direct appointment of a consultant to develop the business case, with a view to meeting AC and central government aspirations.

Noting this context the following diagram highlights the timeline and all the steps involved in business casing and gaining approval for this project to proceed. The process and steps outlined for the Northwest Bus Early Improvements are typical for all projects. The diagram evidences all the steps that must be passed through to progress a project.

### Northwest Bus Early Improvements timeline





The information and diagram are not provided as a basis for criticism of the staff involved in the process either at AT or Waka Kotahi, but rather to highlight the systemic issues.

In section 4 we set out our support for Outcomes Based Funding.

Another stark example of the tangled web of funding and governance complexity is the Connected Communities programme. The Connected Communities programme is set to deliver bus priority, cycling infrastructure, road safety and placemaking improvements on 12 arterial corridors in Auckland. The following matrix highlights the decision rights and the challenges in getting alignment to ensure smooth delivery and outcomes that meets the needs of all parties:

### Connected Communities legislated decision making roles and implications

ENTITY	PROJECT DECISION MAKING ROLE	FUNDING DECISION MAKING ROLE
<b>Waka Kotahi</b>	Waka Kotahi may have a role as a decision-maker where any Connected Communities projects physically or geographically intersect with State Highways.	Waka Kotahi is required to approve funding and the procurement strategy. Under funding rules, it usually only funds transport outcomes and not placemaking outcomes.
<b>Local boards</b>	Local boards have decision-making roles as provided for in LGACA with respect to placemaking and AT must take account of local board plans.	Local boards have limited capacity to fund the placemaking elements of the programme unless they allocate funding from the LBTCF.
<b>AT board of directors</b>	AT approvals relate to inclusion of the programme in the RLTP, commitment to programme of activities, procurement strategy, funding, and delivery.	The AT Board can allocate funds to programme to the extent these are available from Waka Kotahi and AC.
<b>AC (Governing Body)</b>	The Governing Body decides whether the component parts of the programme support AC Policy outcomes by endorsement of ATAP and RFT.	The Governing Body makes the decision about funding the component parts of the programme. Without this commitment the programme will not proceed.

#### 3.4.4 Day to day delivery

Section 3.1 set out the broad scope of AT's activities. In addition AC, Waka Kotahi, KiwiRail, City Rail Link Limited (CRL), Auckland International Airport Limited (as a road controlling authority) and developers play a role in delivering either services, renewing assets or delivering new transport infrastructure across Tāmaki Makaurau.

Most customers that travel on the transport network on a daily basis probably have little interest in which agency delivers which services or infrastructure – they are more interested in travelling safely and with ease regardless of how they travel. They are also interested in ancillary services such as parking.

AT sees itself as the advocate for Aucklanders and customers in terms of their transport needs. Increasingly, it means AT will have to play the role of transport system integrator as more of the transport system is delivered as separate pieces by different agencies. The role of a transport system integrator is critical to ensure all the separate pieces function as they should and make sense to customers.



#### 3.4.4.1 The rules and regulations by which we operate

Many Aucklanders are unaware of the sets of rules and regulations that have been established by Government that provide a framework for what we do every-day<sup>8</sup>. These rules and regulations cover most aspects of our activities and aren't something we can opt-out of.

These rules and guidelines are applied across the whole of New Zealand. As New Zealand has grown so have our communities diversified. Rules and regulations which once might have been generally applicable have become less so. For example, regulations around bus lanes, or parking fines may have lesser consequence for the likes of Taumarunui or Maitua but have significant implications for Auckland.

Some Aucklanders have the view that AT is bureaucratic. How we operate is for the most about the nature of the transport rules provided nationally. By way of example, as 'harbourmaster', 'road controlling authority', or simply by applying procurement rules that are a requirement of accessing central government funding requires us to navigate a raft of rules and guidelines.

We highlight below, through our role as a 'road controlling authority', the breadth of rules and regulations we work to on a daily basis.

#### 3.4.4.2 AT as a 'road controlling authority'

AT is a road controlling authority by way of legislation, which means it controls the operation of most roads in Auckland that are owned by AC.

In completing this task AT, must follow a myriad of rules and guidelines set down in legislation or codes which are for the benefit of all of New Zealand. Simply it means that the way our roads operate are consistent across the country.

Nevertheless, these rules and guidelines are extensive and while they facilitate execution of certain projects, they inhibit execution of others. An example of this is our ability to enforce and take infringement action for vehicles parking on berms.

The diagram on the following pages 20-21, set out in this instance the rules and guidelines we must follow as a road controlling authority.

<sup>8</sup> See s45 of the Local Government (AC) Act for the list of functions and powers of AT.

## ACTS WITH SIGNIFICANT IMPACT ON AT

Local Government (Auckland Council) Act 2009	Created AT – provides direct to powers and governance control over AT. Sets up the framework for the other powers that AT has. Gives AT control of AC roads.	New Zealand Government Te Tari Tahua Internal Affairs
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Land Transport Act 1998	Sets out road controlling authority powers, including to make bylaws and appoint Parking wardens and Transport officers. Various other relevant powers.	New Zealand Government
Local Government Act 1974	Road control powers for councils (and AT).	Te Tari Tahua Internal Affairs
Government Roading Powers Act 1989	More road control powers and expressly allows NZTA to delegate its powers to AT to control state highways.	WAKA KOTAHI
Railways Act 2005	Railway powers and governs interaction of roads and railways.	

Summary Proceedings Act 1957	Governs the infringement notices system used to enforce parking and special vehicle lane offences.	New Zealand Government MINISTRY OF JUSTICE
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## ACTS WITH LESS FOCUS ON AT SPECIFICALLY

Local Government Act 2002	Some bylaw making powers. Governs elements of enforcement, decision making and consultation.	New Zealand Government Te Tari Tahua Internal Affairs
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Electricity Act 1982	Powers in relation to electrical infrastructure in road corridor.	New Zealand Government
Gas Act 1982	Powers in relation to gas infrastructure in road corridor.	New Zealand Government
Telecommunications Act 2001	Powers in relation to communications infrastructure in road corridor.	

Privacy Act 1993	Governs how all organisations gather and use personal data.	New Zealand Government Privacy Commissioner
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Local Government (Official Information and Meetings) Act 1987	Governs some AT meetings and information requests.	New Zealand Government
Ombudsmen Act	Allows for ombudsmen to investigate actions of AT that have an impact on individuals.	Ombudsmen

Coroners Act 2006	Governs Coronial investigations into deaths (including road crashes).	New Zealand Government MINISTRY OF JUSTICE Coroner
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**Rules and regulations to be followed by NZ Road Controlling Authorities**



## REGULATIONS AND RULES

Land Transport Rule: Traffic Control Devices 2004	Specifies the legal requirements for traffic signs, markings and symbols that AT is allowed to or must install on the road.	Minister of Transport WAKA KOTAHI
Land Transport Rule: Setting of Speed Limits 2017	Governs how AT can change speed limits.	
Land Transport (Road User) Rule 2004	Primarily aimed at driver behaviour but does specify certain powers for road controlling authorities.	

Land Transport (Offences and Penalties) Regulations 1999	Specifies the infringement fees and towing charges AT can impose for parking and special vehicle lane offending.	New Zealand Government Te Tari Tahua Internal Affairs
Heavy Motor Vehicle Regulations 1974	Provides AT power to impose weight classifications on roads as well as speed and weight restrictions on bridges.	WAKA KOTAHI

Summary Proceedings Regulations 1958	Governs the infringement notices system used to enforce parking and special vehicle lane offences.	New Zealand Government MINISTRY OF JUSTICE
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## ORDERS IN COUNCIL AND GAZETTE NOTICES

Airport Authorities (Auckland Transport) Order 2020	Established AT as a local authority powers under the Airport Authorities Act 1966.	New Zealand Government
Local Government (Tāmaki Makaurau Reorganisation) Council-controlled Organisations Vesting Order 2010	Vested various legacy council property and facilities in the newly formed AT.	Te Tari Tahua Internal Affairs

Variable Speed Limit in School Zones Notice, NZ Gazette, 2 June 2005, No. 86	Specifies speed limit signs for variable speed limits at urban schools.	WAKA KOTAHI
Variable Speed Limit at Rural Intersections Notice, NZ Gazette, 9 August 2012, No. 94	Specifies speed limit signs for variable speed limits at rural intersections.	
Variable Speed Limit at Rural Schools (Turning Vehicle Hazard) Notice No. 3, NZ Gazette, 6 June 2013, No. 72	Specifies speed limit signs for variable speed limits at urban schools.	

## CODES, GUIDES AND MANUALS

<b>Business Case Approach guidance</b>	NZTA and its investment partners use the Business Case Approach (BCA) to guide planning, investment and project development processes. This guidance is to help with understanding the BCA and how to use it when developing business cases for investment through the National Land Transport Programme (NLTP).	
<b>Code of Practice for Temporary Traffic Management</b>	Sets out nationally agreed standards and guidance on temporary traffic management – in particular for when a road (or part of it) is temporarily closed.	
<b>Guidelines for developing and implementing a safety management system for road controlling authorities</b>	A manual for the development and implementation of a safety management system by a road controlling authority.	
<b>Traffic Control Devices Manual</b>	Guidance on industry best practice, including, where necessary, practice mandated by law in relation to the use of traffic control devices. Slowly replacing MOTSAM.	
<b>Manual of Traffic Signs and Markings</b>	The policy and location requirements for traffic control devices, as well as guidance on best practice and specifications.	
<b>Sign Specifications</b>	Website based specifications and drawing of NZ Traffic Signs.	
<b>Coloured surfacings specification</b>	This specification describes the application of coloured surfacings for use on roads, cycle ways. Does not cover high friction surfacings.	
<b>Signs and markings to designate paths for pedestrians and cyclists</b>	Best practice guidance note recommends where and how to use markings and/or signs that designate paths for pedestrians and/or cyclists.	
<b>Bridge manual</b>	This Bridge manual sets out the criteria for the design and evaluation of bridges, culverts, stock underpasses and subways, the design of earthworks and retaining structures.	
<b>Maintenance guidelines for local roads 2012</b>	Reference document guiding acceptable maintenance levels for local roads. It is an asset management guide.	
<b>Sealing chip specification</b>	This specification sets out the material requirements for five size grades of sealing chip for use on state highways and other heavily trafficked roadways.	
<b>New Zealand guide to pavement structural design</b>	New Zealand guide to pavement structural design is to be used for the design of new pavements.	
<b>Standard safety intervention toolkit</b>	Standard safety intervention toolkit is intended to provide guidance for road practitioners of all types and levels of professional experience.	


<b>Austrroads Guides</b>	Austrroads publishes a range of Guides which cover the design, construction, maintenance and operation of the road network in Australia and New Zealand.	<b>Austrroads</b>
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Rules and regulations to be followed by NZ Road Controlling Authorities





## CODES, GUIDES AND MANUALS CONTINUED

<b>Total Mobility scheme: policy guide for local authorities</b>	Total Mobility scheme assists eligible people, with long term impairments to access appropriate transport to meet their daily needs and enhance their community participation.	
<b>High-Risk Rural Roads Guide</b>	How to identify high-risk road sections and, using the Safe System approach, provides best practice guidance on targeting and addressing key road safety issues on high-risk rural roads.	
<b>High-risk intersections guide</b>	Guide to assist road controlling authorities in targeting intersection safety improvements to the highest risk intersections and providing a nationally consistent application of proven countermeasures.	
<b>Asphalt surfacing treatment selection guidelines</b>	Guidelines for surfacing treatment selection written for asset managers, surfacing engineers and pavement designers. They aim to guide the reader in the engineering decision making and processes that need to occur in selecting a road surfacing treatment.	
<b>Cost estimation manual</b>	A manual for use by consultants when preparing cost estimates. It contains all NZ Transport Agency's procedures and guidelines for producing, reviewing or submitting estimates for capital projects.	
<b>Traffic Note 10 Trials of traffic control devices</b>	Application form for new traffic control devices trail.	

<b>Transport Design Manual</b>	Auckland Transport's Transport Design Manual provides the design guidance and engineering requirements for the development and delivery of well-designed transport projects and their operation.	
<b>Resolution and approval reports guidebook</b>	Guide to writing resolution reports on parking and traffic controls to be decided by AT's Traffic Control Committee.	

## JUDGEMENTS

<b>Findings and recommendations of the Coroners Court</b>	Reports from the Coronial service on deaths caused in road crashes.	 Coronial service
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<b>District Court Judgements</b>	Decisions on infringement fee notices for on Parking and Special Vehicle Lane casts that are taken to court.	
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<b>Ombudsman Case Notes</b>	Outcomes from Ombudsmen investigations.	<b>Ombudsmen</b>
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<b>Privacy Commissioner Case Notes</b>	Outcomes from Privacy Commissioner investigations.	<b>Privacy Commissioner</b>
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### 3.4.4.3 Reliance on our supply chain partners

Very few New Zealand organisations operate in such a diverse environment offering the range of services (or products) that AT does.

RFT funding had, prior to the Covid-19 pandemic, paved the way for an unprecedented level of new transport projects and a clear pipeline. It also means that AT has limited ability to accommodate cost increases, changing priorities, or to reallocate and realign programmes. While we agree with the programmes set out in the RLTP, RFT and the LTP, it does mean some members of the community, including local boards, do get frustrated when we are unable to accommodate new or different projects or timing.

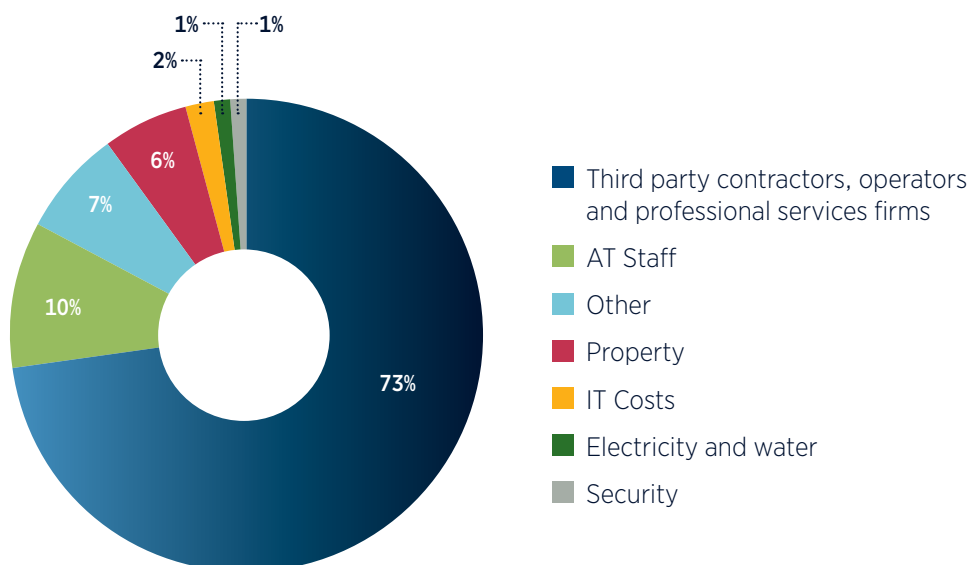
The delivery expectations of AT have dramatically increased. For example, AT’s capital programme, excluding City Rail Link (CRL), will have doubled between 2015/16 and 2019/20. Even taking account of the Covid-19 pandemic we, through private sector construction and professional services companies, are on target to deliver over \$800 million of new capital investment and renewals in 2019/20.


A significant programme of work is underway in the city centre – the Downtown programme, construction of CRL, upgrades to city streets and new cycleways. Furthermore, there is a significant amount of private sector development underway, such as Commercial Bay. Pressures to have this work completed in advance of the Auckland 2021 events programme has meant high levels of construction in the city centre as well as across the broader region. There is no doubt this level of activity, and progress, is far more than what Aucklanders have been accustomed to. It comes with frustrations for businesses and those travelling around our city centre and the broader region.

This programme of work is expected to continue until at least 2024 and the disruption to transport users will be a continuing challenge. AT is working closely with AC, other agencies and business and residents’ associations to minimise impacts and encourage different transport behaviours.

Like infrastructure delivery, private sector designers, constructors, operators and maintainers deliver services on our behalf. As shown in the following graph over 73 per cent of our services, such as public transport services or road maintenance, are delivered or operated by service providers. A healthy and robust service provider industry, with adequate capacity and skills, is essential if AT is to deliver its capital programme and contracted services efficiently and effectively.

Composition of 2019/20 AT Expenditure\*





AT is highly leveraged in a reputational and value for money sense to its supply chain. The performance of our service providers has an impact on our customer experience and AT's reputation. Recent examples which demonstrate this include signalling failures on the rail network and industrial disputes between bus drivers and their representatives and bus companies.

### 3.5 The increasingly fragmented environment in which we work

The environment that AT operates in is becoming increasingly complex. As a result, there is a growing risk that good customer outcomes, which are key to addressing congestion, climate change, safety, growth and value for money, will not be achieved.

AT was set up as a single integrated regional transport agency. One of the key benefits anticipated was the integrated delivery of improved transport network outcomes. There have been a number of examples of these outcomes being delivered including the new regional public transport network, integrated public transport fares and the AT HOP card, parking services integration such as the AT Park app and the urban cycling network, currently in delivery.

AT regards its key role to be the 'mobility integrator' for Auckland. That means sitting alongside AC (in particular) and Government agencies planning the transport network. This role also means facilitating the journeys that Aucklanders and visitors make from their point of origin to their ultimate destination regardless of – whether those services are controlled and delivered by Auckland through its contracted and partnered suppliers, or directly by private sector entities.

In February 2020, the New Zealand Upgrade Package ("NZUP") brings forward investments in Penlink, Mill Road, the Northern Pathway and rail stations in Drury. Under the normal course of events the bringing forward of projects of this nature, set out in ATAP and the RLTP, would be considered between AC, AT and Government.

The Government's decision to bring forward these projects seems to have ignored considerations such as AC's ability to fund the local network connections for these projects. This is likely to be problematic for AT and AC as it may mean:

- Unless Government funds the local connections, other projects already committed to Aucklanders will have to be deferred or, the full benefits of the NZUP programme will not be delivered; and
- The priorities of AC and AT are under-emphasised.

More delivery agencies may be created through the likes of the (now delayed) Auckland Light Rail project and the powers being conveyed through the Urban Development Bill to Kāinga Ora. The Land Transport (Rail) Legislation Bill is before the Transport and Infrastructure Select Committee of Parliament. The bill proposes changes to the land transport planning and investment system, with significant implications for rail planning and funding processes, including the RLTP.

NZUP sees a continued trend where Government mandates delivery of projects in Auckland by its own agencies. The creation of more delivery agencies, such as CRLL, and the transfer of delivery of projects to Government agencies without recognising of AT's role as a network integrator and the delivery agent for the connecting local networks means that the benefits for Aucklanders are increasingly at risk.

Further, there is a heightened risk of inconsistency in execution and risk of new projects not being fit for purpose for customers. AT is working alongside these agencies on many projects, although the importance of having local customer knowledge is not always immediately understood.

The delivery framework is also being fragmented by the entrance of new players in the micro-mobility and technology space, for example Uber and the introduction of shared e-scooter providers. AT has limited ability to regulate these players and yet there is an expectation from Aucklanders that AT will manage the impact of these new transport modes.



The impact of this for AT is three-fold:

- It has always been important that AT and AC are aligned. The current trends means this is more important than ever.
- A key element of AT's culture and transformation programme (see section 4) is focussing on enhancing customer experience, improving collaborative behaviours and strategic partnering with others. These focus areas will reduce the risk of conflict between AT and other partners. Without these changes transport improvements will either suffer from time or cost overruns or, the delivery of infrastructure and services which are not fit for purpose.
- AT must increasingly be the advocate for Aucklanders transport needs. AT will need to increase its ability to influence and shape the views of others – especially those in central government.

### 3.6 Transport planning – the role of AT or AC?

One issue that has surfaced through the work of the panel has been whether AT should continue to develop policy, and particularly the RLTP, and AT's views in respect of a joint board and governing body approval process.

The task of developing and approving the RLTP is to be undertaken by the Regional Transport Committee (made up of AT's Board and a Waka Kotahi representative) under the Land Transport Management Act 2003 (LTMA).

As noted in section 3.3 the LTMA effectively provides that the RLTP must be consistent with the GPS. It also provides that the RLTP must take into account any relevant AC policy plans that are in force.

This means the RLTP must take into account the Auckland Plan and LTP in addition to other policy directions from AC. The current version of the Auckland Plan specifically includes outcomes and focus areas with respect to 'Transport and Access' which are reflected in the current RLTP.



In short, the RLTP sets out the transport investments that will be made in new assets, asset renewals and services. The process for its development provides a platform for debate over priorities and AT remains committed to engaging with AC on the development of the RLTP to ensure it meets its' expectations.

In our view, it would be very helpful for the RLTP to also be the 30-year strategy for transport in Auckland, directly tied to the Auckland Plan. It would make telling Auckland's transport story much more straight forward by providing a 'single version of the truth'.

There are already mechanisms such as ATAP and joint working groups which exist to enable the development of broader policy in Auckland and these have been effective.





An example of this includes the refresh of the City Centre Masterplan, led by AC and the Tāmaki Makaurau Vision Zero Strategy, where AC is represented on the Tāmaki Makaurau Vision Zero Governance Group. They are effective because they bring together the high level strategic, policy and regulatory view of AC and on the ground and delivery insights from AT.

We also note that there appears to be a growing divergence in views between the Crown and AC with respect to the prioritisation and phasing of the transport capital programme for Tāmaki Makaurau. This has the potential to undermine AC's and AT's priorities noting the difference in the capacity of AC and the Crown to fund transport capital investments.

In this context we believe it is more important than ever that AC and AT are strongly aligned with respect to their priorities in terms of transport policy and the programme that will deliver the policy outcomes moving forward.

The AT Board and the Governing Body have met several times over the last year to discuss the best way to create a transport strategy for Tāmaki Makaurau that is the 'single source of the truth' and that would enable clear and consistent communication with Aucklanders about transport initiatives.

We believe workshops that allow both parties to participate in shaping the RLTP, ATAP and the transport aspects of the Auckland Plan plus the contribution of liaison councillors (at AT Board meetings), who represent the views of Governing Body are important to furthering this approach.

Consistent with this approach and noting the need to fulfil the policy expectations of Central Government, AT would be comfortable seeking endorsement from the Governing Body of the consistency of the RLTP with the policy direction of AC.

We believe this approach would be the most optimal way forward as an alternative to a binary approach which sees 'policy' capability exclusively in one of either AT or AC.



## 4: Key issues discussed with the panel



### 4.1 Culture

AT recognised that its' organisation culture needed to improve in 2017. Recognition of this played a key role in the appointment of the new CEO who formally took up the role in late December 2017.

Shortly after that time a number of changes started to be made as part of a culture and transformation programme with the aim of:

- Improving the experience Aucklanders have dealing with AT either as members of the community, as customers, as elected members, or as stakeholders;
- Achieving consistently high levels of performance across all parts of the organisation; and
- Making AT a great place to work where staff thrive together, and work together effectively to deliver for our customers and communities.

Our efforts for improving the culture have been focused on enhancing the quality of our leaders, ensuring all our people are clear on our purpose and the role they play in achieving this, embedding values that are at the heart of our people and hiring decisions, improving employee communication and involving our people in decision-making.

The co-creation with our employees and embedding of our organisational values (**Auahatanga** – Better, bolder, together; **Whanaungatanga** – We connect; **Tiakitanga** – Safe with us; **Manaakitanga** – We care... full stop.) has created a collective sense of who we are and how we should treat each other, as well as reinforce our cultural linkages to Māoritanga .

Our Diversity and Inclusion Strategy is an example of our commitment to creating a thriving and inclusive culture. We have seen pleasing increases in our Māori and Pasifika employee representation as well as a steady increase in women in senior leadership roles. We have set bold targets around these areas and are also about to roll out a programme focussed on creating awareness of the impacts of unconscious bias in the workplace.

Our Graduate Programme is an example of how we are focussing on youth and bridging the development gap for professions such as planning, technology and engineering. In 2019 our programme ranked 32nd in NZ's top 100 graduate employers – another pleasing result as it compares AT with all top corporate employers across all sectors.

In early 2020, 18 months after the first initiatives in that culture and transformation programme were put in place there is clear evidence that AT's culture is improving. We measure this change using the globally renowned Organisational Culture Index (OCI). The results have been peer reviewed by two culture experts. Neil McGregor, Lead Consultant at Human Synergistics New Zealand, has stated in a letter to the panel:

**The results from this survey highlight:**

- **29 of the 31 causal factors [that drive culture] have improved.**
- **As a result of the improvement in culture, the outcomes at the individual, group and organisational levels have all improved.**

And:

**“It is important to note that the first steps are the most difficult. If AT can keep the momentum going and stay committed to cultural change at all levels of the organisation, this move towards their ideal culture will continue, and in a couple of years begin to accelerate”**

A second expert, Jessica Gallienne from Organisation Dynamics states:

**“There are four cultural styles (out of a possible twelve) which have shifted more than 10 per cent towards a more constructive culture, which is considered a statistically significant increase.**

**This is generally considered to be a very big culture shift in an 18-month period by experienced Human Synergistics practitioners, particularly given its context in a publicly governed organisation and it being the first ‘period’ of intentional culture change.**

**The nature of the change in the culture is interesting, where there was once a propensity to use authority to make things happen, never relinquish control and demand loyalty, where these habits have all decreased and there is now more of an emphasis on being supportive, being a good listener, and showing concern for the needs of others. This will likely go a long way in supporting Auckland Transport better serve its community, customers and stakeholders.”**



Changing cultures in large organisations in complex environments takes time and we know there is more work to be done to improve our culture. However, we have clarity on the further actions and activities that need to be undertaken to deliver consistently high performance and improve the working environment for our employees. Specifically, we need to simplify and streamline our internal processes to make life easier for our employees, and improve customer experience through resolution of requests at first point of contact. We also need to grow our capability with regards to customer and community engagement, equip our people with new skills and abilities to adapt to a future that is rapidly changing and continue to focus on building great leaders.

We truly believe that organisational culture is key to delivering our objectives and will remain a critical priority and focus for the AT Board, executive and everyone at AT.

## 4.2 Communications

AT's communication activities take a number of forms to engage with Aucklanders, partners and stakeholders. For example, AT's Call Centre alone averages 820 interactions per day, the organisation has over 500,000 registered HOP card users who receive personalised information, and its social media channels (Facebook, Twitter, Instagram and LinkedIn) currently have 192,684 followers. Mainstream media (unpaid) is an important part of AT's communications mix as is paid media (e.g. advertising and marketing campaigns) which primarily drive safety and behaviour change messages.

The scale of the investment in transport and addressing the focus areas for 'transport and access' in the Auckland Plan will require:

- AT to constantly review the way it engages with Aucklanders.
- Work with AC (as well as CRL, KiwiRail and Waka Kotahi, and New Zealand Police to deliver a joined-up approach to communicating the transport strategy and day to day transport activities.

We have been aware that there needs to be greater effort made and resource invested in communication particularly over the last 18 months. In response, we have taken steps to make immediate improvements. Just a few of these include:

- In May 2019, a weekly consultations and community engagement review meeting was set-up. The purpose of this meeting is to provide executive level assurance over consultation material prior to it being distributed to communities. The objective is to ensure that the material being provided to Aucklanders about projects and proposed changes to services is understandable.

- In late 2019, we introduced a 'tone of voice guide' and templates to provide a more consistent approach to communicating with customers. Training has also been provided to frontline customer contact centre staff in this material.
- Increasingly we are using research which asks Aucklanders what they think about key transport issues to sit alongside more traditional engagement techniques to inform our decision-making. An example of this was the research undertaken in mid-2019 as part of the development of the Speed Limits Bylaw.


Recognising the importance of this issue more actions targeted at improving communications are underway. These include:

- Development of a 'trust and confidence' blueprint. This objective of this blueprint will be to prioritise initiatives that continue to lift the perception of AT in the eyes of Aucklanders. This is expected to be considered by the AT Board in mid-2020.
- A review of how AT is organised to undertake communications and engagement is almost complete. Subject to appropriate consultation with staff and business casing the intention is to create sub-regional teams to better communicate and engage with local boards and communities and build more positive, ongoing relationships. The model would see the creation of a strategic communications capability that has not to date existed within AT.

Council and AT's role in telling the wider transport story is set out in the AC Group Communications Framework and Action Plan 2018/19 approved by the chief executives:

**"AC – communicate and engage with Aucklanders on the vision, plans and policies of council; raise awareness of and promote services and facilities of council.**

**Auckland Transport – consult on, raise awareness of and promote the development of Auckland's public transport network, major infrastructure projects such as AMETI, active modes and safety initiatives".**



Noting the roles of Council and AT we also propose, for the Panel's consideration, that an integrated communications strategy and supporting annual programme of communications activity is developed by AT's and AC's communications experts with the strategy and annual programme to be endorsed by the CE's of both organisations

More needs to be done but we believe we have taken positive initial steps to tackle the scale of this challenge. This view is supported by the fact that the culture, customer experience, and communications initiatives we have taken have seen, for a second straight year, AT improve its reputational score as independently measured by Colmar Brunton. In addition, we are also pleased to note that AT has won a Public Relations Institute of New Zealand Award 2020 for our work on communications related to the Safe Speeds Programme.

### 4.3 Customer focus

The AT Board recognised several years ago that AT needed to accelerate its efforts to become more customer-centric.

Customer centricity is crucial to attracting more Aucklanders to use buses, trains and ferries and use bikes, safer transport outcomes, efficient spending and is central to delivering an optimised workforce culture. The Covid-19 pandemic aside, Auckland is moving into an exciting period of growth, disruption and change. We recognise that delivering on these challenges requires a step-change in how we think about our customers and the experiences people expect to have on, or around our network every day.

As part of this journey, a customer experience function was established in 2018, bringing together different customer-centric capabilities from across the business. Forming a customer experience function signalled a strong commitment from AT to genuinely improve the experience that people have on Auckland's transport system. The function now has a structure and the capability to enable improvements for customers to be delivered more quickly and effectively.

#### 4.3.1 Key parts of our approach

Key elements in those efforts and next steps in becoming more customer-centric are our Customer Value Proposition (CVP), our customer experience blueprint and our omnichannel strategy.

##### 4.3.1.1 Co-design of a CVP

In February 2019, AT's CVP was endorsed by a committee of the AT Board. The CVP is to:

**"ENABLE AUCKLANDERS TO MOVE FREELY WITH CONFIDENCE"**

Research was conducted with customers and ratepayers from June to September 2018. The goal was to orientate the AT around the needs of customers, empower staff to focus on commonly understood customer value drivers and put customer needs at the centre of what we do. This is the first time AT has had a CVP for the whole organisation.

#### 4.3.1.2 Development of a Customer Experience Blueprint

AT's customer experience blueprint is focussed on the experiences Aucklanders have on and around our network every day (e.g. commuting, school travel, local living). It was endorsed by the AT Board's Customer and Innovation Committee in February 2019, created a focus on key experiences and gives direction to improve services for Aucklanders and those visiting Auckland.

The workplan addresses issues such as responsiveness to customers and elected members and enables the redesign of key customer experiences.

The blueprint helps define how we think about customers at AT, involves understanding their needs, pain points and barriers to mode shift and the specific interventions required to address them.

Our core customer experiences are:



##### COMMUTING

Travel to and from work or other daily destination. Typically the same journey every day, but with flexibility of timing or mode.



##### WORK TRAVEL

Travel during the normal working day/shift as part of my job, often travelling small and large distances to see clients/partners.



##### DELIVERY AND FREIGHT

Travel during the day to deliver goods or people from place to place across Auckland.



##### SCHOOL TRAVEL

Travel to and from primary, intermediate and secondary school across Auckland.



##### TERTIARY TRAVEL

Travel to and from education, between campuses and part time jobs for tertiary students.



##### LEISURE

Travel outside of work, either on the weekends, in the evenings, after socialising, or during the week if I don't work.



##### NEW TO AUCKLAND

Travel into and around Auckland as a new visitor experiencing the city for the first time.



##### COMMUNITY LIVING

The impact the transport network has on residents and business in my neighbourhood.

#### 4.3.1.3 Execution of an Omnichannel Roadmap

Channels are the front door for customers to interact with AT – they are extremely important to in improving customer outcomes. Our customers and ratepayers interact with AT over 3.5 million times per month on an extensive range of topics, with 2.8 million interactions (89 per cent) occurring online.

The way customers engage with AT has evolved over time. Following a full operational review AT's omnichannel strategy was approved by the AT Board in February 2019.

Based on international best practice and customer research we have identified key strategic moves and seven core opportunities to deliver a step-change the experience for customers.

#### 4.3.2 Enhancements already delivered for customers

Since the Customer Experience function was established it has built on previous work done by AT and delivered on the following outcomes for customers over the past 18 months.

Examples include:

- Successful implementation of an upgraded Customer Relationship Management (CRM) system in November 2019 and upgraded call centre telephony solution. It has enabled full transparency of our customer service performance to customers, management and elected members.
- Vastly improved resolution of feedback about bus services on first contact. This pilot commenced in April 2019 with new tools and information for our frontline staff to give better quality updates. Today approximately 50 per cent of customers have their queries resolved on first contact.
- Digital engagement continues to grow rapidly. Over the past three years we have delivered several digital solutions that have high take-up and use. AT is now well placed to accelerate our digital programme to provide customers with fast, easy and real-time interactions which

will improve acquisition and retention.

Just one example of success is the AT Mobile app launched in May 2017 which now has 218,000 monthly active users with over three million user sessions per month.

- The AT website has ~1 million user sessions per month. Usage has remained steady over the past 12 months, despite many customers moving to the AT Mobile app.
- The customer service performance dashboard produced monthly, shows strong and consistent performance on all key measures. This report measures response times, customer satisfaction, complaints, health and safety, Local Government Official Information Management Act (LGOIMA) statutory obligations and responsiveness and resolution times to elected members.
- In late 2019, AT won the “Excellence in Public Sector Citizen Experience” category at the Australasian Customer Experience Awards. AT was recognised for innovation with the AT Mobile app.



### 4.3.3 The next step – a ‘one-stop shop’ for transport feedback

Having made these improvements, AT is well positioned to provide more efficient and responsive access to transport information and improve service to customers through its call centre. This would be done by extending the role of AT’s call centre to include a full range of transport-related queries.

Current transport-related customer service support sees 230,000 – 250,000 roading, parking and harbourmaster calls per annum which are initially handled by AC and then passed on to AT for resolution. There are technology constraints for the AC call centre team that hinder the provision of a higher level of service and shorter resolution times, such as access to AT’s CRM system.

Consolidating these calls into AT’s contact centre will enable more consistency and responsiveness in customer service, reducing frustration with delayed response times, relaying of customer cases and the need for follow-up. A summary of benefits is provided in the table below:

BENEFITS	DESCRIPTION
<b>Improved customer responsiveness</b>	<ul style="list-style-type: none"> <li>• First contact resolution rates increase as a result of being able to identify process improvement opportunities more easily identified</li> <li>• Service levels improve due to leveraging cross skilled staff across all AT channels and transport products</li> <li>• Closer relationships with subject matter experts that can drive accountability leading to improved responsiveness</li> </ul>
<b>Increase in customer satisfaction</b>	<ul style="list-style-type: none"> <li>• Creation of a one-stop-shop for transport customers who interact with staff who have specialist knowledge resulting in higher quality interactions</li> <li>• Consistent service experience no matter how Aucklanders interact with AT including a consistent way of monitoring performance</li> </ul>
<b>Reduction in customer case resolution times</b>	<ul style="list-style-type: none"> <li>• Complaint resolution time decreases in some areas due to the removal of double handling</li> <li>• Error rate decreases leading to less complaints being bounced between teams</li> </ul>
<b>Better understanding of customers</b>	<ul style="list-style-type: none"> <li>• Easier to identify improvement opportunities using data, staff feedback and all-inclusive customer feedback</li> <li>• Elected members provided with a complete transport view of customer interaction types and service performance</li> </ul>
<b>Reduction in operational and technology costs improving rate payer value for money</b>	<ul style="list-style-type: none"> <li>• Leverage AT support resources and structures: recruitment, rostering/workforce management, training, reporting, insights, process improvement and digital self-service channels</li> <li>• Recent cross-training and upskilling means staff are able to be deployed flexibly in accordance with customer demand</li> <li>• More effective handling of changes in demand by optimising resources and redeploying staff</li> <li>• Reduction in transfers from frontline to back-office, allowing back-office staff to handle complex customer queries</li> <li>• Reduction in follow-up calls as most calls can be resolved on first contact or case managed through CRM</li> <li>• Less time updating and maintaining two knowledge bases</li> <li>• Reduction in technical debt i.e. webforms managed by an external vendor no longer need to be supported</li> </ul>

Productivity gains achieved through consolidation are anticipated to unlock material cost savings for the wider AC family, with further potential reductions by conversion of call volumes to self-service channels.

This approach is consistent with the rationale proposed by the Auckland Transition Agency in 2010.



## 4.4 Māori outcomes

AT is committed to working in partnership with Māori across Tāmaki Makaurau. We expressly recognise the status of iwi as provided for in Te Tiriti o Waitangi and acknowledge that areas with higher Māori populations have historically been underserved, with more limited transport choices.

AT is also committed to delivering outcomes for Māori, whether in collaboration with the AC whanau, working in partnership with other agencies or, in its own right.

### 4.4.1 Māori contribution to decision-making

Section 40(a) of the Local Government (AC) Act 2009 provides that AT **‘in meeting its principal objective ... and in performing its functions, .. must establish and maintain processes for Māori to contribute to its decision-making processes’**.

AT’s Māori Policy and Engagement team work alongside operational and project teams across AT to enable engagement with both mana whenua and matawaka.

#### 4.4.1.1 Mana whenua engagement

AT hold monthly mana whenua hui to engage on operational matters. Hui are held in the north/northwest, central and southern parts of the region to enable all iwi to engage in projects that are relevant to them. The purpose of these hui is to include mana whenua in decision-making at the operational level in projects from the beginning to the end. Twenty-two hui had been held from 1 July 2019 through to Alert Level 4 of the Covid-19 pandemic.

AT staff and mana whenua meet outside the monthly hui as required to discuss any matters that need further consideration. In addition, we undertake separate specific engagement hui on statutory consultations, including new bylaws or the development of the RLTP.

This engagement is formalised through a Master Services Agreement with each mana whenua entity. AT also has its own Māori Engagement Framework, which was developed with iwi/mana whenua and gives guidance to our people to engage effectively.

In 2016, AT sought feedback from mana whenua on our engagement. Interviews were held with Ngāti Manuhiri, Nga Maunga Whakahii (Ngāti Whatua Kaipara), Ngāti Whatua Ōrakei, Ngāti Tamaoho, Te Ākitai Waiohua, Te Uri o Hau, Ngai Tai ki Tāmaki, Ngati Rehua, Te Uri o Hau. Ngāti te Ata, Ngāti Maru, Ngāti Paoa and Ahi Waru kaitiaki provided input at mana whenua transport hui.

The majority of mana whenua interviewed considered that AT’s efforts to engage meaningfully with mana whenua were good and improving.

#### 4.4.1.2 Mataawaka engagement

Matawaka engagement is through our community transport and road safety teams for specific projects. Specific mataawaka engagement is undertaken when required.

#### 4.4.1.3 Tāmaki Transport Table

AT and Waka Kotahi historically hosted the Tāmaki Transport Table – a forum where senior executives – engaged with rangatira from mana whenua on transport matters.

In late 2019, at the request of mana whenua representatives, engagement that would have previously occurred through the Tāmaki Transport Table is now facilitated through the Mana Whenua Kaitiaki Forum.

#### 4.4.2 AT Māori Responsiveness Plan

The AT Māori Responsiveness Plan (MRP) was endorsed by the AT board in October 2017. AT's Māori Policy and Engagement team meet regularly to monitor the progress of actions in the MRP.

A key element of AT's Māori Responsiveness Plan is 'Ngā Kete Kiwai. Fundamental to iwi/mana whenua engagement is the education of AT's people. Ngā Kete Kiwai is AT's Māori learning and development programme. The four courses that are in the Ngā Kete Kiwai programme are:

1. Te Tiriti O Waitangi Ki Tāmaki Makaurau – The Treaty of Waitangi In Auckland
2. Tuia Ka Mana Māori – Māori Outcomes and Responsiveness
3. Hōnonga Ā-Tinana Ā-Wairua – Māori Engagement
4. Te Reo Māori & Tikanga – The Māori Language and Customs

There have been over 1,000 attendees at Ngā Kete Kiwai courses in 2018 and 2019.

#### 4.4.3 Te Toa Takitini outcomes

Te Toa Takitini is a top-down approach to significantly lift Māori economic, social and cultural well-being, strengthen the council group's Māori effectiveness and maximise post-Treaty of Waitangi settlement opportunities. AT's chief executive is part of the executive steering group.

Historically it has not been easy to access funding through the AC Te Toa Takitini initiative to make progress on tangible outcomes. More recent signs show promise and we hope to be able to unlock funding and deliver more outcomes, more quickly for Māori.

As part of the Te Toa Takitini approach, three key outcomes are receiving prioritised focus. These are Marae development, Te Reo Māori, and Māori business, tourism and employment.

##### 4.4.3.1 Marae development

AT makes a key contribution to marae development outcomes through the provision of safe access to marae across the region.

AT will contribute to an improved driveway and parking facility for the marae and kohanga reo to benefit mana whenua and the wider community. AT also worked with the council and CCOs to invest in storm and wastewater improvements to deliver good environmental outcomes at the marae.

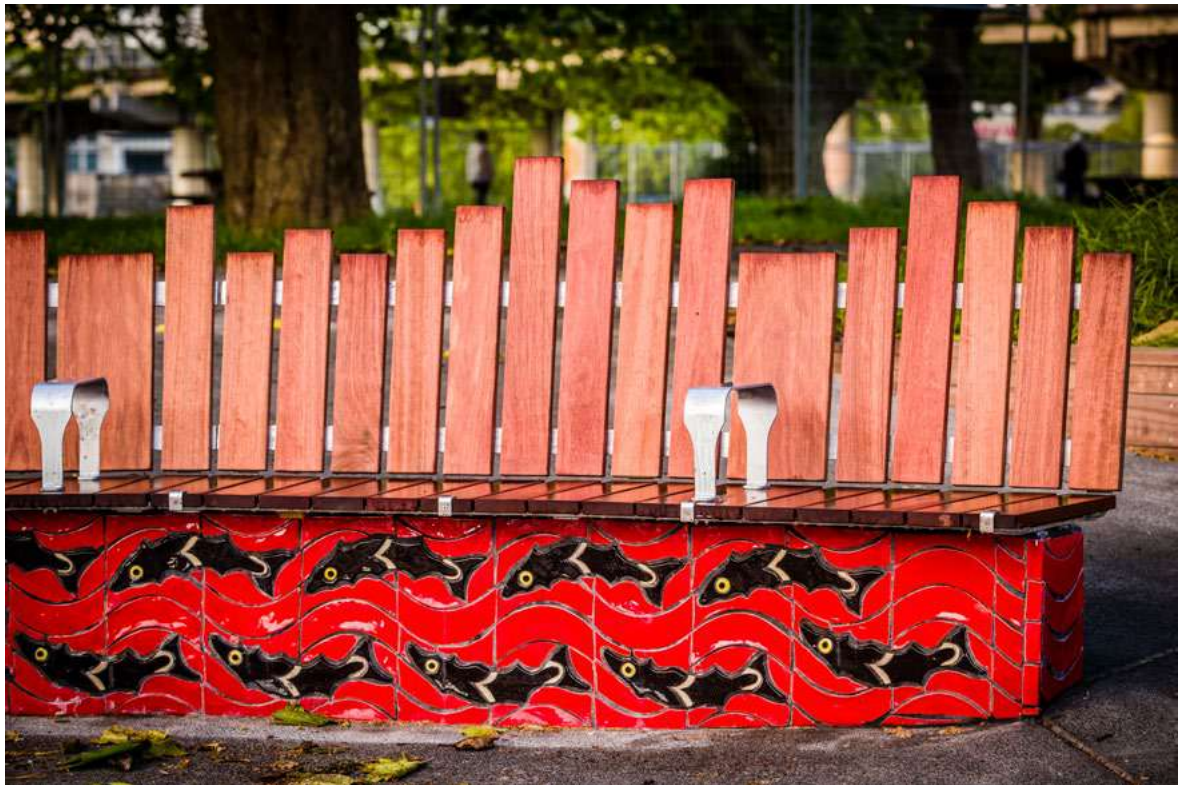
##### 4.4.3.2 Te Reo Māori

In early 2018 AT made the decision to implement Te Reo Māori on public transport. The implementation started on trains and is now being rolled out on the bus network. The importance of this decision and implementation cannot be understated. It was recently recognised by Te Taura Whiri i Te Reo Māori – the Māori Language Commission, that recently wrote to us and stated;

**“One of the features of Tāmaki Makaurau is how public transport in our biggest city is bilingual: in terms of what we call language landscaping, it is a game changer in terms of normalising our nation's first language.”<sup>16</sup>**

The use and further rollout of Te Reo in public spaces under the guardianship of AT will continue.

16 Ammunson, C. (2020). "Email to Shane Ellison dated 27 February 2020".



#### 4.4.3.3 Māori business, tourism and employment

AT contributes to Māori business and employment outcomes through two key initiatives – social procurement and our graduate and intern programme with Tuputoa.

More information on our approach to social procurement is included as a case study at the end of this document. Our most recent milestone in our social procurement journey is directly awarding a contract to a 'He Waka Noa' business as a result of its sustainable procurement programme.

AT is seeking to grow the number of Māori employed by us with opportunities through our graduate programme. Ultimately, we want to have a workforce which is more representative of Auckland's population so we can better engage with Aucklanders.

Over the past two years we have been working with Tuputoa to develop a graduate and internship programme for Māori and Pasifika. It is working well for AT on many levels. Tuputoa's chief executive has written in support of the programme and Tuputoa's relationship with AT:

**“We have found our relationship with Auckland Transport to be a mutually beneficial one based on the principles of collaboration and trust. Their commitment to diversity and inclusion overall, and specifically for improving Māori and Pacific outcomes aligns well with our reason for being and is demonstrated right from the senior leadership team and throughout the organisation.**

**Tuputoa interns have found their internships with Auckland Transport to be meaningful learning journeys. We are especially delighted that they have all transitioned into graduate roles with the organisation – a win win for Auckland Transport, Tuputoa and most importantly our young Māori and Pacific graduates. This strengthening of the pipeline of diverse talent within Auckland Transport has also been supported by concerted efforts to build cultural capability within the organisation.”<sup>17</sup>**

17 Fitisemanu, A (2020). "Letter to Lynette Reed received 22 April 2020".

#### 4.4.4 Other initiatives focussed on delivering Māori outcomes

##### 4.4.4.1 Te Waharoa (Māori Information Portal)

Te Waharoa is a software solution to provide a centralised system to capture and manage information relevant to Māori. This unique resource is a centralised place for AT staff and Māori to communicate on projects. AC has asked to be able to utilise the portal.

##### 4.4.4.2 Te Aranga Design Principles

The application of Te Aranga Design Principles is embedded in many AT projects. The principles are applied and showcased in large infrastructure buildings like Manukau Bus Station and Ōtāhuhu Railway Station. The Te Aranga Design principles are now being used for many other initiatives such as the design of the new AT HOP card, AT's 2019 Annual Report and the refreshed AT values.

##### 4.4.4.3 Māori road safety through the Vision Zero strategy

As part of the Tāmaki-Makaurau Road Safety Governance Group, AT was able to include in the Vision Zero Strategy, with the support of the other organisations, a treaty-based approach and the AT Te Ara Haepapa Māori Road Safety Programme. Accident Compensation Corporation has expressed real interest in the approach and outcomes being achieved by Te Ara Haepapa and has committed additional funding to contribute to this programme.

We are now leveraging this success to deliver further outcomes for Māori.

#### 4.4.5 Accountability to AC and IMSB on Māori outcomes

AT, along with other CCOs, reports on Māori Outcomes to a joint meeting of the IMSB and Governing Body twice a year. This is supplemented by reporting progress on Māori outcomes, including Māori responsiveness initiatives, to the CCO Oversight Committee on a quarterly basis.

In mid-March 2020 the chief executives of the AC whanau met with the chair and chief executive of the IMSB. AT is very supportive of a proposed pilot for CCO and AC engagement with the IMSB, which was an outcome of this meeting.

## 4.5 Local board engagement

The Royal Commission noted that one of the challenges with moving to a regional structure was going to be balancing regional and local views. This challenge has not disappeared and we believe more needs to be done to address the relationship with local boards. As noted previously:

- Auckland as a region is diverse. It includes rural areas, town and village centres and a city centre. Noting the national rules and regulations we work within we find it often means that a standardised approach is not always fit for purpose. Increasingly, there are greater calls for customisation from community to community, whether it be for example in the form of design standards
- There is often an underlying tension between the role of all players in the AC governance space. That includes decision making powers, allocation of funding and prominence in the local community. That tension often plays out on a daily basis
- There is an extremely large number of individuals to service in the Auckland governance context. AT invests heavily (over 90,000 hours per year alone for local boards) trying to meet the needs of these bodies. Each of them has different needs and both the size and complexity of the AC whanau activities, let alone variances in planning, funding and delivery context, is a breeding ground for misunderstanding and frustration.
- Responsiveness to local board members and communities is increasingly important. Elected members want improvements in the experience that they and their communities have.

AT accepts that this is the reality of the environment we work in and we must find ways to find balance between a regional (and sometimes national approach) and local implementation.

#### 4.5.1 Recent efforts to improve engagement

The panel has previously received information relating to the many business as usual interactions with elected members on a wide range of issues. These include requests for service, site visits, workshops, presentations, and briefings.

AT has implemented a programme of work to review its engagement model with local boards following a qualitative research exercise involving 20 (out of 21) local board representatives. This was conducted by AT in December 2018. The research involved a discussion of 1-2 hours with each local board and then a “play back” session to verify comments and observations. A few of the key findings and actions to improve engagement from this piece of work are:

- Some local boards felt that AT had a lack of understanding of community priorities. We have initiated (through AC) governance training for third and fourth tier project managers. These day-long sessions aim to give an insight into the role of local boards, and how they can assist us to make better decisions. To date approximately 30 AT staff have attended these sessions.
- Local Board Engagement Plans detail the principles which guide AT’s engagement with local boards and how these principles will be demonstrated by actions in day to day operations. These have been refreshed since the October 2019 election and include specific recognition of local boards’ roles in placemaking and a greater emphasis on early engagement on projects in their areas. Local boards were to be invited to present their individual plans to key operational staff at AT.
- Elected member relationship staff are highly valued but are not considered to be as well respected or empowered throughout AT. A proposed new operating model should address this.

- Response times to queries have also been addressed through the CRM system upgrade and there has been a marked improvement in both the response times and quality of information provided.
- Local boards requested more assistance in developing options for the Transport Capital Fund. Extra effort has gone into working with local boards to refine their priorities early in the financial year to ensure project delivery. AT has a dedicated manager for this fund.

#### 4.5.2 Local board reporting

AT monitors progress on all transport projects including local board projects, formally on a monthly basis. This includes detailed monthly internal Project Highlight Reports for each project. A summary of the funding category/portfolio level is also provided on a monthly basis to AT’s executive and the Finance, Capital and Risk Committee of the AT Board. This includes both narrative about progress on each project and a financial snapshot of the overall spend of each local board’s Transport Capital Fund.

Late in 2019 we started developing a project management dashboard for all local boards focussed on the LBTFCF. This report has been designed to the requirements of an AC resolution which focussed on providing more visibility for LBs into LBTFCF.



We designed this report to be:

- Succinct: One page per local board, since local boards are overwhelmed by big slide decks they receive.
- Visually compelling: High density of data in a simple visual format.
- Digital: A digital copy of this report constitutes part of AT's enterprise digital reporting platform.
- Automatic: A report will be easily updated once Edison 365 goes live.

The development of the reports coincides with the rollout of Edison 365 – a programme management software application. Previously, AT had up to three different pieces of software for this purpose.

Over the last six months we have been working on validating the integrity of the data being input into the software and ensuring it is used the way it was intended by our staff.

The template report has been developed in association with AT's elected member liaison team and our plan was to socialise this report with selected local boards in April/May workshops where the scoped and costed projects would be discussed.

Unfortunately, the Covid-19 pandemic has delayed much of this scoping and costing work and the LBTCF workshops are only getting underway again. We will socialise this with selected local boards over the next few weeks before making any changes, taking account of the themes we receive during the workshops.

In addition to this the elected members' survey undertaken in 2019 by AC showed a level of dissatisfaction with regular reporting to local boards. In an effort to improve that reporting, AT has initiated a "co-design" process with Orakei, Rodney, Otara-Papatoetoe and Mangere-Otahuhu local boards. This is progressing well.

#### 4.5.3 Delegations and co-governance

AT is aware of the desires of local boards to have more influence and decision-making rights over matters in their local board areas. The Governance Framework Review which was completed in November 2016 canvassed many of the issues that existed with the co-governance model in Auckland and provided suggestions for improving the situation.

We also acknowledge:

- The recommendations of that review that specifically relate to AT and local boards;
- Governing Body and AT's response to those recommendations;
- The role of local boards with respect to place-making;
- Waka Kotahi's traditional position on not funding place-making; and
- The challenges in getting some local boards to make decisions on Local Board Transport Capital Fund projects.

Since the Governance Framework Review was completed and socialised amongst the Council whanau, initiatives have been undertaken to improve the working relationship and recognise more appropriately the role of local boards. This includes, but is not limited to:

- The Waiheke Governance Pilot which recognises the uniqueness of Waiheke Island;
- Introduction of funds and programmes such as the One Local Initiative, Community Safety Fund and Local Board Transport Capital Fund which give local boards greater decision-making rights and funds to fund improvements in their areas (unfortunately, the draft Emergency Budget places these initiatives at risk of deferral);
- Improvements to local board reporting which have been progressively rolled out since the second half of the 2018 calendar year; and

- The trials that had commenced before the Covid-19 pandemic with respect to the purpose and timing of engagement with local boards on annual programmes for maintenance, minor works, and renewals.

AT's progress on the Governance Framework Review recommendations was last reported to AC in July 2019 where the Governing Body:

- Noted the progress AT has made in respect of the resolutions of the Governance Framework Review;
- Requested that AT continued to work with local boards to refine the engagement plans over time .. and implement the commitments outlined in the plans; and
- Requested that AT works with Local Board Services to finalise an implementation plan for the improved process for approving projects under the Local Board Transport Capital Fund.

Moving forward we recognise the need to provide local boards with more information about transport matters in their areas to enable them to be more fully informed, be able to respond to their communities on issues and to give them a basis to engage on a more informed basis with AT on transport matters. As part of this process AT intends to, at least once a term, update local boards on the longer-term planning for transport in the region that could have implications for their ward, so they have the opportunity to provide early input on strategic communications approaches with their communities.

We have noted previously that we have undertaken a review of how AT is organised and the capacity and capability it has to meet communications and engagement expectations. Subject to appropriate consultation with staff (likely to commence in August) and funding availability we propose to move to sub-regional teams to better respond to local boards and communities and build more positive, ongoing relationships. This would be similar to AC's own proposals for sub-regional 'hubs' and Panuku's 'place based' approach to engagement.

Our view is that that co-governance (rather than delegation) is a better way forward for how we work with local boards noting the relationship between transport and placemaking.

The Waiheke Governance Pilot, while being implemented in a unique setting, highlights the learnings and benefits of a 'co-governance' style approach.

We also see the positive impact that the introduction of a targeted rate is having in Rodney. The targeted rate is giving the Rodney Local Board more autonomy to develop transport solutions in their area. When combined with regionally funded projects such as Matakana Link Road, seal extensions and road safety interventions, it creates an opportunity to enhance the reputation of the local board and AT. AT is providing additional communications to support the combined programme in Rodney.

A next step for involving local boards will be when we engage with them on our Asset Management Plan which sets out the standard assets will be maintained to, when they are renewed and associated funding. We believe that this will enable them to have more exposure and input at the planning stage to ensure community aspirations are better aligned with the final plan.

We also propose that another opportunity for the piloting of a move to co-governance is the Innovating Streets Pilot and beyond that the Connected Communities Programme.

The Innovating Streets Pilot is a fund recently initiated by Waka Kotahi and is intended to help councils create more people-friendly spaces in our towns and cities. It is based on the use of tactical urbanism techniques such as pilots, pop-ups and interim treatments that make it safer and/or easier for people to move around or access community spaces.



At the heart of this pilot is the combined function of transport and placemaking. As such we see this as an opportunity, if the applications that AT is making on behalf of the region are successful, to pilot more formalised co-governance arrangements with relevant local boards.

The purpose of the Connected Communities Programme is to revisit how twelve of Auckland's arterial corridors are used. The scope of the programme includes reallocation of road space for increasing priority for buses and cycling, implementation of road safety initiatives and placemaking. Just as importantly it will mean changes for how local communities use these roads and their communities. Successful delivery will depend upon close working relationships with local boards, Ward Councillors and other stakeholders such as business associations.

We believe this programme would be another ideal opportunity for the next evolution of co-governance and propose the development of Governance Engagement Plans for each arterial road in the Connected Communities Programme and that we enter into a Memorandum of Understanding with each local board in respect of how the co-governance model will be approached.



## 4.6 Outcome-based funding

The original Royal Commission enquiry on Auckland Governance in March 2009 recommended a shift to outcome-based funding:

**“Over time, the approval process for individual activities should be able to move to an outcome-based model, where strategic objectives and the overall funding envelope are established by the parent organisations, but the tactical decisions on funding priorities are made by the Regional Transport Authority”.**

**“While these funding arrangements necessitate a clear line of political accountability, it is important that this does not become confused with a detailed funding approval process for individual transport activities.”**

These recommendations were not implemented and AT remains faced with a highly complex funding model which creates significant uncertainty as to the timing and quantum of central government funding.

The inclusion of a project in the RLTP, or ATAP, does not guarantee central government funding, it simply means that the project is eligible for funding consideration by Waka Kotahi, but is still required to go through a complex and lengthy business casing and funding application process. In many instances AT's board will approve the progression of a project already endorsed by AC, but the project will not proceed until Waka Kotahi funding is confirmed via a separate process.

Not only does the model create uncertainty, but it is also inflexible and inefficient. Significant effort is invested in the preparation of funding applications to ensure compliance with Waka Kotahi rules and eligibility criteria. Effort is duplicated with teams in AT and Waka Kotahi both reviewing the same business cases.

We have attached a case study example of the Northwest Bus Early Improvements business casing process to date.



The issues with funding have been identified as part of ATAP. The 2018 ATAP report notes that to help future fund high priority investments 'a specific workstream should be established to consider transport funding and financing options'<sup>18</sup>.

The first improvements, which will likely see changes to the GPS, provide greater direction to the Waka Kotahi to fund AT projects. It will not however address the speed of delivery or, the costs involved in developing business cases and completing funding applications.

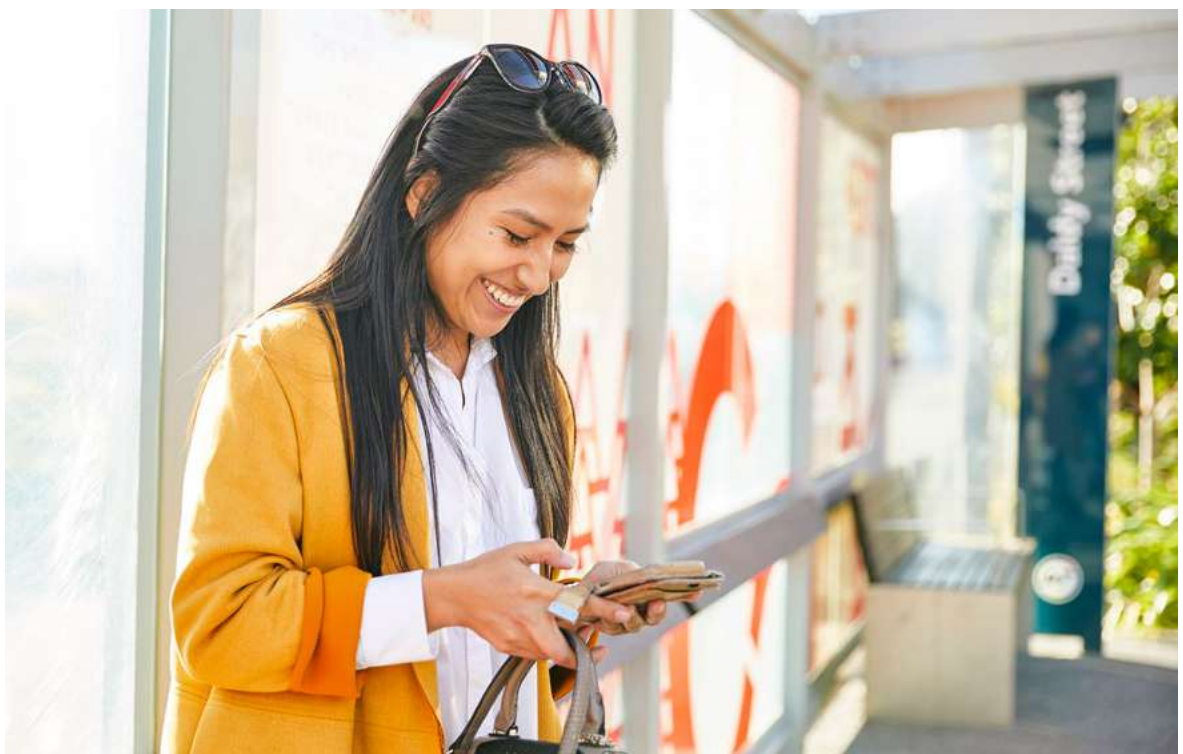
In July 2020 the threshold for projects needing an approved business case will be lifted from \$1million to \$2 million. This is a good step in the right direction but in our view the threshold is still too low.

A better outcome for Auckland would be a shift to an outcome-based funding model, where Central Government and Council agree on strategic outcomes and AT is accountable for delivering value for money outcomes within an agreed funding envelope.

Outcome-based funding would enable a longer-term approach to the planning, procurement and delivery of capital projects, which lowers the total cost of ownership and provides confidence to the extended supply chain to invest in resources and capability. A 5 per cent efficiency saving over the ten year \$10 billion RLTP capital programme would yield \$500 million in savings.

In addition, the shorter time frames associated with this approach to confirm funding and the greater certainty of funding for implementation of a project at the time of engagement with local boards and the public would greatly enhance the telling of the strategic story and the project specific communications with local boards and affected communities.

The simplest way to implement outcome-based funding would be for Waka Kotahi to preapprove capital investment on a forward looking basis, in a similar manner to which it currently funds maintenance, operations and renewals and public transport activities. Appropriate governance arrangements could be established such as those supporting ATAP.



18 Auckland Transport Alignment Project (2018), p9.

## 4.7 Delivery of small projects

AT delivers in excess of 500 minor works projects per year. However, in addition to this AT receives in excess of 10,000 annual customer requests relating to minor road network improvements, safety, bus infrastructure, parking and maintenance and road space interventions. This includes safety improvements like speed mitigation devices, pedestrian crossings and signage.

We estimate that over 90 per cent of the projects AT delivers are 'small' projects. Nevertheless, they are subject to many of the same constraints as large projects.

The length of time taken to deliver minor works is determined by various factors. These factors are assessed through a series of steps so that both financial and staff resources can be prioritised to deliver best value to the community as set out in the following diagram.



Customer requests are generally assessed within 10 days of being received. Any safety critical issues identified during case assessment are fast-tracked to community engagement or, design and delivery.

Non-safety critical requests that pass the assessment gate move to the funding allocation step. In all cases where no further action is planned, AT endeavours to communicate this to the customer. In this step projects go through a validation and prioritisation exercise for funding.


Projects are prioritised taking account of maintenance factors, road safety assessments, customer feedback and local board engagement. These programmes are also often planned months in advance of the start of the financial year to ensure efficiency of works allocated to suppliers. Projects are also assessed against customer requests for similar projects.

The funding available for these types of works is limited and AT is unable to address all customer requests in any given year. In addition to this, within over all budgets, there is very little funding available for undertaking small projects.

For example, currently there are in excess of 600 new footpath projects that have been assessed as needing to be delivered. However, current funding means we can only deliver between five and ten of these projects per annum.

As a result, depending on the priority, projects can wait for years for funding.

Small projects introducing a new asset (such as a bus stop) or improving an existing asset (such as removal of broken yellow lines) typically require public engagement on a 'concept' design. Time taken for this particular step varies between four and sixteen weeks depending on type of engagement with the community. Feedback often results in changes to the concept design. For example in the 18/19 fiscal year, designs for more than a third of minor safety and parking projects were modified or significantly changed based on community feedback.



After the community engagement phase, projects move to the design and delivery phase. While there is a commonly held perception that minor projects are not as complex as major projects, in many cases this does not hold true. Factors like regulatory and statutory requirements, underground and overhead services, consent requirements, poor ground conditions and requirements to acquire property add to complexity and the delivery timeline of these seemingly minor projects.

While the minor nature of infrastructure works would imply that the planning, design and delivery of an individual project should be flexible and require little lead-in time, this is not typically the case.

We recognise that in seeking to deliver as many small projects as we can with limited budget we have taken an approach where we programme delivery of small projects for efficiency rather than responsiveness – programming on a reactive basis would add significant cost. This can create the perception of non-responsiveness and AT understands that and is looking to improve how it deals with, or communicates with customers in that regard.

We believe improvements to minor project delivery can be through the implementation of technology, new contract delivery models and AT's ongoing culture and performance improvement journey. These include:

- Review project development processes for small projects, such as consultation, design review, consenting, property acquisition, bylaw and corridor access requirements for opportunities to streamline. We propose a value chain process review to examine opportunities for the delivery of small projects.
- Review AT's customer response process to provide better case management outcomes including managing expectations around timelines and funding availability. This will be particularly relevant in light of the draft Emergency Budget where funding availability for minor projects will be significantly reduced.

- Another option for speeding up delivery may be to utilise the local boards as a proxy for community feedback negating the need for the consultation processes which we currently undertake.
- Accelerated small projects procurement. In 2018 AT established Supply Panels for Major Works which has been successful in eliminating cost and saving time in procurement. We believe there are similar options for the delivery of small projects.


AT has dedicated specific project teams to some of the minor works programmes, e.g. minor safety works, maintenance response, etc. An opportunity potentially exists to establish further minor works dedicated teams where the scale of the programme and budget availability warrants.

We note the panel's suggestion of undertaking a cost benefit analysis of the current approach to the delivery of small projects and will include this as part of the improvements noted previously.

## 4.8 Consenting

Concerns have been raised that AT is perceived as being slow to respond and takes a narrow transport network focussed view, in the development consenting process, and the handover by developers of the assets to AC (Council) and Council Controlled Organisations. A way forward for improving the efficiency and outcomes of these processes is sought.

The land use development process is complex. This complexity flows from the NZ legislation regulating land use development, principally the Building Act, Building Code, Local Government Act (governing the acceptance and transfer of assets) and the Resource Management Act 1991 which sets out processes to manage the environmental effects of development proposals.



There are a number of organisations involved in the development process. AC is the consent authority and holds the overview role. It establishes spatial plans and runs the processes to set land use development priorities, consider plan changes and resource consent applications. Watercare and AT provide specialist input into those processes, as well as managing the transfer and ongoing management of assets. Specialist experts are needed to deal with some of the detailed issues involved.

Development proposals come from multiple sources: Council itself; central government agencies; large scale land sub-dividers; significant developments for example large format retail, supermarkets and business parks to small scale “mum and dad” developers. Each of these types of players brings different capability and understanding of the complexity of the development processes.

In previous engagement with the panel, we noted our views on the importance to development outcomes of:

- Stewardship of the transport system and impartiality of advice to Council.
- Establishing and maintaining positive relationships to enable collaboration and information sharing.
- Detailed local knowledge and a broader understanding of the transport system and plans.

As a result of improvements made over the past 18 months, AT has improved response times from on average 55 per cent on time to between 81 and 88 per cent on time and received positive feedback from Council on the quality and comprehensiveness of responses.

More actions are planned to make it easier for developers and others we interact with in respect of developments, consenting and the handover of assets. These include:

- Major Development Interface Lead roles to be rolled out to provide a key account relationship management for large scale/multi stage developers and qualified partners.

- Improvements to our website to provide more information in a customer friendly manner to meet the demands of applicants/developers upfront, such as identifying step by step engagement opportunities, relevant approval processes, links to applicable design standards and helpful guidelines.
- Resource capacity and capability improvements.
- Transport Design Manual release (covered in a separate response).
- Development of internal practice notes to ensure consistent interpretation.
- Improvements to briefing processes for internal specialists and decision-making mechanisms.

Noting the complexity and the various roles that Council, AT, Watercare, developers and others play we think that greater impact might be achieved if the Council whanau as a group look at any underlying issues and causes of the problems to be addressed.

AT considers that there is an opportunity for the Council whanau to work together to examine the entire consenting process and prioritise focus areas for improvement. This in turn will ensure that effective processes are in place to enable all the different legislative requirements, subject matter experts, asset owner and developer needs and expectations to be met.

We would be happy to facilitate this piece of work using our Customer Central facility at 20 Viaduct Harbour.

Performance management is also important. AT has supported Council's efforts to establish a Service Level Agreement (SLA) between the Council whanau in delivering consenting services to customers in a fast, easy and integrated manner, while maintaining focus on high quality developments and environmental management.

The SLA is not yet finalised or in use, and AC is reviewing AT's feedback, identifying reporting improvements needed to Council systems, and developing a roll out plan, including a training package.

#### 4.9 Approach to design and engineering standards

The Transport Design Manual (TDM) is currently in development with several elements of the TDM having been released. It is intended to replace Auckland Transport Code of Practice (ATCOP).

ATCOP was created as an amalgamation of standards used by the territorial local authorities at the time of creation of the 'supercity' and its purpose was to provide a consistent basis for design of roads and assets across Tāmaki Makaurau. A foundation for ATCOP has been the Austroads guidelines.

The Austroads Guidelines can be described as engineering rules. Austroads publishes a range of Guides which cover the design, construction, maintenance and operation of the road network in Australia and New Zealand.

By contrast the TDM takes a design based approach. It incorporates the following key changes for enhanced development and consenting outcomes across the region. It incorporates:

- New Vision Zero road safety design standards.
- New street space allocation guidance in accordance with the Roads and Streets Framework.

- New environmental design guidance to achieve reduced emissions and improved water quality outcomes.
- New people oriented design guidance for walking, cycling and public transport focussed on improved user experience to encourage mode shift.
- Alignment with international best practice transport design standards.
- Provides an emphasis on design and solution development for each circumstance rather than technical rules.

At the time of release of each section it is being done via a 'soft launch'. By that we mean that we are working with developers, architects and others to apply the TDM over a 6-9 month period and make adjustments where required based on feedback from industry before it is finalised. There is no enforcement during the initial 6-9 month period.

Because the approach is design based rather than rules based it will encourage developers and architects to engage with us earlier and provide more flexibility to industry.

The overwhelming response to the sections of the TDM that we have released have been positive.

A key focus from here is to finalise release of the remaining sections of the TDM.



## 4.10 Engagement with ward councillors on Low Speed Zones


All road controlling authorities (RCA) in Aotearoa must review speed limits to ensure they are 'safe and appropriate'. Where they are not safe and appropriate RCAs must take steps such as putting in low speed zones or reduce speeds so that they are 'safe and appropriate'.

Low speed zones and the setting of safe and appropriate speed limits are key parts of AT's speed management programme.

In late 2017, AT's board commissioned an independent expert review (BIR) into road safety in Auckland. The Road Safety BIR produced 45 recommendations (including with respect to speed management initiatives such as low speed zones) all of which the board adopted to reduce the number of Deaths and Serious Injuries (DSI) on Auckland's roads.

Concurrent with, and following the completion of the BIR, speed management and road safety was considered by councillors in a number of fora – please see the table below:

FORUM	WHAT WAS CONSIDERED	OUTCOME
<b>Governing Body</b>	ATAP provides that: <i>"Every element of the transport system has an important role in improving safety, therefore reversing this trend will require a combination of interventions, including ... Regulatory changes (for example, investigating targeted speed limit reductions in centres, around schools or on dangerous roads)"</i>	Unanimous support for: <i>"...ensure the Auckland Transport Alignment Project update is a key input to decisions on the final Auckland Plan, the Ten Year Budget (Long-term Plan) and the RFT proposal".</i>
<b>Planning Committee</b> <b>5 June 2018</b>	Auckland Plan provides that <i>"Efforts to achieve a safer transport network must: .. increase investment into dedicated safety projects targeted to the highest risk locations" and</i> <i>"introduce appropriate speed limits in high-risk locations, particularly residential streets, rural roads and areas with high numbers of pedestrians and cyclists"</i>	Motion carried adopting the Auckland Plan
<b>Governing Body</b> <b>31 May 2018</b>	The Land Transport Management (RFT Scheme 2018) Order provides for: <i>"capital expenditure for expansion of safer communities and speed management to cover more of the network, in particular on routes to and from schools, public transport facilities, and town centres."</i>	Motion carried approving the RFT proposal (Attachment A of the agenda report) and the report on consultation on the RFT proposal
<b>Planning Committee</b> <b>September 2018</b>	AT Road Safety Report and Presentation. The report noted that: <i>"Auckland Transport is fast-tracking implementation of a speed management plan .."</i>	Unanimous resolution <i>"request AT to accelerate the road safety and speed management programmes and seek input from partners to make Auckland a Vision Zero region"</i>



Following the above resolutions, one of AT's key objectives in its SOI 2019-20 – 2021-22 became: **'to help people travel safely'**. Consistent with this objective, the AT board approved the Vision Zero strategy for Auckland and the Road Safety Programme Business Case in September 2019 which includes, among other actions, speed management initiatives.

Strategic alignment between AC, the Government and AT in pursuit of lower Deaths and Serious Injuries has been critical in enabling coordinated community and political engagement and ultimately delivery of the speed management programme.

Extensive engagement with elected members in relation to our speed management programme including the speed limits bylaw and low speed zones is outlined in the following attachment. This included face-to-face briefings, workshops, and written presentations to local boards.

#### 4.11 Making of Bylaws

By way of context Council is generally prohibited from performing any functions or exercising powers that AT has. With respect to bylaw-making powers, section 50(5) of the Local Government (AC) Act 2009 clarifies that Council is not prohibited from making bylaws in respect of an area that forms part of the Auckland transport system for a purpose that is not "transport-related".

Our interpretation of section 50(5) of LGACA suggests that there is an implied restriction around AT's bylaw-making role being related only to transport-related purposes.

In AT's view this means that the roles of Council and AT in terms of bylaw making are mutually exclusive.

Our suggestions to improve outcomes for Aucklanders therefore are:

- There should be some form of aligned understanding (possibly in the form of an MOU) between AT and Council around what matters fall within AT's responsibility to regulate with respect to the Auckland transport system and what matters fall to Council to regulate for the Auckland transport system.
- Historically, there appears to have been a shared misunderstanding about AT and Council's bylaw-making responsibility with respect to the Auckland transport system. This has led to the creation of mirror-bylaws which are, in our view, not only unnecessary but cumbersome to administer and a source of confusion for both internal staff and the public.

We recommend a joint taskforce be set up to reach a clear mutual understanding around the split in bylaw-making powers and what is "transport-related" and, what is not and document the outcomes for endorsement by the relevant authority in the two organisations. We believe that by having this agreed and documented it would assist change (by both organisations) towards an approach to regulation that better aligns with the true policy intent of the underlying legislation.

- AT could also source greater support from Council to assist with making of, and reviews of, bylaws. AT does not have a regulatory policy team and has challenges to develop policy to support its regulatory tasks.

Each project to review or make a new bylaw requires the establishment of a new working group to gather policy input from across AT and review or develop regulation. We observe that Council is well-resourced in the policy space, having a dedicated Policy and Bylaws Unit.



We also note that there appears to have been a clear intention at the time that Council and AT were established that Council would provide a deep level of support to AT with bylaw-making and reviews – the following being noted in one of the many reports of the Auckland Transition Agency which was established by the Government to amalgamate the councils across the Auckland region into the AC by October 2010:

**17-107 The Policies and Bylaws Unit of the AC will lead cross-functional teams for the review and making of bylaws, including affected policy and administrative units, public law, Auckland Transport, and Watercare. It will also provide specialist expertise to local boards, Auckland Transport, and Watercare in reviewing and developing bylaws. A bylaw drafter will be responsible for developing a standard bylaw form, providing legal advice, reviewing reports to ensure statutory requirements are met, and reviewing bylaw forms to ensure quality drafting.**

Such support would enable Council to have greater visibility of and involvement in, proposed AT bylaws.

In conclusion, AT's objective would be to align with the intent of legislation but also to work collaboratively with Council in the setting of bylaws.

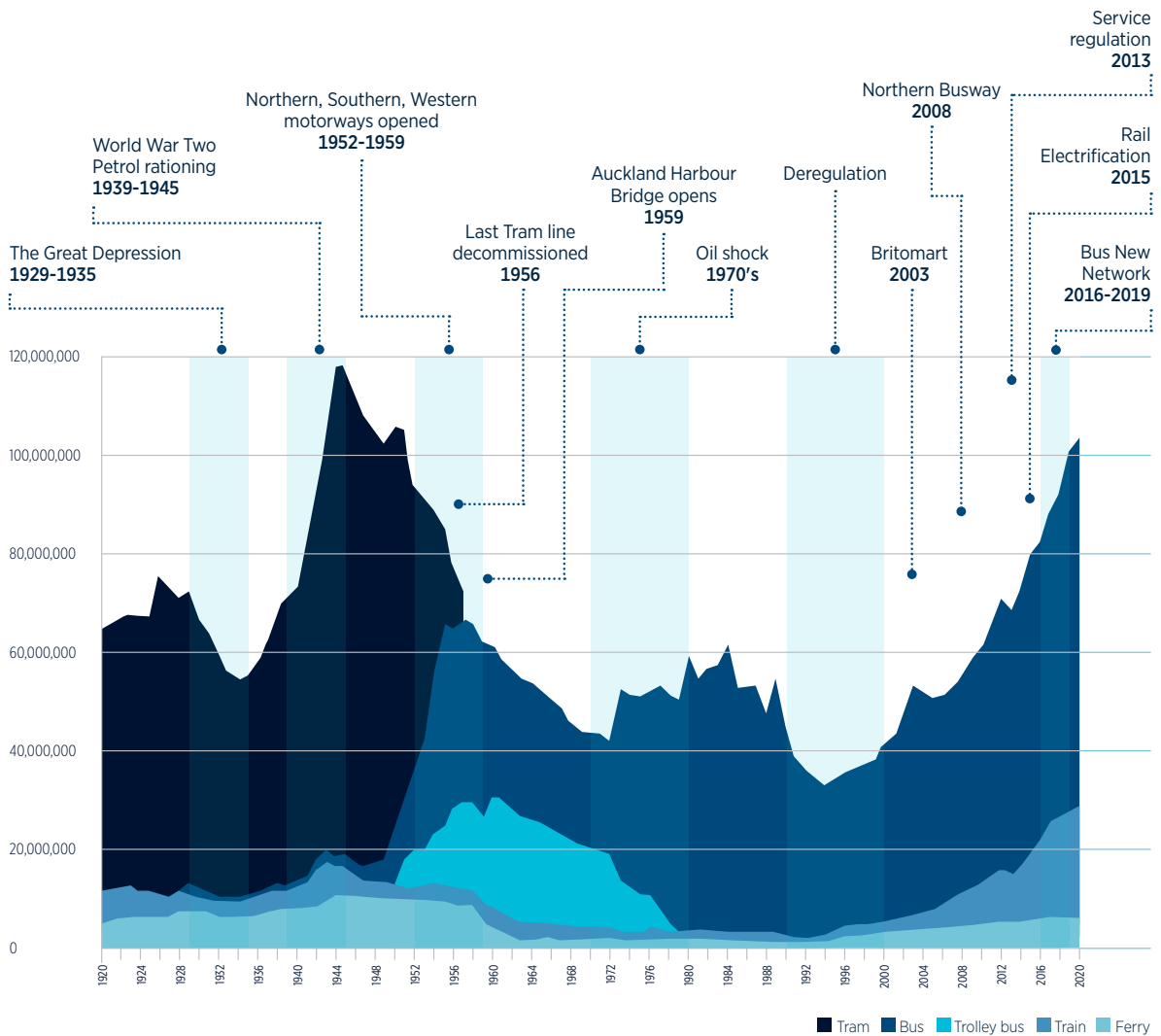


# APPENDIX ONE – case studies highlighting transport and other outcomes for Aucklanders

## Case study one: delivering better public transport options

Auckland once had the highest level of public transport trips per capita in the world. It was the 1950s. Since that time policy and funding choices have meant that the private motor vehicle has become the mode of choice for Aucklanders. It's one of the greatest challenges that Tāmaki Makaurau has today if it is to address congestion, climate change, safe ways of travel and other good outcomes such as public health. The story of public transport decline and renaissance is set out in the graph below and has been one of the great success stories of the Supercity.

AUCKLAND PUBLIC TRANSPORT PATRONAGE BY MODE 1920 - 2019



One of the most significant changes since amalgamation is the way public transport services are delivered. The only way to grow public transport is to make it a more appealing option to commuting by car. This means making it efficient, reliable and easy to use.

These changes have resulted in easy journeys and significant growth.

Every day, Aucklanders take 270,000 customer trips on public transport, reducing traffic, congestion and emissions. 400,000 people use Auckland's buses, trains and ferries.



Public transport use keeps increasing; 1999 saw 38.5 million boardings, 2009 saw 58.7 million and 100 million by June 2019. This amount was last reached in 1951, when the region had a tram network.

AT's rapid transport network, which includes rail and the Northern Busway services, is the spine of Auckland's public transport services. It provides high frequency and congestion free journeys and increases the productivity of our roading network.

After a renewed focus and major investment in electrifying the rail network and the introduction of a whole new fleet of trains between 2014 and 2015, patronage has been increasing by 11 percent each year since 2009 from 7.7 million to 21.3 million boardings in 2019. More new trains will enter service this year.

Trains now run at 10-minute intervals during weekday peak periods. A few years ago services only operated at limited times. Once CRL is built, both the capacity and the convenience of the network will increase.

Bus services are the backbone of AT's public transport system, with 72 per cent of AT's patronage. Prior to amalgamation, services were not well connected, frequent, or reliable.

The New Network, introduced across the region from late 2016 after significant consultation, was a step-change for our customers. The entire bus network was redesigned around a hub and spoke model. It provides fewer but better-connected routes that operate more frequently and directly. They are closely integrated with train and ferry services to make connections even easier.

As a result of the new network 527,600 people now live within 500 metres of a frequent or rapid stop (a 144 per cent increase compared with the old network) and over 30 per cent extra services have been provided – in short there are more services available that are more accessible to more Aucklanders.

Providing better public transport options means Aucklanders have better transport choice, especially for their commutes. It provides better balance in terms of transport choices and assists with tackling climate change, congestion and productivity, and road safety outcomes.

A real standout in terms of improving transport choices and providing more balance to how Aucklanders has been trips to and from the city centre. While private vehicle trips to the city centre during peak times are about the same as 2001 levels, the number of people arriving in the city centre by public transport has doubled. More people arrive in the city centre on buses, trains and ferries each morning than by private vehicle. Improving public transport has been important mechanism to deliver this shift in choice of travel mode.

100 MILLION  
June 2019

Thank you for being part of our 100 million passenger trips in one year.



## Case study two: beginning the pathway to Vision Zero

From 2013 to 2017, Aucklanders experienced a 70 per cent increase in road deaths and serious injuries<sup>19</sup>. In 2017 alone there were 64 deaths and 749 serious injuries, a level of road trauma last seen twenty years ago. This increase far exceeded population or vehicle travel growth and was harming more people walking, cycling or motorcycling than ever before.

In response to this rising Auckland road trauma the AT board commissioned an independent Road Safety Business Improvement Review (BIR). This review identified a road safety crisis in Auckland and made far reaching recommendations on how AT could lead a partnership-based response to save lives and prevent injury.

This was the catalyst for a transformational cultural change in AT, to focus on the safety and wellbeing of every person who uses our transport network as our first priority.

Since 2017, AT has adopted all 45 recommendations in the Road Safety BIR. International road safety experts and AT staff have facilitated an extensive paradigm shift within AT and partners – shifting the approach from a traditional focus on ‘blaming individual road users’ to instead ‘designing a more forgiving transport system where people who make common mistakes are not killed or seriously injured’. This is the internationally successful Vision Zero approach.

The extent of Auckland’s road safety crisis was made publicly transparent and councillors, local boards, mana whenua and a wide range of stakeholder and road users have been involved in the response to address it, especially around speed management.

In response, AT immediately accelerated safety engineering and speed management investment from traditional levels of \$17 million per annum to \$50 million (150+ projects) in 2018/19 and led the creation of the Vision Zero Transport Safety Strategy for Tāmaki Makaurau in 2019.

This was overseen by the Tāmaki Makaurau Road Safety Governance Group which includes representatives from AC, New Zealand Police, Waka Kotahi, Auckland Regional Public Health Service, Accident Compensation Corporation and the Ministry of Transport.

The Vision Zero strategy was supported by a 2018/28 Road Safety Programme Business Case (PBC) which recommends a \$604 million investment in road safety engineering, speed management, policy and behaviour change initiatives. The AT board also passed the speed management bylaw in late 2019, following extensive consultation with Aucklanders.

AT has formed strong partnerships to deliver shared outcomes. With the New Zealand Police, we have increased the number of red-light cameras in Auckland from six in July 2018 to 28 in February 2020. It has resulted in 9,400 red light runners being ticketed in the six months to February 2020 and a reduction in red-light running crashes and injuries. ACC has also contributed \$5 million to safety projects.

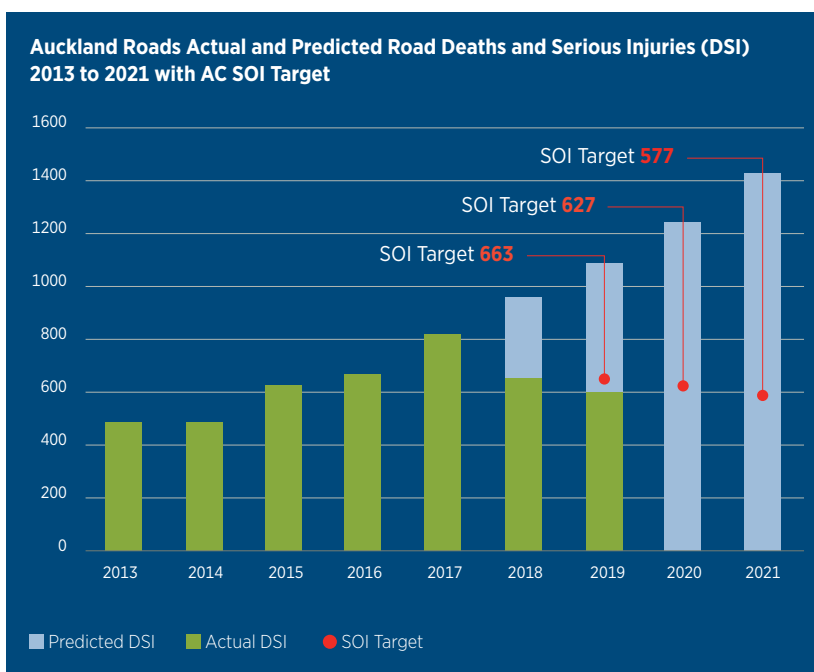
Within AT, the focus has been on improving the effectiveness and efficiency of the organisation to deliver safety outcomes. This work has included:

- Creation of an Executive General Manager, Safety position to lead AT’s safety strategy
- Vision Zero knowledge workshops for board, executive and senior managers
- Vision Zero guidance and tools in the Urban Roads and Streets Design Guide
- Expansion of Te Ara Haepapa programme to deliver improved Māori road safety outcomes
- 600 public behaviour change campaigns, events and checkpoints, including regional campaigns that build support for Vision Zero initiatives
- Development of a Vision Zero Learning strategy for AT staff

19 Auckland Transport: Road Safety Business Improvement Review, November 2017-2018 Final Report, pg14

- Accelerated urban safety engineering investment (five high-risk urban corridors, 35 raised pedestrian crossings, 20 pedestrian upgrades, 18 intersection improvements, two roundabouts, seven safe town centres, a motorcycle safety trial and separated cycle lanes).
- Accelerated rural safety engineering investment (five high-risk corridors with barriers, two roundabouts, 500km of improved signage & tactile line-markings, 150 high-risk bend treatments, and 20 intersection improvements).
- Integrated safety improvements into capital projects, public transport, maintenance and renewals.

The response of AT and our partners to the road safety crisis of 2017 has reduced deaths and serious injuries on local roads (roads owned by AT) by 25 per cent (from 813 in 2017 to 607 in 2019). This is a reduction of 206 road deaths and serious injuries among Aucklanders over two years, worth an equivalent socio-economic cost saving of \$342 million.



If AT and its partners hadn't undertaken these interventions, DSI could have continued its five year upward trend to increase by 33 per cent or 270 DSI (from 813 in 2017 to 1,083 DSI in 2019). AT and its partners have also out-performed the 2019 AC SOI Target of 'no more than 663 DSI' by 6 per cent.

Other positive results include AT staff surveys that have shown a significant shift in both Vision Zero understanding and technical practice. Public surveys have also revealed positive acceptance of safety engineering measures where they have been installed and a request for greater safety.

AT's growing Vision Zero success and expertise has been welcomed by other international and New Zealand cities, and been recognised with national awards. Auckland is now recognised as a leading international Vision Zero city and is regularly invited to share its learnings.

Since 2017, many Auckland lives and injuries have been saved and families and whanau are much safer as a result.

### Case study three: social procurement

“Whether it be creating job opportunities or opening access to markets in areas of disadvantage, ensuring ethical supply of materials, using impactful businesses such as social enterprises, addressing structural and systemic inequalities, or through environmental stewardship, AT’s procurement activities can be leveraged to help provide broader outcomes that all Aucklanders can benefit from.”<sup>20</sup>

Sustainable procurement is one of the core deliverables of the AT Sustainability Framework, and AT is playing a leading role in the council family-wide Sustainable Procurement Framework. Sustainable procurement factors in improved environmental, social, cultural and economic outcomes into tenders and contracts.

Māori and Pasifika people in Auckland, and New Zealand generally, fall behind on almost every social and economic indicator. AT is committed to helping reverse those statistics through its Social Procurement Framework.

AT has formed a strong partnership with The Southern Initiative (TSI) using its’ purchasing power to create employment and social enterprise opportunities.

One of the first projects we incorporated ‘social procurement’ approach on was the Manukau Bus Station. The project was tendered in July 2016 and a contract awarded to NZ Strong Group Limited in October 2016. The tender was the first AT procurement to contain evaluated Social Outcomes as part of the non-price assessment.

Working with AC’s The Southern Initiative (TSI) team, AT included social outcomes in the tender, via a Targeted Recruitment and Development Plan. This required the successful contractor to employ and train South Auckland graduates from TSI’s Māori and Pasifika Trades Training programme, as part of the project, at no additional cost to AT. All tenderers responded positively to the request with detailed plans.



NZ Strong, the successful tenderer fully committed to the initiative and six trainees (including three women) were trained and completed their apprenticeships. The ultimate objective of the initiative is to provide vital skills and training in the construction industry that will lead to further employment opportunities as well as additional social benefits to the local community.

20 Extract from AT’s Social Procurement Strategy



The initiative has also been adopted and enhanced on other AT Infrastructure procurements such as the \$100million contract for the Eastern Busway between Panmure and Pakuranga.

The contract with Fulton Hogan includes a strong commitment to “social procurement” with specific clauses around environmental standards, minimum wage payments and recruitment practices targeting youth, Māori and Pacific people. It has been an important part of our approach to apply socially responsible guidelines so we can ensure positive community results that cover areas beyond transport, including employment, waste management and youth training.

AT has begun working with ‘He Waka Eke Noa’ (which represents 54 Māori and Pacific-owned businesses) to increase supplier diversity. Most recently, AT recently awarded a contract to construct a carpark and access way at Makaurau Marae, in Mangere, as part of its Road Safety programme. In a first for AT, this work was tendered to ‘He Waka Eke Noa’ businesses only and was won by Lite Civil Limited, a 100% Māori-owned business .

The work, which began in April 2020 after the post Alert Level 4 lockdown, will deliver a safe driveway and parking facility for the Marae and Kohanga Reo to benefit mana whenua and the wider community.

This was seen as an ideal opportunity to utilise ‘He Waka Eke Noa’ businesses only, because it was Marae-based work and the nature of the project carried a low safety risk because there was virtually no temporary traffic management involved.

This meant that AT was able to waive the standard ISNet prequalification for health and safety, which can often be a barrier for smaller businesses in the tender process.

In order to deliver supplier diversity, we took three key steps:

- We issued a request for quotes to ten ‘he waka eke noa’ civil infrastructure businesses
- Being registered with ‘he waka eke noa’ was a pre-condition for undertaking the work.
- A streamlined tender was used in favour of AT’s standard RFT documentation that was simplified to make it easier for ‘he waka eke noa’ businesses to respond to.

To find out more see [https://www.youtube.com/watch?v=E1uuSuJCOCY&feature=emb\\_logo](https://www.youtube.com/watch?v=E1uuSuJCOCY&feature=emb_logo)

