



# Statement of Intent

2023/24  
2025/26



**E ngā iwi whānui ki ngā topito o Tāmaki Mākaaurau  
He mihi manahau ki a koutou katoa  
Topuni ki te Raki  
Rakitu ki te Rāwhiti  
Puketutu ki te Tonga  
Oaia ki te Uru  
Tāmaki herehere o ngā waka e!  
Tihei Mauri ora ki te whai ao, ki te ao mārama**

To the wider people to the ends of Auckland  
A heartening greeting to you all  
Topuni to the North  
Rakitu to the East  
Puketutu to the South  
Oaia to the West  
Tamaki the meeting place of all canoes  
Life essence to the world, to the world of light

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# Chair's Foreword

Our direction is clear. Aucklanders expect a fundamental change in our approach. We have heard that, and we will change.

The work we do every day has an impact on the lives of Aucklanders and those who visit our region. This impact can be both positive and negative. The decisions we make always have the best intention, but by their nature will be open to support and criticism. That's why it is critical that we understand the complex and differing needs of the communities we serve, and how people live their lives. We haven't always got this right. At times we have focused too much on getting the job done and not enough on the people whose lives or businesses we impact. While our direction is set by Auckland Council, we have previously tried to do too much, potentially stretching our resources and losing our connection to the communities we serve. We see that. We've heard that, and our Board and Executive Leadership Team are aligned in our commitment to pursuing a different approach.

## **A vision for the future**

Looking forward, we aspire to a future where all Aucklanders, and all who are visiting or doing business here, are truly thriving. And we believe this future is one that can be advanced through connected, safe and sustainable transport. We know we can and must play an integral role in making this vision for Auckland's transport a reality.

To do that, the future sees us championing Aucklanders' needs, serving our diverse communities, and advocating on their behalf for the future of our transport network and services.

The future sees us planning, driving and communicating long-term outcomes for Tāmaki Makaurau as we tiaki Auckland's transport system, ensuring resilience and sustainability, safety and reliability for the Aucklanders we serve.

The future even sees us shaping the mobility system to foster innovation, optimisation and efficiency, leveraging our assets and unique capabilities anticipating the future through data driven insights, modelling and foresight.

And the future sees us bringing together partners and stakeholders within the system to deliver great outcomes for Auckland.

## **But we're not there yet.**

Before we can begin to champion Aucklanders' needs, we need to demonstrate that we are truly listening and that we understand those needs. We must deeply understand and respond to Aucklanders' needs.

We need to prove we can get the basics right – deliver our core business in a way that responds to Aucklanders' needs consistently, to build the trust required for us to really prove we are capable and best placed to tiaki the transport system. We must successfully complete the existing major projects that are underway, including preparing the network for City Rail Link, completing the Eastern Busway, and progressing work on the North-western Busway.

We've been asked to leverage our existing network – it's important we address that. But we must also do so in a way that fosters innovation, optimisation and efficiency.

We are suffering from a serious lack of trust and need to regain social licence. Many of our relationships with key partners are not in a place (yet) to build partnerships. We must improve relationships and build trust first.

## **The fundamental change starts now**

This Statement of Intent sets out the key actions we will implement to make the change.

## **Placing customers at the centre of what we do**

Core to our change will be a refocus on the way that our decisions impact those who use and experience our services and network. We need to remember that Aucklanders travel around our region every day and the decisions we make will directly and indirectly affect their lives, now and into the future. If we are to regain trust, the benefits of what we do should be clear to those we impact.

To underpin this shift, the AT Board and Executive have agreed a set of customer principles, in addition to other outcomes such as safety and sustainability, that we will apply when considering any change to the network or to our services:

- We will evidence a full understanding of the impact to all Auckland users, across all modes
- We will clearly identify an overall benefit that will be recognisable to impacted users
- We will assess travel time impacts for all users and impacts on travel times on key routes
- We will balance the immediate needs of Aucklanders with future outcomes
- We will only carry out activity that is clearly part of AT's core business
- We will effectively leverage AT's existing network
- We will always consider affordability and value for money

Shifting the focus of our decision-making in this way means deeply understanding the needs of Aucklanders and embedding this understanding into everything we do. Decisions made and actions taken in this way will create a transport network and services that respond to what matters most to Aucklanders.

# Introduction

Every decision we make that impacts Aucklanders must consider how those Aucklanders live their lives and navigate their way around our region.

Whether it is walking, cycling, using public transport, driving, or moving goods and services we commit to truly listening and deeply understanding the needs of all Aucklanders. And we commit to delivering services and solutions that respond to those needs. We also commit to involving Aucklanders in the decisions we make that affect them.

This Statement of Intent (SOI) outlines how we will achieve this fundamental change of approach and addresses the key expectations the Mayor and Auckland Council (the Council) have set out for us in the 2023 Letter of Expectation (attached as Appendix 3).

In Part 1 of the SOI we provide an overview of the strategic direction, and how it links with the objectives, priorities and outcomes set by Council and Government. This section includes the challenges and constraints in our operating environment that we will work to overcome.

In Part 2 of the SOI, our performance expectations are structured into four key outcome areas:

1. Better understanding of the communities we serve
2. Getting the basics right
3. Leveraging our existing network
4. Collaboration and improving relationships

Our performance expectations show how our organisation will deliver a fundamental change in the way we operate. We will demonstrate that we care about the short-term impact on all stakeholders, balancing these impacts with wider objectives such as addressing climate change and emission reductions. In making decisions we will call out the necessary trade-offs and engage closely with local boards to work through differing views in the community. We will respond with urgency to stakeholder concerns.

We will ensure that we deliver with a focus on value for money throughout all activities.

# Part 1 Strategic Overview

## 1.1 Roles and responsibilities

Every day, a 'typical' Aucklander makes three trips to connect across our city and region. At its most basic level, our role is to make those trips as easy and safe as possible. We contribute to an effective, efficient, and safe land transport system.

Aucklanders pay for travel through taxes, rates, fares, and vehicle costs. Most importantly, Aucklanders pay for travel with their time, and this is generally the most expensive part of any trip. Every year Auckland Transport is entrusted with \$750 million in funding for services and maintenance and more than \$1 billion to renew and improve the transport network. Our task is to invest those funds on behalf of Aucklanders so they can travel to the places they want - safely and reliably – in a way that meets their needs.

Our role is to invest wisely to ensure:

- we achieve benefits that Aucklanders value, including their time; that those benefits are shared by everyone impacted by our activities and we manage costs responsibly
- we provide for the future without negatively impacting the way Aucklanders need to live their lives today
- we reflect the policy guidance of Auckland Council
- transport positively contributes to the economic and productive growth of the Auckland region
- we substantially reduce the negative impacts of transport, such as greenhouse gas emissions, whilst still enabling Aucklanders to safely connect to the places they want to go.

When we succeed, we enable Aucklanders to safely and sustainably access more of the economic, social and cultural opportunities that our region has to offer. By improving access to opportunity, we help enable Aucklanders to thrive, as individuals and as a region, now and into the future.

Our key activities that directly impact Aucklanders are:

- Operation and maintenance of the roading network, including traffic lights, lighting, communications, and other management systems
- Parking management and enforcement
- Investing in the renewal of the transport system, particularly the roading network
- Provision and maintenance of footpaths and cycleways
- Planning and contracting of public transport services with associated support – such as communications
- Investing in improvements to the transport network, including safety improvements
- Planning for the future transport system for Auckland and coordinating system development

We also undertake other activities, including:

- Providing advice and advocacy to Government, Council and other decision makers
- Developing plans and strategies that align with our political direction and embed equity in our operations
- Funding allocation and project delivery
- Communications and engagement
- Managing the interaction with other land uses, including consenting and approvals and other contractors working on the network

- Harbourmaster functions
- Running two airports on Aotea Great Barrier

We are committed to the operating principles set out in the Local Government Act:

- Establishing and maintaining processes for Māori to contribute to our decision-making processes
- Operating in a financially responsible manner
- Using revenue efficiently, seeking value for money
- Being transparent in our revenue and expenditure
- Being transparent in our decision-making.



## 1.2 Responses to Council's strategic objectives

As a CCO, AT must respond to Council's strategic direction. The Auckland Plan 2050 is Auckland Council's long-term plan to ensure Auckland grows in a way that will meet the opportunities and challenges of the future.

Auckland Transport supports the six outcomes outlined in the plan that will bring about the change needed for Auckland's future as described below:

Auckland Plan Outcomes	How Auckland Transport contributes
Belonging and participation	<p>Working with Local Boards to enhance the partnering relationship and deliver local transport-led initiatives in the Local Board area and across the region</p> <p>Committing to open and timely engagement and collaboration with stakeholders, businesses, and communities to ensure best possible engagement and outcomes</p>
Māori identity and wellbeing	<p>Guided by the Council Group's Māori Outcomes Performance Measurement Framework – Kia ora Tāmaki Makaurau – to deliver Māori Outcomes in Tāmaki Makaurau</p> <p>Facilitating engagement forums with mana whenua on operational matters, projects, programmes, strategies, and plans</p> <p>Improving opportunities for Mataawaka Māori to contribute to our decision-making processes</p>
Homes and places	<p>Working with crown entities and Council Group on housing developments and urban transformation opportunities to achieve integrated land-use and transport solutions in agreed priority areas</p>
Transport and access	<p>Developing a compelling transport strategy that engages stakeholders, communities, and the people of Tāmaki Makaurau and supports a single transport plan for Auckland across all organisations in the eco-system</p> <p>Identifying congestion and transport network productivity challenges and actively implementing improvements</p> <p>Enhancing real-time network performance and improving real-time communications to users</p> <p>Developing a programme of technology-based solutions to improve the arterial road corridor and transport network productivity</p> <p>Delivering ongoing road safety improvement improvements in our communities</p> <p>Prioritising services across our network based on customer needs evidenced by research and insight</p> <p>Ensuring public transport is a viable option, increasing mode share through user choice</p> <p>Improving transport equity through prioritised investment across the region</p> <p>Optimising the transport network by ensuring a balanced response to customer demand, safety, social service provision, whilst meeting</p>

	<p>performance criteria</p> <p>Minimising the impact of disruptions on the network</p>
Environment and cultural heritage	<p>Developing a Transition Plan setting out AT's plan to contribute to and prepare for a rapid global transition towards a low GHG-emissions economy.</p> <p>Ensuring AT activities support a climate resilient transport network.</p>
Opportunity and prosperity	<p>Connecting Aucklanders to where they want to go</p> <p>Improving access to work and leisure opportunities, enabling Aucklanders to thrive</p> <p>Ensuring freight connections and goods and services networks are maintained for better economic outcomes</p> <p>Developing and implementing procurement practices to create economic opportunities for Māori</p> <p>Enabling greater public-private partnerships leveraging commercial opportunities and integrating these into the transport system to reduce costs</p>

## 1.3 Strategic alignment and key policies

This Statement of Intent responds specifically to the Letter of Expectation set by the Mayor and Council. It also sets out below how Auckland Transport aligns with key Council and Central Government policies, including the Auckland Plan 2050 and the emerging Joint Transport Plan for Auckland.

### Joint Transport Plan for Auckland

Auckland Transport will support the Mayor and Minister in developing a single, shared strategy to guide the long-term development of the transport network, to ensure it fulfils its role as an enabler of economic growth, prosperity, and liveability. This will help enable a better, faster, more connected transport system for the people and goods of Auckland.

The scope of the joint transport plan will involve four key areas of work:

- Developing the long-term strategic integrated view of transport needs in Tāmaki Makaurau;
- Presenting an integrated network that shows how all modes will work together;
- Providing commentary on implications of consolidating and moving the Auckland Port; and
- Identifying prioritised options for a three-to-ten-year investment programme

The emerging priorities throughout these key areas are consistent with the draft SOI, including responding to what matters most to Aucklanders, getting the most out of the existing transport network and a continued commitment to improved value for money.

The Joint Transport Plan will guide our operational transport planning and development, and it will be appropriately reflected in medium-term planning documents, including the Regional Land Transport Plan.

### Māori Outcomes

Auckland Transport is committed to partnering with Māori to meet its statutory obligations under Te Tiriti o Waitangi. AT is obligated to:

- Establish, maintain, and improve opportunities for Māori to contribute to Auckland Transport's decision-making processes
- Recognise and provide for the relationship of Māori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga
- Take into account the principles of te Tiriti o Waitangi

We will continue to engage meaningfully and regularly with Mana Whenua. The Māori Policy and Engagement team will continue to facilitate AT-resourced engagement forums with mana whenua on operational matters, projects, programmes, strategies, and plans. AT will continue to engage with Mana Whenua governance at the Tāmaki Makaurau Mana Whenua forum and with individual iwi.

AT seeks to better understand the needs of Māori across Tāmaki Makaurau and will establish and improve opportunities for Mataawaka Māori to contribute to our decision-making processes. We will develop a Mataawaka engagement plan, and seek out working relationships with Mataawaka organisations, marae, wānanga, kura, whānau, and individuals.

AT is committed to working alongside Auckland Council Group and the Independent Māori Statutory Board to meet the requirements of the tri-annual Treaty of Waitangi Audit. The Independent Māori Statutory Board's Schedule of Issue of Significance recognise access to infrastructure as an Issue of Significance to Māori in Tāmaki Makaurau and seeks to ensure that Māori receive ongoing access to safe, operational, and reasonably priced infrastructure services and are enabled to contribute to the decision-making process of future infrastructure projects actively and meaningfully.

AT is committed to responding to the Board's Issues of Significance and will continue to proactively work with our Māori partners across the 2023-2026 term.

We are an active member of the Council's Māori Outcomes Steering Group and are guided by Kia Ora Tāmaki Makaurau - the Council's Māori Outcomes Performance Measurement Framework.

In accordance with Kia Ora Tāmaki Makaurau, and to support a thriving Māori identity, we will:

Kia ora te reo	implement te reo Māori on signage and public transport announcements
Kia ora te rangatahi and Kia ora te whanau	deliver Te Ara Haepapa Māori road safety programmes
Kia ora te hononga (ahurea and taio)	integrate Te Aranga Māori urban design principles in AT projects. They are used as a guide in discussion and engagement with mana whenua
Kia ora te whanau	support Māori wardens in providing a safe environment for our customers across the AT network
Kia ora te Umanga	improve our procurement practices to create economic opportunities for Māori
Kia ora te marae	improve safety and access around Marae and Papakainga
Kia ora Hāngai te Kaunihera	increase staff knowledge and capability in te reo me ona tikanga Māori, and understanding of Tiriti o Waitangi
Kia ora Hāngai te Kaunihera	improve the representation and wellbeing of kaimahi and rangatahi Māori at AT
Kia ora Hāngai te Kaunihera	better understand how to measure and support Māori wellbeing outcomes and develop better ways to report on these

## **Sustainability and environment**

Auckland Council and Government have clearly signalled the need to reduce transport emissions and minimise the impact of the transport network on the environment. Auckland Transport is committed to reducing our corporate emissions, improving environmental performance of the network, and working to reduce greenhouse gas emissions.

An important focus will be working towards the goals set by Auckland Council in the Transport Emissions Reduction Plan (TERP). AT continues to support the TERP as a comprehensive pathway towards the ambition of the climate plan. What we can realistically deliver in the next three years is dependent on the context of our current constrained operating and economic environment; funding parameters; and practical constraints such as the current bus driver shortage. And while AT can make substantial reductions in the emissions that are under our control, it will take the collaborative efforts of all partners in the transport system and their resources to achieve the TERP goals. Ensuring a transport network that is resilient to the impacts of climate change is a whole-of-Council and whole-of-Government responsibility.

Where we can, we will collaborate with Council and key partners to progress low-cost actions within approved funding. We will continue to invest in public transport projects and services, along with walking and cycling projects, to provide Aucklanders with reasonable alternatives to driving. These will support mode shift away from car travel and a consequent reduction in emissions. Increasing use of public transport will contribute to TERP outcomes. We will also need to consider how we can support motorists to transition towards greater electric vehicle use efficiently and effectively.

We will also work towards greater energy and resource efficiency at new facilities to ensure future costs and environmental impacts are reduced over the full lifespan of those facilities. And we will seek to improve the energy and resource efficiency of existing facilities when they are renewed or upgraded.

We will also leverage alternative funding sources for the substantial investigation required to determine the right interventions, and to deliver them. An early opportunity is to secure investigation funding through Waka Kotahi's Vehicle Kilometres Travelled Reduction Programme to enable Council and AT to collaborate in this area.

Recent extreme weather events have highlighted the impacts of climate change. While recovery from the storms will remain a key focus, the timely adoption of our Climate Change Adaptation Policy will enable AT to 'build back better' by ensuring our recovery (and later our renewals programmes) adapt to predicted future conditions and ensure the transport network is resilient to the changing climate. We continue to build capability in our approach to managing disruptive events to ensure processes and systems enable us to respond to significant events appropriately. This means reviewing business continuity planning and improvement and ensuring the Auckland Transport Operations Centre (ATOC) coordinated with Waka Kotahi, emergency services and Auckland Council is appropriated resourced and operates as a critical priority and function.

We will continue to advocate for greater action by our partners who hold other levers that can support us to transition to a low emission transport network in Auckland. We are working closely with Auckland Council as we continue to progress adaptation work. A Council-family team has been established to ensure information is shared efficiently and the team is interacting with the Ministry for the Environment to ensure a common understanding of central government's approach to current and future infrastructure investment, ranging from reinforce to managed retreat.



## **Vision Zero – Auckland Transport’s commitment to safer outcomes**

Tāmaki Makaurau’s commitment to Vision Zero is an ambitious transport safety vision with the goal of no deaths or serious injuries on our transport system by 2050. This targets all elements of transport safety for all Aucklanders.

The Vision Zero strategy is aligned with the Auckland Plan 2050, Waka Kotahi’s Road to Zero road safety strategy, the Government Policy Statement on Land Transport 2021 and is acknowledged by the World Health Organisation.

We are committed to making Tāmaki Makaurau’s transport system safe and eliminating harm through the adoption of the Safe System, a globally recognised approach to risk management proven to reduce road harm.

At the end of the 2022 calendar year, the number of deaths and serious injuries on our transport network was higher than our existing targets. A refresh of the Safety Programme Business Case in 2024 will determine if our current investment strategy is fit for purpose, ensuring our approach is taking into account advocacy, education, road safety engineering, wider harm on the transport network, and alignment with other policies. Our targets for the coming years have been reset to the baseline of our current performance, while maintaining the Road to Zero target at the end of the decade.

This Statement of Intent recognises that safety for Aucklanders is more than Deaths and Serious Injuries. It’s also about how people feel as they move around Tāmaki Makaurau. So, we will seek to understand where and why people feel unsafe and will investigate a risk-based approach to measuring harm beyond actual deaths and serious injuries to holistically improve AT’s transport safety decisions. This will include developing a framework for measuring perceptions of safety overlayed with actual deaths and serious injuries and use the reporting of these measures to focus improvements.

## 1.4 Challenges and constraints

Over the next few years, Auckland Transport will face an extremely challenging operating environment:

- We know we need to rapidly reduce transport greenhouse gas emissions, and Government and Council have set some very high targets for us. We also know we must improve equitable access to transport across Auckland and address longstanding safety concerns. However, many of the interventions required to achieve national and regional outcomes will require some trade-offs. They will also require behavioural change from some users, many of whom are struggling with day-to-day living. Balancing policy and legislative objectives with political willingness to implement change is increasingly challenging with the available funding.
- The January 2023 floods and effects of Cyclone Gabrielle have not only devastated many parts of our region, and impacted the lives of thousands of Aucklanders, but have also left us with significant repairs to make at a significant cost. This reinforces the need to invest wisely to ensure our infrastructure is better able to adapt to the impacts of extreme weather events into the future.
- We have previously invested in new projects at the expense of investment on asset renewals and maintenance. We need to address the network deficiency and resulting lack of public trust this has caused.
- Funding constraints mean that to maintain our assets to an acceptable standard we may need to reallocate funding from other currently proposed projects. If this is not possible, or we are unable to secure additional funding, current funding for asset maintenance and renewals will see a decline in the condition of critical assets in this period.
- Covid and the impacts of inflation, including land price inflation up to the end of 2021, have led to rapid cost increases in our projects and seen delays to our overall programme. Increased bus driver wages and other factors have also driven up the costs of bus, rail and ferry services. Public transport services now cost \$69 million more per annum than was forecast pre-Covid.
- The rebuild of the rail network, while needed to ensure KiwiRail is managing the asset in a fit-for-purpose state, has placed additional pressures on a public transport network and impacted the ability of Aucklanders to navigate around the region at a time when we're already struggling with a shortage of bus drivers. AT is working with KiwiRail to run rail replacement buses and even though we are working hard to minimise the impact of rail disruptions, we know rail replacement buses can't offer the same level of service as trains. As a result of these constraints on the current public transport service, the level of trust and confidence in AT has reduced and we need to earn this back again.
- Government plans to address housing supply and affordability have significantly increased transport investment expectations across the region. New development areas are emerging in areas where growth was not previously planned and areas receiving investment may not grow as quickly. Regulations and processes to fund new development remain tied to the previous system, leading to a growing gap between demand for new infrastructure and the ability of transport providers to respond.

While costs and expectations are increasing, funding and revenue are under major pressure and the system is becoming more complex:

- Covid lockdowns, the shift to working from home and reduced service levels as a result of bus and ferry staff shortages, in part a result of New Zealand border closures and immigration settings, contributed to a significant reduction in public transport patronage. Patronage is now recovering but we still face significant challenges as we recover service levels and work to minimise disruptions through the KiwiRail Rail Network Rebuild through to 2025.
- The Council Group's budget, particularly its operating budget, is under major pressure – reducing funding available for services, maintenance, and our staff.

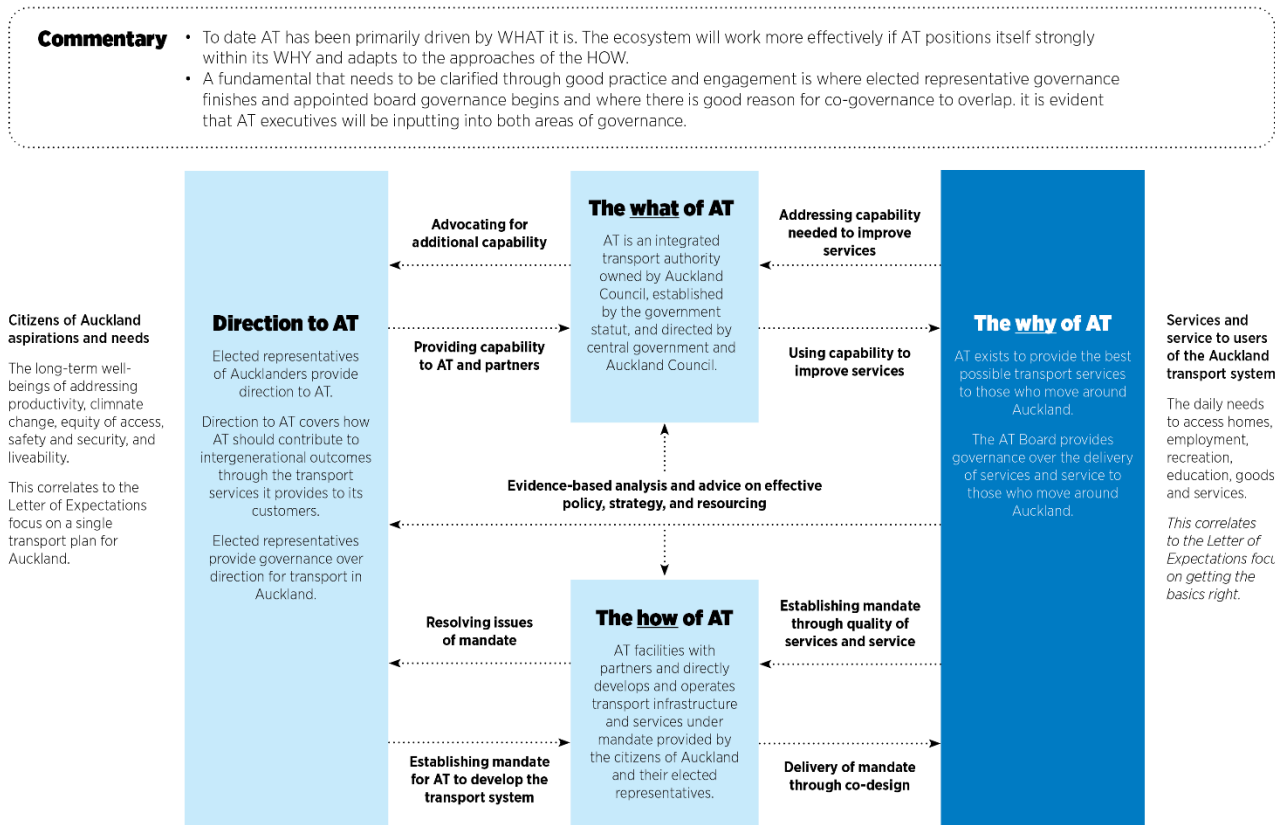
- The national land transport funding system is in crisis, with Waka Kotahi advising before the floods that they would now only be able to fund continuous programmes such as public transport services, maintenance and renewal. Crown funding, if available, will be allocated on a short-term basis (next 1-3 years) and will not provide long term certainty of investment for multi-year programmes.
- In addition to the increased complexity of the funding system, the interagency environment is becoming more complex with an increasing central government presence across a number of areas. The number of agencies we need to work with is also increasing, for example with the addition of the City Rail Link Ltd and Light Rail Ltd. The diagram below provides an illustration of the complexity of our operating environment.

The combination of increasing costs and constrained funding means that buying new property, or even shifting curbs, is becoming prohibitively expensive for many projects. This increases our reliance on road space reallocation to improve the efficiency and productivity of the network. However, this approach presents a range of challenges and trade-offs and needs to be carefully navigated to ensure we retain community support and provide an overall benefit to travelling Aucklanders.

Our proposed activities reflect the 2023/24 budget, and the LTP for years 2024/25 and 2025/26. If the actual level of funding provided is less than budgeted, then less transport investment and services can be delivered. This will result in reduced transport service levels, worse climate impacts, and increased risks to public safety. If more funding is made available, further investment in assets and services could be made and improve the associated outcomes.

Overall, policy expectations and delivery costs are increasing rapidly while funding appears likely to decrease significantly. It is clear, we need to refocus our attention on the basics and delivering value for money.

## The Ecosystem of AT



# Part 2 Statement of performance expectations

A fundamental change of approach means shifting our focus. That focus is underpinned by value for money and grounded in four outcomes. We will deliver and measure performance according to these four outcomes:

1. Better understanding of the communities we serve
2. Getting the basics right
3. Leveraging our existing network using data, technology and insights
4. Collaboration and improving relationships

## 2.1 Better understanding of the communities we serve

We will commit to improving how we listen and engage with all Aucklanders to truly understand their behaviours, needs and expectations.

We will continue to learn from the way that Aucklanders actually use the transport network every day, as this also shows us what they value. Most importantly, we will make these insights central to our decision making, whether it's planning, network operations management or project design and delivery. Our investments must deliver a clear benefit for users of Auckland's transport network.

We will seek to understand the diverse populations of our region, and partner with Māori to ensure equitable access and to meet our Te Tiriti partner obligations.

And we will work hard to gain the trust of the people, businesses and communities in Auckland, building back our social license and earning the right to advocate on their behalf for the future of transport in Tāmaki Makaurau.

### To better understand the communities we serve, we will:

Establish a programme to deeply understand those we serve, to inform strategic business decisions and the prioritisation of initiatives to improve customer experience across all services and touch points including where AT engages with communities on projects, programmes and delivery of new transport solutions.	FY24
Commission independent quantitative and qualitative research along with research and analytics on observed travel behaviours. We will publish this research regularly.	FY24
Update governance and decision-making processes to ensure what matters to Aucklanders is given appropriate focus. This will include safety and climate priorities, customer experience project plans, resource and budget plans, insights plans, disruptions plans, customer experience design principles for all major programmes and projects.	FY24
Collect data on where and why Aucklanders feel unsafe (perceptions of safety) and baseline these measures.	FY24
Develop a framework for measuring perceptions of safety overlayed with actual deaths and serious injuries and use the reporting of these measures to focus improvements.	FY25-FY26
Develop a set of exemplar journeys that reflect user experience across the whole Auckland transport network including travel times. We will publish these monthly to understand trends, and to support actions to address any increases in travel times.	FY24

**We will measure success by:**

<b>Measure</b>	<b>2022/23 target (existing SOI)</b>	<b>2023/24 target</b>	<b>2024/25 target</b>	<b>2025/26 target</b>
Customer perceptions AT listens and responds to Aucklanders' needs	New measure	30%	33%	36%
Formal complaints Percentage of total AT case volume resulting in a formal complaint	<0.7%	<0.65%	<0.65%	<0.65%
Complaint resolution Percentage of formal complaints that are resolved within 20 working days	85%	85%	90%	90%

Refer to Appendix 2 for more detail on each measure.



## 2.2 Getting the basics right

Our core role as a transport agency is to make travel for Aucklanders easy, while managing any negative impacts. We commit to improving our core services and fulfilling our purpose to contribute to effective, efficient, and safe transport. We will also focus our efforts on lifting the quality of our interactions with customers and improve responsiveness across all channels.

This will provide what Aucklanders need – whether they are ratepayers, drivers, public transport users, active mode users, businesses, couriers, service providers or our wider stakeholders.

We recognise that our arterial road network is the most important part of Auckland Transport’s network, providing a critical linkage across our city and region for general traffic, freight, goods and service providers and buses. We seek to hold travel times steady over time to ensure those travelling around Auckland can do so with confidence and certainty.

We also acknowledge the abundance of road cones disrupting Aucklanders. We commit to reducing inconvenience to road users and the public through necessary works and keeping those impacted well-informed.

We will ensure a greater focus on addressing the near-term impacts of our decisions on Aucklanders without compromising future sustainability.

We will focus first on managing and maintaining the infrastructure we have.

We will work to improve the transport services we offer operate in a timely and reliable manner.

### To get the basics right, we will:

Develop a public transport recovery plan to achieve pre-covid 19 patronage levels, and uplift passenger numbers. Components of this plan will include:

- |   |              |
|---|--------------|
| • Optimise the bus network by reallocating resources and services to support improved frequencies where travel demand has changed                     | Q1 FY24      |
| • Establishment of a regular bus driver forum for insights to drive customer experience and operational improvements                                  | Q1 FY24      |
| • Ferry crew recruitment and wage increases   | Q1 – Q2 FY24 |
| • Ferry disruption management plan (including customer notification improvement programme)  | Q1 – Q2 FY24 |
| • Bus driver recruitment and wage increases   | Q2 FY24      |
| • Reinstatement of bus services   | Q2 FY24      |
| • Develop a prioritisation plan for accelerated bus priority  | Q3 FY24      |
| • Confirm KiwiRail track infrastructure renewal programme and implementation plan   | Q3 FY24      |
| • Operational efficiencies between KiwiRail, AOR, and AT for faster, more reliable train operations and communications in a single joint control room | Q4 FY24      |

Improve reporting of our bus route utilisation and adjust low patronage routes to on-demand services where appropriate, considering potential impacts to users	FY24
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Improve the way we manage and respond to disruptions by developing a disruptions blueprint.	Q2 FY24
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Maintain our assets to a safe standard within funding limits and seek opportunities to improve funding towards our approved Asset Management Plan in a way that minimises the whole of	FY24
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life cost and considers the unique needs of different areas across the region (such as rural areas).	
We will implement new road maintenance contracts utilising a new Collaborative Maintenance Partnership model which emphasises stewardship, collaboration, and partnership on the part of both the client and supplier.	FY24
We will develop trials of new asset management products, better communicate our prioritised approach to asset maintenance and our different approaches between critical and other assets.	FY24
We will prioritise increased investment in Asset Management to allow for storm and flood recovery.	FY24
Refresh our safety investment strategy and replan our approach to ensure we invest in the right places and ways it is fit for purpose, taking into account advocacy, education, road safety engineering, wider harm on the transport network, and alignment with other policies.	FY24 - FY25
Minimise the impact of disruption on the road corridor and reducing road cones by:	
<ul style="list-style-type: none"> <li>Commencing a trial of a risk-based approach to temporary traffic management (TTM), aligned with NZ Guide for Temporary Traffic Management (NZGTTM).</li> </ul>	Q1 FY24
<ul style="list-style-type: none"> <li>Implementing revised road corridor access charges, incentivising contractors to comply with temporary traffic management and drive efficiency, encouraging more efficient use of public space, subject to consultation.</li> </ul>	Q1 FY24
<ul style="list-style-type: none"> <li>Increasing the rates we charge contractors and developers to occupy parts of the road corridor during construction to incentivise faster delivery and/or less road space to be used during works.</li> </ul>	Q1 FY24
<ul style="list-style-type: none"> <li>Signalling AT's intent to transform TTM with the industry.</li> </ul>	Q1 FY24
<ul style="list-style-type: none"> <li>Providing easier digital solutions for the public to report redundant equipment (such as road cones on the network) directly to the contractors who will proactively collect the equipment.</li> </ul>	Q3 FY24
<ul style="list-style-type: none"> <li>Providing a spatial viewer for all works and events on the network to enable improved coordination.</li> </ul>	FY24
<ul style="list-style-type: none"> <li>Coordinating with key stakeholders to schedule works and minimise disruption.</li> </ul>	FY24
<ul style="list-style-type: none"> <li>Reducing TTM equipment for high traffic urban roads when speed environments are lower.</li> </ul>	FY24
Work towards the Transport Emissions Reduction Plan by:	
<ul style="list-style-type: none"> <li>Completing, in collaboration with Council and key partners, a Vehicle Kilometres Reduction Plan to define specific interventions and progress implementation where funding is available.</li> </ul>	Q3 FY 24
<ul style="list-style-type: none"> <li>Completing Auckland Transport's Sustainability Strategy and setting organisational operational and embodied emissions targets relative to TERP targets to focus effort and transport system intervention design.</li> </ul>	Q3 FY 24
<ul style="list-style-type: none"> <li>Embedding consideration of carbon emission reduction and adaptation measures and targets into AT organisational systems and processes.</li> </ul>	FY 25
Progress the Better Faster Consents work programme alongside Council and Watercare to	FY24

simplify and improve the resource consenting process.

Provide construction oversight to contractors to ensure they remedy defects in accordance with the conditions of their contracts.

FY24

**We will measure success by:**

<b>Measure</b>	<b>2022/23 target (existing SOI)</b>	<b>2023/24 target</b>	<b>2024/25 target</b>	<b>2025/26 target</b>
Average travel time across the arterial network	New measure	24 minutes	24 minutes	24 minutes
PT Reliability Percentage of services that start according to schedule	New measure	95%	98%	98%
PT punctuality Percentage of services that start and end according to schedule	Revised measure	87%	88%	89%
Safety Deaths and Serious Injuries on the road network in Tāmaki Makaurau	No more than 537	No more than 640	No more than 616	No more than 591
Asset condition Proportion of critical assets in poor condition	New measure	5.8%	6.7%	7.6%
Road maintenance Percentage of the sealed local road network that is resurfaced	5.5%	6.0%	6.5%	7.0%
Resource consent timeframes Adherence to the service level agreement to provide specialist input into the resource consents	New measure	70%	90%	90%

Refer to Appendix 2 for more detail on each measure.

## 2.3 Leveraging our existing network using data, technology and insights

We commit to enhancing the management of the infrastructure assets we already have and the transport services we operate. We will leverage these assets and our capabilities to improve efficiency, effectiveness, and productivity of the transport system.

We will plan interventions through data driven insights and modelling and we will deliver intelligent, digital first products and services.

As part of the capital programme, we will prioritise projects that leverage the existing assets.

### To leverage our existing network, we will:

Make smarter use of our existing road spaces and improve traffic flow by optimising the transport network including the use of physical and technology solutions to use road space dynamically. A programme of technology-based Intelligent Transport Systems (ITS) and physical interventions to improve road corridor productivity includes:

- Implement bus prioritisation technology on major corridors:
  - 25 intersections Q2 FY24
  - A further 25 intersections Q1 FY25
- Deliver special vehicle lanes:
  - Te Atatu South, Te Atatu Peninsula, Hobson Street, K' Road Q2 FY24
  - Newton Road, Westgate/Fred Taylor, Triangle Road Q3 FY24
  - East Coast Road, Raleigh Road, Khyber Pass Road/Crowhurst Road Q3 FY24
- Develop a roll-out plan for smart detection (vehicle, pedestrian, cycling) based on trials underway, and implement at least 20 sites in FY24 Q2-Q4 FY24
- Commence investigation and design for 3 dynamic streets (considering Great North Road, Dominion Road, Sandringham Road) FY24
- Implement real-time signal programme as part of the network optimisation programme, with an aim to hold travel times steady on the arterial network FY24
- Deliver freight improvements, including trialing the use of transit lanes by freight vehicles (trials currently on Great South Road/Portage Road/SEART, Mt Wellington Highway between Penrose Road and Sylvia Park and Walmsley Road between Kata and Mangere Road) FY24
- Implement network and capacity improvements at four intersections:
  - Paul Matthews Road, Northcote Road Q2 FY24
  - Ormiston Road/ Preston Road, Cook Street/Hobson Street Q4 FY24

Develop an implementation plan for Room to Move: Tāmaki Makaurau Auckland's Parking Strategy. Q3 FY24

Progress implementation of Room to Move. FY24

Contribute to and support National Ticketing and progress implementation of open loop functionality so that customers can use contactless payment options to pay for their public transport fares and to provide increased access to the PT network.	FY25 – FY26
Progress cycling solutions within available funding, to realise opportunities for interventions within existing kerbs to enable less disruptive and lower cost delivery of cycling improvements.	FY24 – FY26
Improve AT Mobile and AT website usability and enable them to be the channels of choice for customer communications on network performance and disruptions. Investigate how we best manage and respond to the increased demand in requests within available resources.	FY24
Collaborate with Council, City Rail Link Ltd, and KiwiRail to confirm a plan for commissioning acceptance and operational readiness for City Rail Link.	FY24

**We will measure success by:**

Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
PT Boardings Annual number of PT trips	59m	83.4m	94.1m	105.7m
Arterial productivity Average number of people moving per hour during the morning peak	33,000	28,000	30,000	32,000
Freight performance Percentage of the freight network moving without congestion in the interpeak	90%	85%	85%	85%
Cycle counts The number of people using defined cycle network count sites	3.854m	3.12m	3.20m	3.28m
Emission reduction Reduction in operational emissions	17%	15%	19%	23%

Refer to Appendix 2 for more detail on each measure.



## 2.4 Collaboration and improving relationships

We will work closely with Auckland Council and other key partners across our city to drive sustainable integrated transport outcomes. In collaboration with and supporting government, agencies, businesses and experts we seek to drive change and diversity of thinking.

We will engage more meaningfully and transparently with Local Boards, recognising that they represent their communities, and that they should have greater involvement in local transport projects that affect those communities. This means a genuine partnership where we seek to understand the unique and diverse needs of each Local Board at a regional level, not just by project. We will work in partnership to integrate those needs into our planning. We will support Local Boards to communicate integrated local transport planning to their communities.

We will openly communicate constraints and trade-offs and escalate contentious decisions through appropriate channels such as Local Boards and the Transport & Infrastructure Committee.

We will engage with the public fully, openly and with humility, beyond “consultation”, including by co-designing solutions for the people who will benefit from them.

### To collaborate and improve relationships, we will:

Develop a public engagement and consultation strategy including ways to bring impacted people closer to the decisions that affect them.	FY24
Trial an enhanced engagement approach for some significant priority local projects including greater involvement with Local Boards, co-design with communities and greater on-the-ground visibility and in-person engagement from AT.	FY24
Implement processes for Local Boards to propose their own local transport plan inputs and projects, and define local and regional thresholds in collaboration with Council and Local Boards.	FY24
Implement a “no surprises policy” for Local Boards. AT will seek to provide regular updates and heads-up to Local Boards on local projects, consultations and other relevant issues to ensure Local Boards are aware of important matters before these are communicated to the wider community.	FY24
Develop and implement regular surveys of Local Board members and councillors to better understand and track levels of satisfaction with AT engagement.	FY24
Collaborate with national partners and other agencies in the planning and delivery of major externally delivered projects to minimise disruption in Auckland.	FY24-FY26
Work with the Mayor and the Council’s Transport & Infrastructure Committee (TIC) ensure the TIC is utilised to leverage opportunities to promote and advocate for transport development and challenges in Auckland.	FY24
Collaborate with Council staff to agree the decision making, scope, and process expectations involved in development of the 2024-2034 Regional Land Transport Programme.	Q2 FY24
Proactively and meaningfully engage in the development of the FDS Implementation Plan and use the FDS to inform our long-term plans including the development of the RLTP.	FY24
Co-operate with the Water Services Entity on stormwater.	FY24

**We will measure success by:**

<b>Measure</b>	<b>2022/23 target (existing SOI)</b>	<b>2023/24 target</b>	<b>2024/25 target</b>	<b>2025/26 target</b>
Local Board satisfaction with engagement	Revised measure	Develop and implement surveys	Targets to be set after surveys are developed	
Percentage of procurement spend with Māori owned businesses	New Measure	2.0%	2.0%	2.0%

Refer to Appendix 2 for more detail on each measure.

## 2.5 Value for money and reducing costs to Council

Value for money requires AT to critically review the way we work to ensure that we optimise benefits to all users of the transport network and services, whilst minimising the costs. This includes:

- Capital and maintenance programmes being timed to fit Council priorities within the funding envelope
- Improving project governance and management to ensure all projects are completed on time, on (or below) budget, with benefits realised
- Sub-contractor cost variations/overruns are not unreasonably allocated to AT
- Optimising and accelerating consideration of the use of Council shared services where cost savings can be realised across participating organisations, service levels are maintained or improved and risk can be managed appropriately
- Reducing AT's operating costs to reflect priorities set out in the letter of expectation

The Council Group is facing several significant challenges that have material impacts on our finances. Like many organisations, we are facing loss in revenue from COVID-19, followed by the consequences of a rapid rise in inflation and interest rates, and now significant storm recovery costs, which are severely affecting operating results and financial forecasts.

AT is targeting \$56.5m of cost savings in our annual budget and is implementing the necessary steps to ensure these savings are sustainable.

### To achieve value for money and reduce costs to Council, we will:

Implement proposed FY24 budget cost savings as requested by Council	FY24
Identify and realise opportunities to implement or increase AT charges for the services we provide, including parking charges, where these are currently undercharged and leverage existing assets for new or incremental revenue	FY24
Identify opportunities to reduce the financial burden on AT and Council, reporting back to Council by September 2023 for inclusion in the 2024-2034 Long Term Plan	Q1 FY24
Identify and advocate policy, legislative and regulatory changes necessary to address both project funding issues and more general revenue barriers, and review on an annual basis.	FY24 – FY26
Work constructively with Council to investigate and implement arrangements for shared services where appropriate, while ensuring risks are appropriately managed and delivery of customer outcomes are not compromised.	FY24-FY26

### We will measure success by:

Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
Percentage of direct capital budget invested	New measure	90%	90%	90%
Farebox Recovery Ratio The percentage of the total PT operating cost recovered through fares	30-34%	25%	30%	35%

Refer to Appendix 2 for more detail on each measure.

## 2.6 Deliver our capital programme

We will continue to manage the capital programme in a responsible manner, ensuring that procurement is appropriate for each project.

We will work with the Transport and Infrastructure Committee where there is not alignment across communities and Local Boards on proposed projects.

Our capital programme will prioritise our storm related response and will address the letter of expectation. Specifically, we commit to doing a better job at managing existing infrastructure assets, completing existing transport projects on time and on budget, getting the most out of the existing transport system and making significant gains in network performance through use of technology.

The capital programme:

- Prioritises increased investment in Asset Management to allow for storm and flood recovery.
- Prioritises committed projects such as Eastern Busway and North West Bus improvements and projects on a critical path such as CRL Day One related projects including new Electric Multiple Units and stabling;
- Ensures programmes to maintain an effective, efficient, and safe transport system including productivity improvements continue. This includes safety, customer and business technology including AT HOP improvements to enable EMV (Europay, MasterCard and Visa) payments, Intelligent Transport Systems (ITS) and network performance;
- Includes the progressive replacement of the aging ferry fleet with low emission vessels, to contribute to Council's emission reduction objectives, within available funding parameters;
- Results in less budget being available for other non-committed projects such as road corridor improvements. The iterative review of the programme will also need to support the emerging Joint Transport Plan.

## Summary of 2023/24 Capital Programme

Programme/Project	2023/24 Budget (\$m)
Renewals	258
Flood/Storm Recovery	150
Other	10
<b>Subtotal: Asset management - Resilience and recovery</b>	<b>418</b>
Eastern Busway Stage 1	10
Eastern Busway Stages 2 to 4	162
EMU Rolling Stock and Stabling Tranche for CRL	86
CRL Day One - Level Crossing Removal	12
CRL Day One - Road Side Projects (Project K)	8
Midtown Bus Improvements	8
Decarbonisation of the Ferry Fleet Stage 1	60
Northwest Bus Improvements	26
Rosedale and Constellation Bus Stations	8
Glenvar Road/East Coast Road intersection and corridor improvements	2
Wainui Improvements	6
Tāmaki Drive/ Ngapipi Road safety improvements	6
Huapai Improvements	14
<b>Subtotal: Committed and on critical path</b>	<b>408</b>
Safety Programme	47
Customer and Business Technology	22
Open Loop Technology for buses	10
Network Performance	12
Intelligent Transport Systems	10
Public Transport Safety, Security and Amenity	14
Local Board Initiatives	7
Projects Funded by Rodney Transport Targeted Rate	11
Unsealed Road Improvements	6
Hill Street Intersection Improvement	1
New Footpaths Regional Programme	2
Supporting Growth Alliance	3
Airport to Botany Rapid Transit Route Protection	5
Supporting Growth - Post Lodgement and Property	15
Carrington Road Improvements	11
<b>Subtotal: Essential programmes and ring fenced</b>	<b>176</b>
Urban Cycleways Programme	32
Wynyard Quarter Integrated Road Programme	2
On-going Cycling Programme & Projects	14
<b>Subtotal: Cycling and Corridor Improvement projects</b>	<b>48</b>
<b>Subtotal: Smaller projects and programmes</b>	<b>8</b>
<b>Total</b>	<b>1,058</b>



## 2.7 How we will be held accountable

This draft SOI proposes a revised approach to measuring and reporting success. We have reduced the number of SOI performance measures to 19 to more clearly demonstrate how we will be held accountable.

The performance measures will be reported to Council on a quarterly basis, in accordance with the Letter of Expectation.

AT will use the following guidelines to report on performance against the targets:

- where performance is within +/- 2.5% of a target, the target will be considered to be met;
- where performance is above a target by more than 2.5%, the target will be considered to be exceeded;
- where performance is below a target by more than 2.5%, the target will be considered to be not met.

### Summary of SOI measures

Outcome area	Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
Better understanding the customer	Customer perceptions AT listens and responds to Aucklanders' needs	New measure	30%	33%	36%
	Formal complaints Percentage of total AT case volume resulting in a formal complaint	<0.7%	<0.65%	<0.65%	<0.65%
	Complaint resolution Percentage of formal complaints that are resolved within 20 working days	85%	85%	90%	90%
Getting the basics right	Average travel time across the arterial network	New measure	24 minutes	24 minutes	24 minutes
	PT reliability Percentage of services that start according to schedule	New measure	95%	98%	98%
	PT punctuality Percentage of services that start and end according to schedule	Revised measure	87%	88%	89%
	Safety Deaths and Serious Injuries on the road network in Tāmaki Makaurau	No more than 537	No more than 640	No more than 616	No more than 591
	Asset condition Proportion of critical assets in poor condition	New measure	5.8%	6.7%	7.6%
	Road maintenance Percentage of the sealed local road network that is resurfaced or rehabilitated	5.5%	6.0%	6.5%	7.0%
	Resource consent timeframes Adherence to the service level agreement to provide specialist input into the resource consents	New measure	70%	90%	90%

Outcome area	Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
Leveraging our existing network	PT Boardings Annual number of PT trips	59m	83.4m	94.1m	105.7m
	Arterial productivity Average number of people moving per hour during the morning peak	33,000	28,000	30,000	32,000
	Freight performance Percentage of the freight network moving without congestion in the interpeak	90%	85%	85%	85%
	Cycle counts The number of people using defined cycle network count sites	3.854m	3.12m	3.20m	3.28m
	Emission reduction Reduction in operational emissions	17%	15%	19%	23%
Collaboration and improving our relationships	Local Board satisfaction with engagement	Revised measure	Develop and implement surveys	Targets to be set after surveys are developed	
	Percentage of procurement spend with Māori owned businesses	New Measure	2.0%	2.0%	2.0%
Value for money	Percentage of capital budget invested	New measure	90%	90%	90%
	Farebox Recovery Ratio The percentage of the total PT operating cost recovered through fares	30-34%	25%	30%	35%

We recognise that by focusing on fewer key headline measures, this more focused view does not cover all of our activities or provide detailed information.

To navigate this, regular updates will be provided publicly through our Board meetings, as well as to the Transport and Infrastructure Committee.

Our regular reporting will include:

- Performance of the wider transport system, including journey times, travel time variability, and exemplar journeys;
- Customer perception and satisfaction measures (including PT satisfaction);
- Sustainability, adaptation, and resilience measures, including estimations of regional greenhouse gas emissions;
- More detailed breakdowns of measures (e.g. rural road maintenance).

Transport and Infrastructure and Committee will also receive updates including the following:

- Public transport network coverage updates;
- Benefits of temporary traffic management trials and NZGTTM.

## 2.8 Financial statements

New financial statements have been included in this SOI on advice from audit and Council's CCO Governance & External Partnerships team. These will include a forecast statement of comprehensive revenue and expenditure and major accounting policies.

The operating budget lines below follow the format of the quarterly reporting templates. The aim is to have consistency in the presentation to make it easier for users to interpret and compare to other information.

Operating budgets - \$m	2021/22 Actual	2022/23 Budget	2023/24 Budget	2024/25 Forecast	2025/26 Forecast
<b>Net direct expenditure/ (income)</b>	<b>370</b>	<b>389</b>	<b>403</b>	<b>475</b>	<b>490</b>
<b>Direct revenue</b>	<b>575</b>	<b>735</b>	<b>802</b>	<b>851</b>	<b>949</b>
Fees & user charges	142	251	264	281	310
Operating grants and subsidies (external)	386	424	477	501	576
Other direct revenue	47	60	61	69	63
<b>Direct expenditure</b>	<b>945</b>	<b>1,123</b>	<b>1,205</b>	<b>1,326</b>	<b>1,439</b>
Employee benefits	155	171	173	182	187
Grants, contributions & sponsorship					
Other direct expenditure	790	952	1,032	1144	1252
<b>Other key operating lines</b>					
AC operating funding	380	425	439	511	527
Vested assets	232	275	275	275	275
Non-direct revenue					
Non-direct expenditure					
Depreciation and amortisation	408	447	552	0	0
Net finance expense	29	28	28	27	27
Principal repayments	7	8	8	9	9
Tax expense					

Notes:

1. 2023/24 is based on the approved 2023/2024 budget.
2. 2024/25 and 2025/26 consider initial work undertaken for TMTP and the 3rd party revenues, costs and associated council and WK funding streams are indicative at this stage and are subject to change through the Long-term Planning process.

Operating budgets by AC Group activity - \$m	2021/22 Actual	2022/23 Budget	2023/24 Budget	2024/25 Forecast	2025/26 Forecast
<b>Net direct expenditure/ (income)</b>	<b>370</b>	<b>389</b>	<b>403</b>	<b>475</b>	<b>490</b>
Roads and footpaths	86	96	108	103	100
PT	284	293	295	372	390

Operating budgets by AT activity - \$m	2021/22 Actual	2022/23 Budget	2023/24 Budget	2024/25 Forecast	2025/26 Forecast
<b>Net direct expenditure/ (income)</b>	<b>370</b>	<b>389</b>	<b>403</b>	<b>N/A</b>	<b>N/A</b>
Roads and footpaths	69	73	74		
Parking and Enforcement	(28)	(79)	(80)		
Public Transport - Bus	147	165	191		
Public Transport - Rail	43	60	56	N/A	N/A
Public Transport - Ferry	14	14	21		
Public Transport - Other	28	34	33		
Internal Support	97	122	108		

Notes:

1. 2023/24 is based on the approved 2023/2024 budget.
2. The Parking and Enforcement activity generates a surplus.
3. 2024/25 and 2025/26 consider initial work undertaken for TMTP and the 3rd party revenues, costs and associated council and WK funding streams are indicative at this stage and are subject to change through the Long-term Planning process. The TMTP was done at group activity level and as such does not have the AT activity level of detail.

Capital expenditure budgets - \$m	2021/22 Actual	2022/23 Budget	2023/24 Budget	2024/25 Forecast	2025/26 Forecast
<b>Capital expenditure</b>	<b>656</b>	<b>857</b>	<b>1,058</b>	<b>1,146</b>	<b>1,215</b>
- to meet additional demand	79	132	133	84	117
- to improve the level of service	293	514	517	687	685
- to replace existing assets	284	211	408	375	413
<b>Capital funding sources</b>	<b>656</b>	<b>857</b>	<b>1,058</b>	<b>1,146</b>	<b>1,215</b>
Capital grant revenue - external	260	434	481	619	643
Capital grant revenue - CIP	21	6	7		
Capital grant revenue - EECA			12		
Capital grant revenue - NZUP			35		
Capital grant revenue - IAF			11		
AC capital funding	375	416	512	527	572
Asset sales					

Notes:

1. 2023/24 is based on the approved 2023/2024 budget.
2. 2024/25 and 2025/26 is based on the 2021-2031 RLTP plus the additional budget allowed under CATR. These budgets will be updated through the Long-term Planning process.

### Other financial information

Years	Proceeds from sale of assets
2021/22 Actual	3.8m
2022/23 Actual (31 December 2022 YTD)	0.5m

Assets and Shares	As at 31 December 2022
Current value of assets	27.3b
Shareholders equity ratio	97%

## Forecast statement of comprehensive revenue and expenditure

(\$million)	2023/24 Budget	2024/25 Forecast	2025/26 Forecast
<b>Revenue</b>			
Operating funding from Auckland Council	439	511	527
Capital funding from Auckland Council	512	527	572
Capital grants and subsidies	481	619	643
Other capital funding	65		
Fees and user charges	264	281	310
Operating grants and subsidies	477	501	576
Other revenue	61	69	63
Vested assets	275	275	275
Finance revenue			
<b>Total Revenue</b>	<b>2,574</b>	<b>2,783</b>	<b>2,966</b>
<b>Expenditure</b>			
Employee Benefits expense	173	182	187
Depreciation and amortisation	552	560	591
Grants, contributions, and sponsorship			
Other operating expenses	1,032	1,144	1,252
Finance costs	28	27	27
<b>Total Expenditure</b>	<b>1,786</b>	<b>1,913</b>	<b>2,057</b>
<b>Surplus/(deficit) before income tax</b>	<b>789</b>	<b>870</b>	<b>909</b>
Income tax expense			
<b>Surplus/(deficit) after income tax</b>	<b>789</b>	<b>870</b>	<b>909</b>
<b>Other comprehensive revenue and expense</b>			
<b>Total comprehensive revenue and expense</b>	<b>789</b>	<b>870</b>	<b>909</b>

### Note:

1. 2023/24 is based on the approved 2023/2024 budget.
2. 2024/25 and 2025/26 operating budgets consider initial work undertaken for TMTP and the 3rd party revenues, costs and associated council and WK funding streams are indicative at this stage and are subject to change through the Long-term Planning process.
3. 2024/25 and 2025/26 capital budgets are based on 2021/31 RLTP plus the additional budget allowed under the Climate Action Targeted Rate (CATR). These budgets will be updated through the Long-term Planning process.

# Appendix 1: Legislative requirements

## Board's approach to governance

AT was established under the Local Government (Auckland Council) Amendment Act 2010 as a Council-Controlled Organisation (CCO) of the Auckland Council. Auckland Council is effectively our sole shareholder.

AT's purpose is to contribute to an effective and efficient land transport system to support Auckland's social, economic, environmental, and cultural well-being.

Auckland Transport's activities are directed and guided at a strategic level by the Board of Directors.

The Board has overall responsibility for delivering transport in Auckland. This includes managing and controlling public transport and local roads, as well as preparing the Auckland Regional Land Transport Programme.

All decisions relating to the operation of Auckland Transport are made by, or under, the authority of the Board in accordance with the Local Government (Tamaki Makaurau Reorganisation) Amendment Act 2009, the Local Government (Auckland Council) Act 2009, and the Local Government (Auckland Transitional Provisions) Act 2010.

## Board composition and responsibilities

The AT Board consists of between 6 and 8 voting members plus 1 non-voting member (appointed from Waka Kotahi). In 2023 the Board consists of 7 voting members including two appointed councillors.

The Board's core responsibilities are to:

- negotiate Statements of Intent with Council;
- act consistently within the guidelines provided in the Shareholder Expectation Guide for CCOs;
- actively review and direct the overall strategy, policies and delegations of AT;
- obtain full and timely information necessary to discharge its obligations;
- identify, evaluate and mitigate controllable risk factors;
- manage and monitor the Chief Executive's performance;
- establish remuneration policies and practices, and set and review remuneration for the Chief Executive; and
- provide leadership in relationships with key stakeholders.

The Board has four committees plus a working group as follows which assist it in discharging its governance obligations. Each is chaired by a member of the Board:

- Design and Delivery Committee;
- Finance and Assurance Committee;
- Safety Committee;
- People and Culture Committee; and
- Climate Change and Sustainability working group

## Board meetings

The Board will ensure that the following two specific meetings during each financial year are open to members of the public:



- A meeting to consider AT's performance under its SOI in the previous financial year; and
- A meeting to consider the Council's shareholder comments on the draft SOI for the following financial year.

There are eight board meetings each year. The specific times and locations of these meetings will be publicly notified in newspapers with a circulation across Auckland, and on the AT website. There are also up to 30 board committee or working group meetings, where directors have the opportunity to work through specific matters with management.

## **Acquisition of shares**

The Board will ensure that AT complies with the requirements of the Council's CCO Accountability Policy and Governance Manual before subscribing for, purchasing, or otherwise acquiring shares in any company or other organisation.

## Appendix 2 – Notes on measures and targets

Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
Customer perceptions AT listens and responds to Aucklanders' needs	New measure	30%	33%	36%
<p>The 2022/23 baseline annual result is 27%. These results are calculated as the 12-month rolling average of survey results.</p> <p>This is measured from our Brand and Reputation tracker, data is collected via online surveys conducted with a representative sample of Aucklanders in relation to age, gender, ethnicity and region). Respondents are sourced through an online panel partner amongst people who have opted in to completing this type of feedback.</p>				
Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
Formal complaints Percentage of total AT case volume resulting in a formal complaint	<0.7%	<0.65%	<0.65%	<0.65%
<p>This measure has a baseline of 0.77% in 2020 and was included in previous SOIs as a response to the CCO Review. Results for Q4 2022/23 were 0.33%. This measure is reported quarterly. The final 2023/24 result will be measured by the percentage of all cases throughout the year that result in a formal complaint.</p>				
Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
Complaint resolution Percentage of formal complaints that are resolved within 20 working days	85%	85%	90%	90%
<p>This measure has a baseline of 79% in 2020/21 and was included in previous SOIs as a response to the CCO Review. A 5% p.a. increase originally set to reach 90% by 2023/24. Due to our current resource constraints and the increase in volume of customer interactions, we have kept the 2023/24 target at 85%, increasing to 90% by 2024/25.</p>				
Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
Average travel time across the arterial network	New measure	24 minutes	24 minutes	24 minutes
<p>Identified as a key measure from the Letter of Expectation, our targets aim to hold travel times steady on the arterial network.</p> <p>This measure calculates the average travel speed of people in cars and busses in the AM peak hour and uses the average trip in Auckland (10 km for the purposes of this calculation).</p> <p>The 2023/23 baseline for this was 24 minutes.</p>				
Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
PT reliability Percentage of services that start according to schedule	New measure	95%	98%	98%
<p>Scheduled services that operate, and that depart the first stop within -0:59 min and +9:59 min of scheduled start time. Calculated as a 12-month rolling average, weighted by mode (bus, train, and ferry). The current baseline for this measure is 86%.</p>				
Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target

PT punctuality Percentage of services that start and end according to schedule	Revised measure	87%	88%	89%
<p>This measure has been revised to calculate punctuality at both first and last stop (previously only first stop). This measures the proportion of services that both depart the first stop within -0:59 min and +4:59 min of scheduled start time and arrive at last stop within -0:59 min and +4:59 min of scheduled arrival time.</p> <p>The 2023 baseline for this measure is 86%.</p>				
<b>Measure</b>	<b>2022/23 target (existing SOI)</b>	<b>2023/24 target</b>	<b>2024/25 target</b>	<b>2025/26 target</b>
Safety Deaths and Serious Injuries on the road network in Tāmaki Makaurau	No more than 537	No more than 640	No more than 616	No more than 591
<p>This measure tracks the number of deaths and serious injuries across all Tāmaki Makaurau Auckland roads, including state highways.</p> <p>In previous years this measure has reported against a calendar year target (January to December). These targets now relate to financial year (July to June), to be aligned with other SOI performance measures.</p> <p>The 2023/24 – 2025/26 targets have been reset from the baseline result of 665 deaths and serious injuries in the 12 months to June 2023. The target trajectory is calculated from the June 2023 result towards zero by 2050. The reset of this target reflects less funding being available than was anticipated for the Road to Zero 2030 trajectory that was reflected in previous SOIs.</p> <p>The safety investment strategy will be refreshed through 2023/24 – 2024/25 and will re-assess the target trajectory.</p> <p>The annual change in the number of deaths and serious injuries on local roads will still be reported separately as a DIA Mandatory Measure.</p>				
<b>Measure</b>	<b>2022/23 target (existing SOI)</b>	<b>2023/24 target</b>	<b>2024/25 target</b>	<b>2025/26 target</b>
Asset condition Proportion of critical assets in poor condition	New measure	5.8%	6.7%	7.6%
<p>Assets considered as critical include main roads, bridges, major culverts, retaining walls, sea walls, gantries, train stations, bus stations, ferry terminals, wharves, car park buildings, airfields, traffic systems.</p> <p>The 2023 baseline is 4.7% of critical assets in poor condition. Funding constraints, especially for renewals, means that we anticipate a decline in the condition of critical assets in this period. This noted decline in the condition of critical assets is a concern for AT as we operate in the significantly constrained funding environment.</p> <p>Road maintenance standards and footpath condition will still be reported separately as a DIA Mandatory Measure.</p>				
<b>Measure</b>	<b>2022/23 target (existing SOI)</b>	<b>2023/24 target</b>	<b>2024/25 target</b>	<b>2025/26 target</b>
Road maintenance Percentage of the sealed local road network that is resurfaced or rehabilitated.	5.5%	6.0%	6.5%	7.0%
<p>The percentage of the sealed local road network that is resurfaced or rehabilitated is a DIA mandatory measure.</p> <p>The 2023 baseline is 4.61% (compared to the SOI target of 5.5%). Our previous SOI targets reflected insufficient funding and ability to deliver to target. Over this SOI period we aim to increase this to 7% per annum.</p>				
<b>Measure</b>	<b>2022/23 target (existing SOI)</b>	<b>2023/24 target</b>	<b>2024/25 target</b>	<b>2025/26 target</b>
Resource consent timeframes Adherence to the service level agreement to provide specialist input	New measure	70%	90%	90%

into the resource consents				
<p>Service levels have been agreed with Auckland Council as part of the Better, Faster Consents project as providing specialist input into 90% of required resource consents within 10 working days or an otherwise agreed timeframe.</p> <p>The 2023 baseline is estimated at 50%. Processes are being implemented to reach the agreed service level, however resource constraints mean that an interim 2023/24 target of 70% has been set.</p> <p>For 2023/24 this measure will be reported as an average of all resource consents processed each quarter.</p>				
Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
PT Boardings Annual number of PT trips	59m	83.4m	94.1m	105.7m
<p>Our patronage targets reflect a progressive reinstatement of cancelled services, continued trends around working from home, the impact of the rail network rebuild and the latest forecasts for CRL opening. These targets also assume that AT has sufficient funding to reinstate all cancelled services in 2023/24 and implement new services in future years. This level of funding is not reflected in the current LTP.</p> <p>We have an additional aspirational stretch target to reach 100m boardings by the end of June 2024. Accomplishing this will require reinstatement of services and increased usage by both new and existing customers. We will continue to monitor performance of the PT network and reconsider these aspirational patronage targets annually.</p>				
Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
Arterial productivity Average number of people moving per hour during the morning peak	33,000	28,000	30,000	32,000
<p>Productivity is measured as the average speed multiplied by number of people per lane in one hour on the congested parts of 32 monitored arterial routes, irrespective of what vehicle people are travelling in.</p> <p>The 2022/23 baseline result for this measure is 28,000. Our targets have been reset, lower than previous years, to begin increasing from current network performance.</p> <p>The 32 monitored arterial routes are: Great North Rd; Manukau Rd; Balmoral Rd; Clark/Wolverton/Tiverton; Great South Rd; Dominion Rd; Tamaki Dr; Penrose/Waipuna Rd; Sandringham Rd; Blockhouse Bay Rd; Hillsborough/Godley Rd; Mt Albert/Mt Smart/Mays; Albany Hwy; Constellation Dr; East Coast/Forrest Hill; Esmonde Rd/Lake Rd; Whangaparaoa Rd; Onewa Rd; Oteha Valley Rd; Tristram Avenue; Wairau/Barrys Point; Te Iirangi Rd; Mangere/Massey; Ormiston/Sandstone Rd; Roscommon/Weymouth Rd; Wiri Station/Mill Rd; Mt Wellington Hwy/Great South; Ngapipi Dr/Kepa Rd/Apirana; East Tamaki/Springs Rd; Ellerslie Panmure/Ti Raukau Dr; Lincoln Rd; and Te Atatu/Edmonton Rd.</p>				
Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
Freight performance Percentage of the freight network moving without congestion in the interpeak	90%	85%	85%	85%
<p>Proportion of the freight network operating at Level of Service C or better during the interpeak. The monitored freight network is the Future Connect Strategic Freight Network. Level of service is measured by median speed as a percentage of the posted speed limit and categorised as follows:</p> <ul style="list-style-type: none"> <li>• A: 90% and greater</li> <li>• B: 70-90%</li> <li>• C: 50-70%</li> <li>• D: 40-50%</li> <li>• E: 30-40%</li> <li>• F: less than 30%</li> </ul> <p>Level of service D-F broadly represent “congested” conditions.</p>				

The 2023/23 baseline result for this measure is 87%. Our targets have been reset, lower than previous years.

Changing travel behaviour post Covid has seen increased vehicle volumes in the interpeak, increasing congestion and lowering level of service of the freight network.

Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
Cycle counts The number of people using defined cycle network count sites	3.854m	3.12m	3.20m	3.28m

Some trips may be counted more than once across the cycle network.

AT uses the following sites to monitor cycle movements: Beach Road, Curran Street, East Coast Road, Grafton Bridge, Grafton Gully, Grafton Road, Great South Road, Highbrook shared path, Hopetoun Street, Karangahape Road, Lagoon Drive, Lake Road, Lightpath, Māngere Bridge, Northwestern cycleway – Kingsland, Northwestern cycleway – Te Atatū, Orewa shared path, Quay Street (Vector Arena), SH20 shared path (near Dominion Road), Symonds Street, Tāmaki Drive (both sides of the road), Te Wero Bridge (Wynyard Quarter), Twin Streams shared path, Upper Harbour Drive, Upper Queen Street, Victoria Street West.

The 2022/23 baseline result for this measure is 3.043 million trips in the past 12 months. Our targets have been reset to an annual increase of 2.5% from the final 2023/23 result. This is caused by significantly reduced budget available for cycleway delivery and multi-modal projects.

We recognise that the existing count sites do not represent a comprehensive cycling network, and new infrastructure is not being captured in these existing sites. A new measure will be developed throughout 2023/24 to better monitor and reflect the uptake in cycling in the region.

Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
Emission reduction Reduction in operational emissions	17%	15%	19%	23%

This calculation is the annual operational emissions compared to the baseline result from 2018/19.

Operational emissions boundary includes GHG emissions associated with AT corporate activities and the assets that AT owns. Activities include electricity used in office spaces, staff travel for work, and the AT corporate fleet. Assets include PT facilities and trains.

Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
Local Board satisfaction with engagement	Revised measure	Develop and implement surveys	Targets to be set after surveys are developed	

An elected member survey was previously conducted by Council twice each electoral term (every 18 months) to measure elected member satisfaction with staff performance. The elected member survey was put on hold during FY20/21 while the project was reviewed.

In 2023/24, AT will develop and implement regular surveys with Elected Members and Local Boards through our regular engagement processes. Our target for 2023/24 is to implement the survey process, and set targets.

Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
Percentage of procurement spend with Māori owned businesses	New Measure	2.0%	2.0%	2.0%

Our target includes direct and indirect spend (including extended supply chain).

The 2022/23 baseline for this measure is 1.3%.

Measure	2022/23 target (existing SOI)	2023/24 target	2024/25 target	2025/26 target
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Percentage of capital budget invested	New measure	90%	90%	90%
This provides a simple and straightforward measure of how well AT delivers on the capital budget. A breakdown of the 2023/24 capital programme is provided in section 2.6.				
<b>Measure</b>	<b>2022/23 target (existing SOI)</b>	<b>2023/24 target</b>	<b>2024/25 target</b>	<b>2025/26 target</b>
Farebox Recovery Ratio The percentage of the total PT operating cost recovered through fares	30-34%	25%	30%	35%
<p>Farebox recovery measures the contribution passenger fares make to the operating cost of providing PT services.</p> <p>These targets relate to a minimum expectation based on current operating environment and will be subject to review in future years. Results above these targets are considered meeting or exceeding.</p> <p>The 2022/23 baseline performance is 15% (with half-price fares) or 30% without half price fares. These targets exclude fare top-ups for concessions that are received from central government.</p>				

## Mandatory reporting requirements

Auckland Transport will continue to report on DIA Mandatory measures annually, and the existing Council LTP measures as required to meet Council's audit obligations.

We expect Council LTP measures to be reviewed in 2024.

### Existing LTP and DIA performance measures

DIA and LTP measures	The change from the previous financial year in the number of deaths and serious injuries on the local road network, expressed as a number.
	Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all urban and rural roads.
	Percentage of footpaths in acceptable condition (as defined by AT's AMP).
	Percentage of the sealed road network that is resurfaced <sup>1</sup> .
	Percentage of customer service requests relating to roads and footpaths which receive a response within specified time frames.
Additional LTP measures	PT punctuality (weighted average across all modes) <sup>2</sup>
	Percentage of key signalised intersections in urban centres where pedestrian delays are reduced during the interpeak period.
	Percentage of road assets in acceptable condition (as defined by AT's AMP)
	Percentage of public transport passengers satisfied with their public transport service

<sup>1</sup> Also proposed to be retained as an SOI measure

<sup>2</sup> Original PT punctuality calculation measured at first stop only



# Appendix 3 – Letter of Expectation