

Entered by Board Secretary

AGENDA ITEM 16 BOARD DECISION PAPER	
To:	Board
From:	Murray Burt, Director Infrastructure & Place
Reviewed:	Dean Kimpton, Chief Executive
Date:	22 May 2024
Title:	Auckland Transport Sustainability Strategy 2024-2031

Aronga / Purpose

1. To seek Auckland Transport (AT) Board (board) approval of the AT Sustainability Strategy 2024-2031.

Tuku mana / Delegation

2. The Sustainability Strategy is a key strategic pillar for the organisation which carries reputational risk if not properly executed and therefore requires appropriate governance oversight.

Te tūhonga / Recommendation

That the Auckland Transport Board (board):

- a) Approve the Auckland Transport Sustainability Strategy 2024-2031.

Te whakarāpopototanga matua / Executive summary

3. The previous AT Sustainability Framework was approved by the board in 2016. Since that time, legislative and regulatory changes have necessitated the development of various targets and action plans. These include Hiikina te Wero (Environment Action Plan, 2021), the Sustainable Procurement Action Plan (2021) and the operational greenhouse gas emissions target (2020), together with Transport Emissions Reduction Pathway (TERP). Many of these documents and targets have been previously approved by the board without the benefit of an over-arching strategy and are now presented concisely in a single strategic document.

4. The core elements of the strategy include climate change, environment, and social and economic outcomes as per the Climate Change and Sustainability Portfolio structure. Progress against these targets and plans will be reported to the board through quarterly Sustainability updates.
5. The AT Sustainability Strategy 2024-2031 pulls the threads of AT's many plans and documents together in a concise fashion, to reflect the current regulatory and reporting requirements. The strategy enables alignment with Climate Standard CS-1 disclosure requirements, with inclusion of a reference to a Transition Plan.

Ngā tuinga ō mua / Previous deliberations

Date	Report Title	Key Outcomes
May 2023 Board Climate Governance Working Group (CGWG)	Draft Auckland Transport Sustainability Strategy 2024-2031	Draft Strategy document was presented by KPMG and management. The CGWG supported proposed structure and use of clear language.
November 2023 Design and Delivery Committee (DDC)	Draft Auckland Transport Sustainability Strategy 2024-2031	Document updated to reflect DDC comments: Opening statement changed to reflect concept of sustainability requested by Mr Darrow (p. 2-3). TERP target generalised to reflect challenges associated with funding requested by Mr Darrow (p. 18). References to rural communities were reviewed as requested by Councillor Baker. As the Sustainability Strategy applies to the whole Auckland region no specific changes were made.

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Date	Report Title	Key Outcomes
February 2024 Board	Auckland Transport Sustainability Strategy 2024-2031	The board strongly supported the Strategy but chose to defer approval until the draft Government Policy Statement: Land Transport (GPS:LT) had been released. Review of the draft GPS:LT confirmed that no changes to the Strategy were required. Emissions targets and the focus on resilience have not changed.

Te horopaki / Background

- AT adopted its first Sustainability Framework (2016) and Policy (2018) which utilised the four-wellbeing approach to deliver sustainable outcomes. In 2018 AT narrowed the approach to focus on water, climate mitigation and social procurement. In response to the development of the Auckland Climate Plan, TERP, National Adaptation Plan and the ATs climate risk assessments, to name a few, AT has developed a range of action plans, targets and workstreams covering environment, climate change mitigation, adaptation, and social procurement (with supporting programmes of policy advocacy, communications, and reporting). It is now at a point where AT needs to evolve its sustainability role to be more purposeful, proactive and take a leadership position.
- A recent refresh of the organisational purpose, principles and ambition statements has provided a timely opportunity to capture the focus on climate, people and the environment and reflect this in the AT Sustainability Strategy. Previously agreed objectives and targets have been clearly aligned under the goals covering Climate Change, Environment and Social and economic outcomes, with consolidated programmes established to deliver the corresponding actions.
- A further driver for the AT Sustainability Strategy, is the requirement by the reporting standard *Climate Standard-1* (CS1) and the recent transition planning guide from the External Reporting Board, to explicitly identify ATs Transition Plan as part of an organisational Strategy.

- In December 2022, the CGWG identified a number of actions and activities to be delivered over the next 12 months. AT is pleased to confirm progress as shown in the table below.

Action/Activity	Completed
Climate Change Adaptation Policy	December 2022
Climate Change and Sustainability Portfolio and Materiality assessment	December 2022
Scope 3 Embodied Greenhouse Gas Emissions Target	February 2023
Identify physical and transition risks and associated risk appetites	February 2023
Audit and Certification of Emissions Inventory by Audit NZ and Toitu	August 2023
Emissions Inventory – reported in Annual Report	September 2023
TERP Implementation Method: Stage 1 Vehicle Kilometres Travelled Reduction Plan	December 2023
Sustainability Strategy (draft Nov 2023)	February 2024
Asset Resilience Plan – to come in 2024 as Climate Adaptation Action Plan	June 2024

Te hononga ki te “Statement of Intent 2023 - 2026”/ Alignment to Statement of Intent 2023 - 2026

- The AT Sustainability Strategy aligns with the principles included in the Statement of Intent (SOI) 2023 - 2026 to mitigate emissions, increase the resilience of the network and providing for the future needs of Auckland through protecting the environment and a fair transition to a low carbon transport system. Indicators and measures reported through the targets in this strategy inform SOI outcomes and subsequent reporting.
- Board approval of the Sustainability Strategy allows AT to complete an action in the SOI under “Getting the Basics Right”.

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Me mōhio koe / What you need to know

12. This strategy brings together several action plans and targets developed over the past 4 years into a single document. Plans and targets such as the Sustainable Procurement Action Plan (board approved targets in 2021), Hiikina te Wero: Environment Action Plan (board approved targets in 2021) and various targets including AT operational (board approved target in 2020) and embodied emissions (board approved target in February 2023) have been previously supported by the board without the benefit of an overarching strategy. While each target or plan has contributed to the delivery of a sustainable approach by AT, the story and connections between these, has been missing. Integration of ATs approach to climate change, the environment and social and economic outcomes creates a clear strategic direction and weaves the threads of these existing targets and plans together in a single document. The Sustainability Strategy reflects the existing targets – management is not seeking approval to change these but rather for the collation of these into one over-arching document.
13. With increased focus on climate change through the Government Policy Statement for Land Transport (2023), the Letter of Expectation and SOI, reducing transport related greenhouse gases and increasing the resilience of our transport network requires a cohesive strategy. External reporting standards (CS1) have imposed greater transparency around the impacts of climate change on our transport system, and soon, the impacts of our system on nature. How AT proposes to transition to a low-carbon transport network in a fair way while increasing the resilience of our physical assets and restoring biodiversity is reflected in the goals, objectives, and targets in the strategy. The proposed AT Transition Plan is also explicitly identified as an action.
14. The AT Sustainability Strategy identifies goals across three areas: Climate Change, Environment and Social and Economic. The Climate change goal is divided into three parts: Emissions Mitigation, Adaptation and Transition Planning, with each part containing objectives, approved targets and/or a proposed approach to climate mitigation, adaptation, and transition. The definition of operational emissions in this section has been updated to clarify that public transport emissions are included in this target, and to align the level of ambition with the more recently endorsed embodied emissions target (both targets are still a 50% reduction). This is a regulatory directive required under CS1 and international standards (the board has previously approved ATs alignment with these standards).
15. While AT is more familiar with the requirement to reduce transport related emissions, including the Transport Emissions Reduction Plan, adaptation of our physical network is becoming increasingly urgent. Recent storm events revealed the vulnerability of our road network with 1,600 landslips within a fortnight. The adaptation work is advanced through the AT Climate Change Policy for new projects, maintenance and renewals of our existing assets and collaboration with third parties for many of our services.
16. The second goal articulates environmental requirements and reflects the threads from Hiikina te Wero. With the increasing impacts of climate change being felt in the loss of biodiversity, the targets associated treating our road runoff and greening our network have never been more important. The AT Sustainability Strategy connects strongly with Auckland Council's direction in "Making Space for Water" in response to the recent storm events in early 2023 in Auckland. Increasing canopy cover and perviousness of our networks plays a vital role in reducing the impacts of flooding on our communities.
17. The third goal focusses on social economic objectives to better serve the training and employment opportunities of Māori and Pasifika communities. The social and economic objectives are split into two key areas: 1) delivering positive social and economic impact through our procurements, supplier contracts and relationships, and upholding human rights and a high standard of ethics within our supply chains; and 2) improving equity and inclusiveness across our transport network. Our AT social and economic objectives and initiatives will support the vision of the New Zealand Equitable Transitions Strategy currently being developed by the Government, enabling us to achieve our climate goals while supporting more productive and resilient Auckland businesses, jobs and helping our economy and communities to prosper. These objectives are delivered through the roll out of the AT Sustainable Procurement Action Plan, as well as the AT Equity Framework.
18. The AT Sustainability Strategy 2024-2031 brings the existing threads of work, targets, and actions together and articulates a clear direction for AT across the breadth of sustainability and climate related objectives relevant to the transport system in Auckland. Progress against the Sustainability Strategy will be reported to the board in accordance with the proposed reporting structure currently in development for the Chief Executive's Open Board Business Report and more specifically, the quarterly Sustainability Report, once this has been confirmed.

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Ngā ritenga-ā-pūtea me ngā rauemi / Financial and resource impacts

19. The AT Sustainability Strategy itself has no financial/resource impacts. Delivery of the actions required to achieve the targets require financing and resourcing. This is specifically addressed through management of the Climate Change and Sustainability portfolio.

Ka whaiwhakaaro ki te Tiakanga Taiao / Climate change and sustainability considerations

20. The AT Sustainability Strategy provides a framework for the delivery of ATs climate, environment and social and economic objectives and targets. The document identifies our approach to directly improve climate, environment, and social outcomes for Auckland, with associated actions in four complimentary Action Plans under the Strategy.

Ngā whakaaweawe atu anō / Other impacts

Relationship	Consulted Y/N	Views and Perspectives Received
Māori	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	Mana whenua have been engaged through the development of the Strategy document and specifically provided guidance on the use of principles from the Kaitiaki Forum Strategy. This is referenced in the Strategy.
Elected members	Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/>	Elected members will be provided with a copy once endorsed by the board.
Council Controlled Organisations	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	Council Controlled Organisations, particularly Watercare and Council departments have been engaged in the development to ensure alignment where practicable.

Ā muri ake nei / Next steps

21. Actions and activities to implement the objectives and targets are managed through the Climate Change and Sustainability Portfolio and progress is reported to the board quarterly.

Te whakapiringa / Attachment

Attachment #	Description
1.	Auckland Transport Sustainability Strategy 2024-2031

Te pou whenua tuinga / Document ownership

Submitted by	Recommended by	Approved for submission
Dr Cathy Bebelman Chief Scientist	Murray Burt Director, Infrastructure & Place	Dean Kimpton Chief Executive
		