

2011 – 2014 Statement of Intent: Response to Auckland Council Shareholder Comments

Purpose

This report advises the Board of the shareholder comments received from the Auckland Council on the draft 2011 – 2014 Statement of Intent (SOI), and recommends amendments to the SOI to address the matters raised.

Background

The Draft 2011 – 2014 SOI was submitted to Auckland Council on 1 March 2011 and considered by the Council-Controlled Organisation (CCO) Strategy Review Sub-committee on 21 April. The sub-committee's comments on the draft SOI were received, along with a letter from the Mayor, on 29 April. The draft SOI, along with the shareholder comments, and the Mayor's letter are attached respectively as Attachment 2 and 3.

The Sub-committee has requested a number of changes to the draft SOI, particularly in the sections dealing with performance measurement (section 5), governance (section 7), and stakeholder engagement (section 8). The Council also issued a new SOI template for the draft 2011 – 2014 SOI at the end of February.

As the shareholder comments were not received until 29 April, it was not possible to develop a proposed response in time for the board meeting held on 18 May.

Attachment 1 sets out a table of recommended responses for the Board's consideration.

Next Steps

Subject to the Board's response to the matters outlined in the table, and feedback from the public, staff will provide a revised SOI for approval by the Board.

Recommendation

It is recommended that the Board:

- i) endorse the proposed responses to the Auckland Council shareholder comments in Table 1 below; and
- ii) direct Auckland Transport management to consider feedback from the public on the draft 2011 – 2014 SOI, and provide a revised SOI for approval by the Board.

Attachments

Attachment 1 – Draft 2011 - 2014 SOI: Proposed Response to Auckland Council Shareholder Comments

Attachment 2 – Shareholder Comments

Attachment 3 – Mayoral Letter

<p>WRITTEN BY</p>	<p>Name: Kiri Wilson Title : Strategic Advisor, Strategy & Planning</p>	
<p>RECOMMENDED by</p>	<p>Name : Peter Clark Title : General Manager Strategy & Planning</p>	
<p>APPROVED FOR SUBMISSION by</p>	<p>Name : Dr David Warburton Title : Chief Executive</p>	

Draft 2011 - 2014 SOI: Proposed Response to Auckland Council Shareholder Comments

Draft SOI Section	Shareholder Comment	Proposed Response
Cover page	Period should be a three year Statement of Intent, with performance targets over three years, as per Schedule 8 s. 9 of Local Government Act 2002.	Amend cover page
1 Introduction	The Council operates under a new decision-making model. The Governing Body and Local Boards share the decision-making responsibilities of Auckland Council. The Governing Body focuses on region-wide strategic decisions. The local boards represent their local communities and make decisions on local issues, activities and facilities. Throughout the SOI, all references to "Auckland Council" or the "Council" mean the Governing Body <u>and</u> local boards.	Review terminology throughout the draft SOI. Acknowledge governance framework for Auckland and the role of local boards.
2 Who we are and what we do	<p>For 2011/12 Auckland Transport should align Auckland Council's expectation as set out in draft Annual Plan 2011/2012 Vol. 1 part IV Contribution to Council Strategies and Activities:</p> <ul style="list-style-type: none"> • Transport Choices – Auckland Transport is to connect the regions people and places by helping to provide easy and affordable access to a range of safe and sustainable transport options. • Effective and efficient transport system – Auckland Transport to contribute to an efficient, sustainable, energy saving and cost effective land transport system to support Auckland's social, economic, environmental and cultural wellbeing. <p>This section should show how Auckland Transport's key goals give effect to Auckland Council's Annual Plan outcomes for Auckland Transport. They should more clearly show how Auckland Transport will contribute to the Council's outcomes, indicating what impacts (difference) it is seeking to make.</p>	<p>"Transport choices" and "Effective and efficient transport system" are the Council's objectives for AT listed in the Council's draft Accountability Policy. The draft Annual Plan simply refers to "Transport choices" as being the primary strategy relevant to the AT.</p> <p>Reflect the objectives referenced in the draft Accountability Policy.</p> <p>Include the impacts Auckland Transport seeks to make and how they link to the outcomes.</p>
3 Our Key Goals	<p>The SOI is for three years. Proposed text: "In the three year period covered by this Statement of Intent,..."</p> <p>The goals should show how they are relevant to the vision for Auckland, and the outcomes.</p> <p>Note that Council will require specific text in the 2012/2013 SOI about how Auckland Transport will demonstrate alignment with the Auckland Plan (Spatial Plan).</p> <p><i>Local Boards comment: Many local boards expressed concern regarding customer service standards, customer responsiveness and integration of service delivery between the Council and CCOs.</i> Proposed text: "Auckland Transport acknowledges that the experience for the customer should be seamlessly integrated between the CCO and the Council ensuring a consistent approach to service delivery. Responsive and seamless customer service will be a priority for Auckland Transport."</p>	<p>Refer throughout to the three-year period covered by the SOI.</p> <p>Include a chart outlining the outcomes framework.</p> <p>Noted. Section 7 "Engagement with the Shareholder" should include bullet points that AT will provide input into the Auckland Plan and will act consistently with it (as per s92 Local Government (Auckland Council) Act 2009).</p> <p>Include text that AT will act consistently with the Auckland Plan.</p> <p>Include proposed text in the SOI's Foreword.</p>

Draft SOI Section	Shareholder Comment	Proposed Response
4 Programme of Action	It would be helpful to define the options, timing, and costings to show progress on this programme.	This will be provided in detail in the Regional Land Transport Programme.
	Auckland Transport should show how each item in the Programme of Action relates to the relevant Progress and Performance Measure.	Modify the performance measurement table in section 5 to demonstrate the link between the individual projects in the Programme of Action, the impacts, and the performance measures.
	LTCCP should be changed to "Long Term Plans".	Amend text
Programme of Action: Major roading projects	<p>Major roading projects should be shown to meet very clear criteria. For example:</p> <ul style="list-style-type: none"> - NZTA criteria prioritisation - Gives effect to Spatial Plan - NZTA sustainability criteria 	Include text in Section 4 "Nature and Scope of Activities". However, it state that Auckland Transport will <i>act consistently with</i> the Auckland Plan rather than <i>give effect</i> to it. This is to reflect the legislative requirement in section 92 Local Government (Auckland Council) Act 2009.
Programme of Action: Local board comment	<p>Local Boards comment: One theme that comes through is the relationship between transport and town centres and the place-shaping role that Auckland Transport plays. As these are local board roles the relationship between Auckland Transport and local boards needs to be of a different nature on these issues, than on issues which are clear Auckland transport responsibilities (where local boards need to be consulted/informed).</p> <p>Proposed text: "Auckland Transport will seek to optimise town centre and rural village design qualities where possible, in consultation with Local Boards." Shareholder comment in 8.5 also requests urban design standards be applied.</p>	<p>The issue of optimising town centre and rural village design qualities is referred to in the Local Board Engagement Plan.</p> <p>Section 8.6 relationship with Local Boards" states that AT will develop a Local Board Engagement Plan that will (among other things) set out how AT will ensure it is responsive on local issues and gain input from local boards via the Governing Body, on AT's priorities and direction.</p>
	Item (d) Dominion Road upgrade is subject to full review.	Noted. Modify the Programme of Action to include "Dominion Road Review".
Programme of Action: Major public transport projects	<p>Proposed text</p> <p>"Development of a new rail station at Parnell and investigate restoring the station at Tamaki."</p>	<p>Include development of a new rail station at Parnell in list of major public transport projects.</p> <p>Include restoring station at Tamaki in list of Council-proposed schemes for study, investigation or design.</p>
Programme of Action: mayoral strategic priorities	A stepped target of year on year results should be generated in order that Council can see each Annual Plan impact.	Modify the table in section 5 "Performance Measurement" to detail yearly targets, where appropriate.
	<p>The Council, through the LOE, also included the following further items to be addressed by Auckland Transport:</p> <ul style="list-style-type: none"> • Move more buses faster at peak times through implementing substantially more buses and transit lanes; • Collaboration on combating graffiti vandalism • Give emphasis to a review of public transport, particularly in the Southern sector covered by the Mangere-Otahuhu, Otara-Papatoeote and Manurewa local board area. <p>These should be included in the SOI.</p>	Include proposed items in a list of Council-proposed schemes for study, investigation or design.
5. Progress and Performance Measures	<p>Local Boards comment: A number of boards wanted to see the performance measures quantified as soon as possible so that progress would be clearer.</p> <p>A number of North Shore local boards were supportive of more detailed congestion measures onto Esmonde Road and Lake Road.</p>	Noted. Baseline data does not exist to include congestion measures Esmonde and Lake Roads. These will be considered for inclusion in the 2012 – 2015 SOI.

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	<p>Proposed text: "That Auckland Transport works with reference to the Regional Land Transport Strategy but focuses on measures and targets that relate to this 3 year timeframe. RLTS targets have been removed but outcomes have been retained."</p>	<p>Performance measures/targets will be included in section 5 cover the three year time-frame covered by the SOI.</p>
	<p>Council will continue to work with Auckland Transport on refining the Performance Measures for SOI finalisation on 30 June.</p>	<p>Noted: Performance measures will be developed</p>
	<p>Auckland Council's SOI Principles note that Performance targets "should be stretch targets where performance/service levels are to be increased". As most of the measures are "yet to be developed" and refer only to "increase", it is not possible for Council to comment on whether these targets are stretch targets.</p>	<p>Noted: Performance measures will be developed</p>
	<p>Auckland Council's SOI Principles note that the SOI should reflect Auckland Transport's commitment to eco principles. Auckland Transport should show how it can contribute to Auckland as an eco-city. Guidance on eco-city principles is provided in the document Auckland Unleashed "The Opportunity Eco City Approach", p. 99.</p> <p>Auckland Transport is expected to comply with the Auckland Council Waste Minimisation Policy."</p>	<p>Include text: "AT will apply relevant eco-city principles, such as minimising waste."</p> <p><u>NB</u>: AC does not currently have an official waste minimisation <i>policy</i>; AC's Waste Management and Minimisation <i>Plan</i> is currently scheduled to be approved in May/June 2012.</p>
	<p>Local Boards comment: A number of rural local boards sought more emphasis on pedestrian safety along roads in and in rural town centres.</p>	<p>Include text acknowledging that transport needs vary across the different local board areas and AT will take account of the priorities identified in each Local Board Plan, as well as the key objectives and activities in each Local Board Agreement.</p>
	<p>Local Boards comment: A number of local boards supported travel times for all modes, not just cars.</p>	<p>Travel times for walking and cycling are not valuable measures as the time taken is heavily dependent on the capability of individuals. Include measures related to the number of walking trips and cycling trips as more valuable.</p> <p>For bus and rail, travel times are timetable dependent.</p>
	<p>Local Boards comment: All predominantly rural local boards noted that the SOI needed to address three distinct catchments, that rural transport needs are quite different to the Auckland Central Business District or suburban Auckland. Comments were also made about ageing infrastructure, rural bridges without pedestrian access, a lack of footpaths in rural villages and townships, poorly maintained berms, streams and stormwater culverts and a lack of recognized safe parking zones within its settlements. Island communities are particularly vulnerable to ageing or deteriorating infrastructure.</p>	<p>Include text acknowledging that transport needs vary across the different local board areas and AT will take account of the priorities identified in each Local Board Plan, as well as the key objectives and activities in each Local Board Agreement.</p>
<p>Proposed new performance measure: Goal 1</p>	<p>"Identification of safety hazards and the impacts of accidents on congestion, measured by: reduction in black spots (locations proven to increase risk of death or serious injury) Maintain or improve on baseline across the region established in 2010/2011</p>	<p>Baseline not currently available. Consider for 2012 / 2015 SOI.</p>
<p>Proposed new performance measures: Goal 2</p>	<p>PT mode share during the morning peak period across the isthmus and CBD screen-lines</p>	<p>Baseline not currently available. Consider for 2012 / 2015 SOI.</p>
	<p>Increase in the proportion of PT vehicles with low floors and wheelchair provision</p>	<p>Baseline not currently available. Consider for 2012 / 2015 SOI.</p>
	<p>Take into account the needs of disabled persons and the</p>	<p>Addressed in 2010 Regional</p>

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	provision of walking, cycling and the public transport accessibility. Auckland Transport to suggest measure.	Public Transport Plan. Consider measure for 2012 / 2015 SOI.
	Journey times of public transport compared to car on selected Quality Transit Network and Rapid Transit Network routes	Sample routes and methodology need to be developed and baseline established. Consider for 2012/15 SOI.
	A measure around meeting PT service levels that includes reliability of timetable for the passengers of all forms of public transport E.g. Percentage of services that arrive within 5 minutes of scheduled time	Some data available but need to extend to full network and improve reporting for buses. Consider for 2012/15 SOI.
Proposed new performance measures: Goal 3	Cycle counts at defined locations across the region in morning peak in the Regional Cycle Count.	Further investigation required to assess number and location of morning sites and establish baseline. Consider for 2012/15 SOI.
	Walking and cycling mode share, in terms of trip legs, in urban areas	Baseline not currently available - would need to be determined. Consider for 2012/15 SOI.
	Kilometres of regional cycle network complete as a proportion of the total planned network	Baseline not currently available - would need to be determined along with methodology. Consider for 2012/15 SOI.
Proposed new performance measures: Goal 4	Identification of new unsealed roads with high vehicle counts to be sealed across the region - Kilometres of new sealed roads formed	Methodology under development to assess high priority roads.
	Parking performance is optimised e.g.: Return on carpark assets is maximized Occupancy of restricted parking; reasonable level of parking provided when and where the public need it Clearways and bus lanes are free of unauthorized vehicles during peak periods	Measure needs to be determined and baseline established - Consider for 2012/15 SOI. Include in Section 5. Baseline not currently available. Methodology currently under investigation. Consider for 2012/15 SOI.
	"Cleanliness of streetscape and maintain the natural habitat in good quality." "Road reserves maintained to good standards and stormwater kerb and channels and cesspits be kept clean on a regular basis." "Maintain water courses alongside roadways on natural habitat to ensure ecology is satisfactory in rural areas."	Measures, methodologies and baselines would need to be developed/determined. Consider for future SOIs.
	Percentage of residents satisfied with the quality of footpaths	Include as a performance measure in section 5.
Proposed new performance measures: Goal 5	Residents' perceptions of walking and cycling accessibility (measured in terms of people who felt that a person could get around the region extremely or quite well by walking or cycling)	Baseline not currently available - would need to be determined along with methodology
	"Consider the needs of pedestrians when upgrading rural roads." Baseline measure to be determined	Measure, methodology and baseline would need to be determined.
	Proposed text: "The final SOI will include the detailed financial forecasts that will be consistent with the funding approved by Auckland Council. Forecasts are currently being prepared by Auckland Council."	Dependent on information being available from Auckland Council.
6.1 Financial Statements	The final SOI should include the statement of financial performance, statement of financial position and summary of key capital projects (over \$1m) with the budget figures.	Including the very large list of AT projects over \$1m would make the SOI overly long and detailed. The list is provided

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		through other reporting mechanisms, such as the Quarterly Reports and the Regional Land Transport Programme.				
	Auckland Transport should ensure that its CAPEX programme is practical and deliverable, and that on an individual basis projects are mentioned.	Noted				
6.2 Ratio of Shareholders Funds to Total Assets	<p>The ratio should be described thus:</p> <table border="0" data-bbox="395 421 778 479"> <tr> <td>Shareholders funds:</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Total assets:</td> <td style="text-align: right;">\$</td> </tr> </table> <p>Ratio of shareholders funds to total assets: %</p>	Shareholders funds:	\$	Total assets:	\$	Dependent on financial information being available from Auckland Council.
Shareholders funds:	\$					
Total assets:	\$					
6.3 Accounting policies	Appendix of accounting policies should be included.	Include.				
6.7 Procedures for acquisition	Auckland Transport needs to advise of the procedures and criteria for purchasing shares in other companies.	Include in section dealing with approach to governance.				
7. Approach to Governance	<p>Proposed text: “Auckland Transport will comply with all relevant legislative requirements.”</p> <p>“Auckland Transport will act consistently with the principles of the Treaty of Waitangi.”</p>	<p>Include in section dealing with approach to governance.</p> <p>Include in section dealing with approach to governance.</p>				
	“Protection of heritage assets in areas under the control of Auckland Council in the railway corridor and no further loss of rail assets.”	Include suggested text: “Wherever possible, Auckland Transport will protect heritage assets, for which it is responsible, in areas under the control of Auckland Council in transport corridors.”				
	<p>Auckland Transport has not identified any decisions that will need prior approval from Council, but needs to identify strategic assets.”</p> <p>From the above, there should be a list of strategic assets. The Council Accountability Policy states that the strategic assets owned and managed by Auckland Transport are: “Public transport network including Britomart.” The policy also states that the strategic assets owned by the Council and managed by Auckland Transport are: roading network”, and also includes “Any scheduled heritage buildings or structures.”</p>	Include section dealing with Management of strategic Assets, which specifically refers to AT’s strategic assets as listed in council’s Accountability Policy.				
	Auckland Transport should show that it will comply with the Council’s Accountability Policy.	Section 6 “Approach to Governance – Management of strategic assets” specifically states that the board will comply with the Council’s Accountability Policy.				
	<p>Transport should identify any decisions that need prior approval from Council using the following criteria:</p> <ul style="list-style-type: none"> • Decisions potentially having a moderate adverse effect on a large number of residents and ratepayers • Decisions potentially having a large adverse effect on a small number of residents and ratepayers • Decisions which have a history of generating wide public interest • Decisions which affect Auckland Transport’s ability to deliver on the current and future social, economic and cultural wellbeing of the region. • Decisions which will affect Auckland Transport’s ability to meet any statutory responsibility • Decisions which will impact on any intended service levels for Auckland Transport’s activity (except if the impact is minor or has been agreed to by the Council through the SOI process). • Decisions which will commit the Council to future provision of funding which has not been agreed • Details of decisions anticipated in the next 12 months. 	Include suggested text: “To determine which decisions require prior Council approval, the board of Auckland Transport will refer to Auckland Council’s Accountability and Significance Policies.”				

Draft SOI Section	Shareholder Comment	Proposed Response
7.3 Meetings	<p>“The Auckland Transport board meeting should be consistent with the guidelines provided by the Mayor: Wherever possible Auckland Transport will hold their meetings in public, with adequate prior notice of agenda items and reports and a list of those items to be considered confidentially for commercial or privacy reasons.</p>	<p>Include text: “The Auckland Transport board meeting should be consistent with the guidelines provided by the Mayor: Wherever possible Auckland Transport will hold their meetings in public, with adequate prior notice of agenda items and a list of those items to be considered confidentially for commercial or privacy reasons.”</p>
	<p>This section should nominate the two board meeting dates.</p>	<p>Include nominated board meetings in terms of the Local Government (Auckland Council) Act 2009.</p>
8.1 Relationship with Auckland Council	<p>Propose text: “...inform the Council if it takes on additional risks.”</p>	<p>Acknowledge need to inform Council if AT takes on additional risk.</p>
8.2 No surprises approach	<p>Proposed text: “All CCO’s agree to Auckland Council’s brand policy and guidelines including participation in a brand navigation group “BNG” to review the Auckland Council (and CCO’s) brand strategy, brand performance measurement and supply efficiencies. The BNG will ensure all communications consistently reinforce the concept of one Auckland Council and that any brand changes, additions or deletions are agreed by Auckland Council.”</p>	<p>Include text: “AT will participate in a “Brand Navigators’ Group” which provides input and advice into significant brand-related developments.”</p>
8.3 Input to Council Plans and Processes	<p>Change LTCCP to “Long Term Plans”.</p>	<p>Amend</p>
8.5 Urban Design	<p>Proposed text: “Auckland Transport will provide and maintain high quality streetscapes including trees, street furniture and public art works.”</p> <p>Insert the following after: “for capital projects in the transport network” that are equivalent to those applied by the Auckland Council itself,” ending with: “as determined in the proposed Urban Design Review...”</p>	<p>Include text.</p> <p>Include text.</p>
8.7 Relationships with Local Boards	<p>Auckland Transport has made significant progress in a short time engaging with Local Boards.</p> <p><i>Local Boards comment:</i> <i>Many local boards expressed concerns regarding the extent of consultation/engagement between them and Auckland Transport. Some local boards also expressed views on the types of projects and issues on which they wish to be consulted, the need for regular formal reporting by Auckland Transport and the importance of a liaison capability in Auckland Transport. Some local boards also noted that setting a timeframe for the development and completion of local board engagement plans is important.</i></p> <p>Proposed text: “Auckland Transport will develop a Local Board Engagement Plan, which will provide an overarching framework to guide engagement between Auckland Council and local boards. It will be aligned with Council guidance provided.”</p> <p>Revised list of what engagement plan will include:</p> <ul style="list-style-type: none"> • Support each Local Board to effectively represent the interests of local communities in local transport issues • Ensure that Auckland Transport is responsive on local issues • Contribute to the development of Local Board Plans • Give effect to any Local Board agreement with the Auckland Council to the extent the agreement requires actions by Auckland Transport 	<p>Noted</p> <p>Include text.</p>

Draft SOI Section	Shareholder Comment	Proposed Response
	<ul style="list-style-type: none"> Gain input from Local Boards, via the Auckland Council Governing Body, on Auckland Transport's priorities and direction. <p><i>Local Boards comment:</i> <i>Many local boards commented on the need for Auckland Transport to recognise that they have an impact on the achievement of local outcomes and aspirations, and take account of the strengths each respective local board area brings to the Auckland region.</i></p> <p><i>A number of boards commented on the lack of clarity regarding the co-governance model in the SOIs. Several boards refer to local boards as having a 'governance role' and do not believe that the SOI adequately reflects this.</i></p> <p>Proposed text: "While Auckland Transport is charged with taking a regional approach in undertaking its activities, it will take account of the respective strengths and needs of each local board area. To that end, Auckland Transport will take account of the priorities identified in each Local Board Plan, as well as the key objectives and activities in each Local Board Agreement.</p>	<p>Include following: "Auckland Transport acknowledges that transport needs vary across local board areas and will take account of the priorities identified in each Local Board Plan, as well as the key objectives and activities in each Local Board agreement."</p>
	<p>Proposed text: "Auckland Transport will complete its Local Board engagement plans in consultation with the local boards by 31 August 2011."</p>	<p>Include text</p>
<p>8. Relationships</p>	<p>Proposed new heading:</p> <p>Relationship with Key External Stakeholders</p> <p>Auckland Transport should also show how it relates to central government, particularly as it is significantly funded by central government.</p> <p>Independent Maori Statutory Board comment: "Relationship with the Independent Maori Statutory Board (IMSB). The IMSB is both independent from Auckland Council and Mana Whenua groups. Its purpose is to assist the Council to make decisions, perform functions and exercise powers by:</p> <ul style="list-style-type: none"> Promoting cultural, economic, environmental and social issues of significance for Mana Whenua groups and Mataawaka of Tamaki Makaurau; and ensuring that the Council acts in accordance with statutory provisions referring to the Treaty of Waitangi. <p>The IMSB will be undertaking research and developing a schedule of issues of significance to focus its work.</p> <p>It is requested that a subsection entitled "engagement with Independent Maori Statutory Board" be included within this section, to include the following text: "That Auckland Transport will take account of the Independent Maori Statutory Board's schedule of issues of significance and any statutory Treaty of Waitangi provisions that are relevant to its activities and where appropriate engage with the IMSB on these matters."</p>	<p>Include.</p>
	<p>Add a further sub-section entitled "Engagement with Council's Advisory Panels" and include the following text:</p> <p>"Auckland Transport will inform, and where appropriate consult the council's Pasifika, Ethnic, Youth, Business, Rural and Disability Panels on issues of particular interest to each panel."</p>	<p>Include</p>
<p>9 Accountability and Reporting to Auckland</p>	<p>Financial reporting should be consistent with the format provided by the Auckland Council.</p>	<p>Dependent on financial information being available from Auckland Council.</p>

Draft SOI Section	Shareholder Comment	Proposed Response
Council	The draft 2012/13 SOI will need to be provided as part of the LTP timeline. It is likely that the draft 12/13 SOI will be required by council before Christmas 2011.	Noted
	"Including reports on Traffic Management Plans for Eden Park in preparation for Rugby World Cup 2011, and TMPs for other major events."	Include reference.
	Reporting for the 1 st , 2 nd and 4 th quarterly report are to be provided within 1 month after the end of each quarter or directly following the next Board meeting (whichever is later) as per the Accountability Policy.	Noted
	<p>Proposed text <u>Organisational Health and Capability.</u></p> <p>Auckland Transport will adhere to clause 36 of Schedule 7 of the Local Government Act 2002, which provides:</p> <p>(1) A local authority, and any other person having responsibility for the selection and management of employees of the local authority, must operate a personnel policy that complies with the principle of being a good employer.</p> <p>(2) For the purposes of this clause, a good employer means an employer who operates a personnel policy containing provisions generally accepted as necessary for the fair and proper treatment of employees in all aspects of their employment, including provisions requiring –</p> <p>(a) good and safe working conditions; and (b) an equal opportunities programme; and (c) the impartial selection of suitably qualified persons for appointment; and (d) Recognition of – (i) the aims and aspirations of Maori; and (ii) the employment requirements of Maori; and (iii) the need for greater involvement of Maori in local government employment; and (e) opportunities for the enhancement of the abilities of individual employees; and (f) recognition of the aims and aspiration, and the cultural differences, of ethnic or minority groups; and (g) recognition of the employment requirements of women; and (h) recognition of the employment requirements of persons with disabilities.</p> <p>(3) In addition to the requirements specified in subclauses (1) and (2), a local authority –</p> <p>(a) when making an appointment, must give preference to the person who is best suited to the position; and (b) must ensure that all employees maintain proper standards of integrity, conduct, and concern for the public interest.</p> <p>"To avoid being prescriptive that the obligations to be a good employer that the Transport Committee would prefer a reference to being a good employer and the relevant legislation."</p>	Include.
Appendix 2: Forecast Financial Statements	<p>Figures from the final Annual Plan for Auckland Transport should be put in here.</p> <p>Forecasts for the 8 month SOI are not needed.</p> <p>Financial reporting should be consistent with the format provided by the Auckland Council.</p>	Dependent on financial information being available from Auckland Council.

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Appendix 3: Summary of Accounting Policies	Attachment should be included	Include
Appendix 4: Timing and Content of reports to Auckland Council	Auckland Transport should report against the projects over \$1m (or others of political interest) in the list of CAPEX.	Including the very large list of AT projects over \$1m would make the SOI overly long and detailed. The list is provided through other reporting mechanisms, such as the Quarterly Reports and Regional Land Transport Programme.
	The Half Year Report should have same reporting headings listed as in Annual Report, including CAPEX, for each quarter.	Noted
	Auckland Transport should refer to the Accountability Policy for the quarterly reporting timing.	Noted

	Shareholder Comment	Local Boards Comment																				
<h1>Auckland Transport</h1>																						
<h2>Statement of Intent</h2>																						
<p>1 July 2011 to 30 June 2012</p> <h3>Draft</h3> <p>Version Control</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Version</th> <th>Summary</th> <th>Author</th> </tr> </thead> <tbody> <tr> <td>18/1/11</td> <td>Outline Draft Auckland Transport SOI 2011_12</td> <td>Initial outline draft for discussion with D Warburton</td> <td>BM</td> </tr> <tr> <td>6/2/11</td> <td>Draft Auckland Transport SOI 2011_12 060211 v2</td> <td>Revised draft for presentation to ELT; incorporates draft letter of expectation</td> <td>BM</td> </tr> <tr> <td>9/2/11</td> <td>Draft Auckland Transport SOI 2011_12 090211 v3</td> <td>Revised to incorporate initial ELT comments</td> <td>BM</td> </tr> <tr> <td>28/2/11</td> <td>Draft Auckland Transport SOI 2011_12 280211 v4</td> <td>Revised to include further explanatory information on performance targets</td> <td>BM</td> </tr> </tbody> </table>	Date	Version	Summary	Author	18/1/11	Outline Draft Auckland Transport SOI 2011_12	Initial outline draft for discussion with D Warburton	BM	6/2/11	Draft Auckland Transport SOI 2011_12 060211 v2	Revised draft for presentation to ELT; incorporates draft letter of expectation	BM	9/2/11	Draft Auckland Transport SOI 2011_12 090211 v3	Revised to incorporate initial ELT comments	BM	28/2/11	Draft Auckland Transport SOI 2011_12 280211 v4	Revised to include further explanatory information on performance targets	BM	<p>Period should be a three year Statement of Intent, with performance targets over three years, as per Schedule 8 s. 9 of Local Government Act 2002.</p>	
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28/2/11	Draft Auckland Transport SOI 2011_12 280211 v4	Revised to include further explanatory information on performance targets	BM																			

	Shareholder Comment	Local Boards Comment
<p>1. Introduction</p> <p>This Statement of Intent (SOI) is presented by Auckland Transport in accordance with the requirements of Section 64(1) of the Local Government Act 2002. The SOI forms the basis for the accountability of the directors of Auckland Transport to Auckland Council, and sets out the objectives, nature and scope of activities undertaken, and performance targets by which Auckland Transport will be measured.</p> <p>The SOI recognises the important partnership that exists between Auckland Transport and the Auckland Council in the delivery of shared outcomes, and that the success of each organisation is dependent on the actions of the other partner. This includes:</p> <ul style="list-style-type: none"> • A commitment to collaboration • A commitment to openness and transparency • Adherence to a "no surprises" policy • Engagement with other CCOs to ensure a coordinated approach <p>In particular, Auckland Transport's ability to successfully deliver on the Programme of Action and performance targets set out in this SOI relies on the Council providing a supportive policy and regulatory environment, and making sufficient funds available to enable the necessary transport investments and services to be implemented in a timely manner.</p>	<p>The Council operates under a new decision-making model. The Governing Body and Local Boards share the decision-making responsibilities of Auckland Council. The Governing Body focuses on region-wide strategic decisions. The local boards represent their local communities and make decisions on local issues, activities and facilities. Throughout the SOI, all references to "Auckland Council" or the "Council" mean the Governing Body <u>and</u> local boards.</p>	<p>Many local boards noted that the term "Auckland Council" is used inconsistently in some SOIs. Auckland Council is, by definition, the Governing Body and local boards. In some SOIs, it is unclear what is meant by the term "Auckland Council". Clarification is required.</p>
<p>2. Who we are and what we do</p> <p>Auckland Transport was established on 1 November 2010 as a Council Controlled Organisation wholly owned by Auckland Council. Auckland Transport is responsible for all local authority transport delivery functions in Auckland, including local roads and public transport infrastructure and services.</p> <p>The purpose of Auckland Transport is defined in the Local Government (Auckland Council) Amendment Act 2010 as:</p> <p style="padding-left: 40px;">"To contribute to an effective and efficient land transport system to support Auckland's social, economic, environmental, and cultural well-being."</p> <p>The Mayor's vision is for Auckland to be the world's most liveable city, characterised by its:</p> <ul style="list-style-type: none"> • cohesive, resilient communities; • excellent transport system; • productive, high-value economy; and • quality urban-rural environments. <p>Auckland Transport's mission is to ensure that all its activities contribute to this vision. In doing so, Auckland Transport will give effect to the Council's Long-term Plan, and act consistently with the draft Annual Plan and the future Spatial Plan.</p> <p>Auckland Transport operates and maintains transport assets, some of which it owns and some of which are owned by Auckland Council. Decisions made by Auckland Transport in regard to these assets will be consistent with legislation and with the Regional Land Transport Strategy and this Statement of Intent.</p> <p>Auckland Transport is committed to ensuring open and direct lines of communication with the Auckland Council Governing Body and local boards; and to ensure that it responds to customer needs in an effective and efficient manner.</p>	<p>For 2011/12 Auckland Transport should align Auckland Council's expectation as set out in draft Annual Plan 2011/2012 Vol. 1 part IV Contribution to Council Strategies and Activities:</p> <ul style="list-style-type: none"> • Transport Choices – Auckland Transport is to connect the regions people and places by helping to provide easy and affordable access to a range of safe and sustainable transport options. • Effective and efficient transport system – Auckland Transport to contribute to an efficient, sustainable, energy saving and cost effective land transport system to support Auckland's social, economic, environmental and cultural wellbeing. <p>This section should show how Auckland Transport's key goals give effect to Auckland Council's Annual Plan outcomes for Auckland Transport. They should more clearly show how Auckland Transport will contribute to the Council's outcomes, indicating what impacts (difference) it is seeking to make.</p>	
		Local Boards Comment

3. Our Key Goals	Shareholder Comment													
<p>The Regional Land Transport Strategy (RLTS) sets out a 30 year vision and plan for the Auckland land transport system. Responsibility for implementing the RLTS will be shared between Auckland Council and Auckland Transport. In the period covered by this Statement of Intent, Auckland Transport considers that it can best contribute to the objectives of the Regional Land Transport Strategy by focusing on five key goals:</p> <ol style="list-style-type: none"> 1. Deliver a properly connected arterial road network that is integrated with the State highway network and moves people and goods efficiently and safely 2. Deliver an integrated and connected public transport network of rapid, quality and local connector services that is attractive to customers 3. Reduce car dependency and improve community health by providing infrastructure and services for walking, cycling and ride sharing 4. Deliver an effective and efficient transport system that enables Aucklanders to make smarter transport choices 5. Ensure Auckland Transport is customer focused, and delivers value for money 	<p>The SOI is for three years. Proposed text: "In the three year period covered by this Statement of Intent,..."</p> <p>The goals should show how they are relevant to the vision for Auckland, and the outcomes.</p> <p>Note that Council will require specific text in the 2012/2013 SOI about how Auckland Transport will demonstrate alignment with the Auckland Plan (Spatial Plan).</p> <p>Proposed text: "Auckland Transport acknowledges that the experience for the customer should be seamlessly integrated between the CCO and the Council ensuring a consistent approach to service delivery. Responsive and seamless customer service will be a priority for Auckland Transport."</p>	<p>Many local boards expressed concern regarding customer service standards, customer responsiveness and integration of service delivery between the Council and CCOs.</p>												
<p>4. Programme of Action</p> <p>During the period covered by this Statement of Intent, Auckland Transport will focus on:</p> <ul style="list-style-type: none"> • Delivering projects identified and prioritised in current LTCCPs • Contributing to the development and implementation of the Auckland Plan from a "transport as an enabler" perspective • Reviewing and prioritising transport projects against Regional Land Transport Strategy, Government Policy Statement and Auckland Plan objectives • Preparing a new Regional Land Transport Programme covering 2012/13 to 2014/15 in detail, and the following seven years in overview • Working with NZTA and KiwiRail to ensure an integrated approach across major projects and network planning • Developing robust relationships with Local Boards, keeping them informed with respect to regional transport matters, contributing to the development of Local Board Plans, and consulting with them on local transport matters of significance • Delivering the transport components of local board agreements, subject to the availability of sufficient funding • Ensuring that Auckland's transport system contributes to a successful Rugby World Cup 2011 event in Auckland. <p>Auckland Transport has identified a Programme of Action which sets out the major transport initiatives planned for the next three years, as outlined below.</p> <p>Major Road Construction projects</p> <ol style="list-style-type: none"> a) Auckland-Manukau Eastern Transport Initiative (AMETI) project b) New roading connections and improvements associated with the New Lynn rail trenching and transport interchange. c) Roding projects in new development areas, especially Flat Bush, East Tamaki, Long Bay and Pukekohe. d) Local road improvements associated with major NZ Transport Agency projects, including SH20 Waterview and SH16 upgrades e) Completion of roading projects to ensure the success of Rugby World Cup 2011 (RWC), for example the Sandringham Road realignment <p>Major schemes proposed for study, Investigation or design</p> <ol style="list-style-type: none"> a) Investigation and route protection for the CBD rail tunnel b) Investigation and route protection for a rail Rapid Transit link to the Airport c) Investigation of rail to the North Shore d) Dominion Road upgrade, including bus priorities e) Removal of rail level crossings f) Albany Highway Corridor upgrade g) CBD Waterfront access <p>Major public transport projects</p> <ol style="list-style-type: none"> a) Integrated fares and ticketing for use on all public transport services across the region b) Extension of the real time public information system c) Completion of the Manukau rail station and bus interchange h) Further implementation of the New Lynn TOD (Transport oriented development), including transport centre and interchange i) Development of a new rail station at Parnell <p>Auckland Transport Contribution to significant projects led by other agencies</p> <ol style="list-style-type: none"> a) Working with KiwiRail to ensure the successful electrification of Auckland's rail network and delivery of electric trains b) Working with NZTA on the investigation and route protection for an additional Waitemata Harbour crossing, including rail. <p>In addition to these major projects, Auckland Transport will also contribute to the strategic priorities identified by the mayor, as follows:</p> <table border="1" data-bbox="142 2525 1121 2825"> <thead> <tr> <th>Mayoral Strategic Priority</th> <th>Actions during this SOI period</th> </tr> </thead> <tbody> <tr> <td>Rugby World Cup 2011 (RWC) – including the Eden Park precinct and other roading upgrades;</td> <td>Complete upgrades ahead of RWC, and provide additional services to support the event</td> </tr> <tr> <td>School Transit Plan – plan and commence implementation across the region;</td> <td>Roll out expanded school travel plan programme</td> </tr> <tr> <td>Better identification of bus lanes;</td> <td>Review signage and road markings and implement improvements</td> </tr> <tr> <td>Progress work on walking/cycling bridge under the Auckland Harbour Bridge;</td> <td>Work with NZTA to define options</td> </tr> <tr> <td>Double public transport use (an aspirational goal);</td> <td>Continue to improve public transport frequency and reliability (note, doubling patronage will</td> </tr> </tbody> </table>	Mayoral Strategic Priority	Actions during this SOI period	Rugby World Cup 2011 (RWC) – including the Eden Park precinct and other roading upgrades;	Complete upgrades ahead of RWC, and provide additional services to support the event	School Transit Plan – plan and commence implementation across the region;	Roll out expanded school travel plan programme	Better identification of bus lanes;	Review signage and road markings and implement improvements	Progress work on walking/cycling bridge under the Auckland Harbour Bridge;	Work with NZTA to define options	Double public transport use (an aspirational goal);	Continue to improve public transport frequency and reliability (note, doubling patronage will	<p>It would be helpful to define the options, timing, and costings to show progress on this programme.</p> <p>Auckland Transport should show how each item in the Programme of Action relates to the relevant Progress and Performance Measure.</p> <p>LTCCP should be changed to "Long Term Plans".</p> <p>Major roading projects should be shown to meet very clear criteria. For example: - NZTA criteria prioritisation - Gives effect to Spatial Plan - NZTA sustainability criteria</p> <p>Proposed text: "Auckland Transport will seek to optimise town centre and rural village design qualities where possible, in consultation with Local Boards." Shareholder comment in 8.5 also requests urban design standards be applied. Item (d) Dominion Road upgrade is subject to full review.</p> <p>Proposed text "Development of a new rail station at Parnell and investigate restoring the station at Tamaki."</p> <p>A stepped target of year on year results should be generated in order that Council can see each Annual Plan impact.</p> <p>The Council, through the LOE, also included the following further items to be addressed by Auckland Transport:</p> <ul style="list-style-type: none"> • Move more buses faster at peak times through implementing substantially more buses and transit lanes; • Collaboration on combating graffiti vandalism • Give emphasis to a review of public transport, particularly in the Southern sector covered by the Mangere-Otahuhu, Otara-Papatoeote and Manurewa local board area. <p>These should be included in the SOI.</p>	<p>One theme that comes through is the relationship between transport and town centres and the place-shaping role that Auckland Transport plays. As these are local board roles the relationship between Auckland Transport and local boards needs to be of a different nature on these issues, than on issues which are clear Auckland transport responsibilities (where local boards need to be consulted/informed).</p>
Mayoral Strategic Priority	Actions during this SOI period													
Rugby World Cup 2011 (RWC) – including the Eden Park precinct and other roading upgrades;	Complete upgrades ahead of RWC, and provide additional services to support the event													
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Double public transport use (an aspirational goal);	Continue to improve public transport frequency and reliability (note, doubling patronage will													

	require significant increase in resources over current levels)		
Review and enhancement of ferry services	Preparation of a ferry development plan		
Better integrated traffic management – co-ordination of traffic lights; and	Implement programme of route optimisation on key arterials		
A third harbour crossing – report options and funding.	Work with NZTA to define and protect preferred option		
<p>Regional Land Transport Programme During the 2011/12 year, Auckland Transport will prepare a Regional Land Transport Programme as required by the Land Transport Management Act. The Programme will give effect to the Regional Land Transport Strategy and to other relevant Council strategies, plans, and priorities, and will be prepared in a timely manner to assist in the preparation of the Long Term Council Community Plan 2012/13 – 2021/22.</p>			
		Shareholder Comment	Local Boards Comment
<p>5. Progress and Performance Measures</p> <hr/> <p>The following table sets out Auckland Transport's Key Performance Indicators, with targets for the 2011/12 and 2012/13 financial years.</p> <p>Note: in some cases, the development of baseline measures is still in progress, as indicated in the 2010/11 Statement of Intent. It is our intention to finalise these baseline measures and develop appropriate performance targets once better information is available on the 2011/12 budget. These will be discussed with the Council and incorporated into this Statement of Intent prior to its final adoption in June 2011.</p>		<p>Proposed text: "That Auckland Transport works with reference to the Regional Land Transport Strategy but focuses on measures and targets that relate to this 3 year timeframe. RLTP targets have been removed but outcomes have been retained."</p> <p>Council will continue to work with Auckland Transport on refining the Performance Measures for SOI finalisation on 30 June.</p> <p>Auckland Transport has provided more detailed measures within Goal 1.</p> <p>Auckland Council's SOI Principles note that Performance targets "should be stretch targets where performance/service levels are to be increased". As most of the measures are "yet to be developed" and refer only to "increase", it is not possible for Council to comment on whether these targets are stretch targets.</p> <p>Auckland Council's SOI Principles note that the SOI should reflect Auckland Transport's commitment to eco principles. Auckland Transport should show how it can contribute to Auckland as an eco-city. Guidance on eco-city principles is provided in the document Auckland Unleashed "The Opportunity Eco City Approach", p. 99. Auckland Transport is expected to comply with the Auckland Council waste Minimisation Policy."</p> <p>This has been incorporated into proposed Performance Measures within Goal 4.</p> <p>These are now proposed for inclusion in Goal 1.</p> <p>New measures have been proposed in Section 5 to support this issue, particularly 4.5 and 4.6.</p>	<p>A number of boards wanted to see the performance measures quantified as soon as possible so that progress would be clearer.</p> <p>A number of North Shore local boards were supportive of more detailed congestion measures onto Esmonde Road and Lake Road.</p> <p>A number of rural local boards sought more emphasis on pedestrian safety along roads in and in rural town centres.</p> <p>A number of local boards supported travel times for all modes, not just cars.</p> <p>All predominantly rural local boards noted that the SOI needed to address three distinct catchments, that rural transport needs are quite different to the Auckland Central Business District or suburban Auckland. Comments were also made about ageing infrastructure, rural bridges without pedestrian access, a lack of footpaths in rural villages and townships, poorly maintained berms, streams and stormwater culverts and a lack of recognized safe parking zones within its settlements. Island communities are particularly vulnerable to ageing or deteriorating infrastructure.</p>

GOAL 1 Deliver a properly connected arterial road and state highway network that moves people and goods efficiently and safely

Proposed shareholder comment in bold

Relevant Council outcome		Recent performance	2011/12	2012/13	2013/14
1.1	Daily people flows, inbound in morning peak (7-9am), into Auckland Isthmus	Car xx,xxx PT xx,xxx Walk 8.2% in 2009 Cycle 1.4% in 2009 Total xx,xxx	Car: xx% PT increase x% Walk incr x% Cycle incr x% Total incr x%	Car: xx% PT increase x% Walk incr x% Cycle incr x% Total incr x%	Car: xx% PT increase x% Walk incr x% Cycle incr x% Total incr x%
1.2	Public transport, walk & cycle mode share inbound in morning peak (7-9am), into Auckland CBD - Into CBD	X%	Increase x%	Increase x%	increase x%
1.3	Travel times (minutes) along strategically important arterial routes during the morning peak:				
1.3.1	• Airport to CBD via Manukau Rd	Baseline to be determined	2011/12 Maintain or reduce	2012/13 Maintain or reduce	2013/14 Maintain or
1.3.2	• CBD to Airport via Manukau Rd				
1.3.3	• St Lukes to St Johns via St Lukes Rd/Greenlane/Remuera Rd				
1.3.4	• St Johns to St Lukes via Remuera Rd/Greenlane/St Lukes Rd				
1.3.5	• Albany to Birkenhead via Glenfield Rd				
1.3.6	• Birkenhead to Albany via Glenfield Rd				
1.3.7	• Henderson to CBD via Gt North Rd				
1.3.8	• CBD to Henderson via Gt North Rd				
1.4	Arterial routes with signal optimisation	Baseline to be determined	Increase x%	Increase x%	increase x%
1.5	Travel times (minutes) along strategically important freight routes during the interpeak (9am-4pm):				
1.5.1	• Nielsen St (from SH 20 to SH 1)	Baseline to be determined	2011/12 Maintain or reduce	2012/13 Maintain or reduce	2013/14 Maintain or
1.5.2	• SEART (from Sylvia Park to East Tamaki)				
1.5.3	• Wairau Rd (from SH1 to SH18)				
1.5.4	• Harris Rd from East Tamaki to SH1 Highbrook interchange				
	Variation in travel time on selected routes		Reduce	Reduce	Reduce
1.6	Crash reductions on local roads associated with crash reduction programme ¹ , including: "Identification of safety hazards and the impacts of accidents on congestion, measured by: reduction in black spots (locations proven to increase risk of death or serious injury)"	Baseline to be determined	Increase x%	Increase x%	Increase x%
		Maintain or improve on baseline across the region established in 2010/2011	Baseline determined	number decreased	number decreased

GOAL 2: Deliver an integrated and connected public transport network of rapid, quality and local connector services that is attractive to customers

Proposed shareholder comment in bold

Relevant Council outcome		Recent performance	2011/12	2012/13	2013/14
2.1	Total public transport patronage (annual boardings for bus, rail and ferry)	63,482,000 Total xxxxx Bus xxxxx Rail xxxxx Ferry xxxxx	Increase x%	Increase x%	Increase x%
	PT mode share during the morning peak period across the isthmus and CBD screenlines	Harbour bridge 27% Isthmus 12% CBD 39%	Harbour bridge (inbound) Increase x% Isthmus (inbound) Increase x% CBD (inbound) Increase x%	Increase x% Increase x% Increase x%	Increase x% Increase x% Increase x%
2.1.1	• Rapid Transit – Busway annual boardings	1,928,000	Increase x%	Increase x%	Increase x%
2.1.2	• Rapid Transit – Rail annual boardings	9,106,000	Increase x%	Increase x%	Increase x%
2.1.3	• Quality Transit and Local Connector buses annual boardings (including contracted school buses)	47,544,000	Increase x%	Increase x%	Increase x%
2.1.4	• Ferries annual boardings	4,595,000	Increase x%	Increase x%	Increase x%
	Increase in the proportion of PT vehicles with low floors and wheelchair provision Take into account the needs of disabled persons and the provision of walking, cycling and the public transport accessibility. Auckland Transport to suggest measure.	56% of vehicles in 2009	Increase x%	Increase x%	Increase x%
	Journey times of public transport compared to car on selected Quality Transit Network and Rapid Transit Network routes		Baseline established	Maintain or decrease x%	Maintain or decrease x%
	A measure around meeting PT service levels that includes reliability of timetable for the passengers of all forms of public transport E.g. Percentage of services that arrive within 5 minutes of scheduled time		Increase x%	Increase x%	Increase x%
2.2	Percentage of public transport passengers satisfied with their public transport service	87%	Increase x%	Increase x%	Increase x%

GOAL 3: Reduce car dependency and improve community health by encouraging walking, cycling and ride sharing and investing in local improvements

Proposed shareholder comment in bold:

Relevant Council outcome		Recent performance	2011/12	2012/13	2013/14
3.1	Morning peak (7-9am) car trips avoided through Travel Wise initiatives	9619	Increase	Increase	Increase
3.2	Walking trips into the CBD (inbound pedestrian counts) in morning peak (7-9am)	4476	Increase	Increase	Increase
3.3	Cycle trips into the CBD (inbound cycle counts) in morning peak	836	Increase	Increase	Increase
	Cycle counts at defined locations across the region in morning peak in the Regional Cycle Count.	12,625	Increase	Increase	Increase
	Walking and cycling mode share, in terms of trip legs, in urban areas	17.2% in 2009	Increase%	Increase%	Increase%
	Kilometres of regional cycle network complete as a proportion of the total planned network	21% in 2009	% Increase	% Increase	% Increase

¹ Note that this measure involves a lag of up to 3 years after implementation of the crash reduction programme. Early results will therefore reflect the actions of legacy councils.

GOAL 4: Deliver an effective and efficient transport system that enables Aucklanders to make smarter transport choices

Proposed shareholder comment in bold:

			Recent performance	2011/12	2012/13	2013/14
Relevant Council outcome	4.1	Percentage of public transport passengers with access to real time service information	65%	Increase %	Increase %	Increase %
	4.2	Percentage of arterial road network for which real time travel or congestion information is publicly available	0%	Increase %	Increase %	Increase %
	4.3	Identification of new unsealed roads with high vehicle counts to be sealed across the region - Kilometres of new sealed roads formed		Kilometres	Kilometres	Kilometres
	4.4	Parking performance is optimised e.g.:		% return	%return	% return
	4.4.1	Return on carpark assets is maximized				
	4.4.2	Occupancy of restricted parking; reasonable level of parking provided when and where the public need it	82%	<85%	<85%	<85%
4.4.3	Clearways and bus lanes are free of unauthorized vehicles during peak periods	98%	98%	98%	98%	
4.5	<p>"Cleanliness of streetscape and maintain the natural habitat in good quality."</p> <p>"Road reserves maintained to good standards and stormwater kerb and channels and cesspits be kept clean on a regular basis."</p> <p>"Maintain water courses alongside roadways on natural habitat to ensure ecology is satisfactory in rural areas."</p>		<p>Maintain or Improve %</p> <p>Maintain or Improve %</p> <p>Maintain or Improve %</p>	<p>Improve %</p> <p>Improve %</p> <p>Improve %</p>	<p>Improve %</p> <p>Improve %</p> <p>Improve %</p>	

GOAL 5: Ensure Auckland Transport is customer focused, and delivers value for money

Proposed shareholder comment in bold:

			Recent performance	2011/12	2012/13	2013/14
Relevant Council outcome	5.1	Percentage of residents satisfied with the quality of roads	63%	Increase %	Increase %	Increase %
		<p>Percentage of residents satisfied with the quality of footpaths</p> <p>Improve significantly on baseline across the region established in 2010/2011</p>		Maintain or improve significantly on baseline across the region established in 2010/2011	Improve % significantly	Improve % significantly
	5.2	Road maintenance standards (ride quality) as measured by smooth travel exposure for all sealed roads	82%	Increase %	Increase %	Increase %
	5.3	Customer service enquiries resolved within standard timeframes	Baseline to be determined using standard timeframes eg. MAXX contact centre	Increase %	Increase %	Increase %
	5.4	Percentage of drivers complying with parking restrictions	Baseline to be determined	Increase %	Increase %	Increase %
	5.5	Public transport subsidy per passenger kilometre	\$0.33	Decrease %	Decrease %	Decrease %
Relevant Council outcome		Residents' perceptions of walking and cycling accessibility (measured in terms of people who felt that a person could get around the region extremely or quite well by walking or cycling)	Walking 52% in 2008 Cycling 39% in 2008	Increase %	Increase%	Increase%
Relevant Council outcome		"Consider the needs of pedestrians when upgrading rural roads."		Baseline measure to be determined		

	Shareholder Comment	Local Boards Comment						
<p>6. Financial Matters</p> <hr/> <p>6.1 Financial Statements</p> <p>Our budgeted financial targets for the period covered by this SOI and the following two years are set out in Appendix 2. Auckland Transport is committed to managing its operations within the approved budget levels.</p>	<p>Proposed text: "The final SOI will include the detailed financial forecasts that will be consistent with the funding approved by Auckland Council. Forecasts are currently being prepared by Auckland Council."</p> <p>The final SOI should include the statement of financial performance, statement of financial position and summary of key capital projects (over \$1m) with the budget figures.</p> <p>Auckland Transport should ensure that its CAPEX programme is practical and deliverable, and that on an individual basis projects are mentioned.</p>							
<p>6.2 Ratio of Shareholders Funds to Total Assets</p> <p>Auckland Transport will have an equity to total assets ratio of between 98-100%</p>	<p>The ratio should be described thus:</p> <table border="0"> <tr> <td>Shareholders funds:</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Total assets:</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Ratio of shareholders funds to total assets:</td> <td style="text-align: right;">%</td> </tr> </table>	Shareholders funds:	\$	Total assets:	\$	Ratio of shareholders funds to total assets:	%	
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Ratio of shareholders funds to total assets:	%							
<p>6.3 Accounting Policies</p> <p>Auckland Transport will comply with the accounting and disclosure practices set out in all the relevant Financial Reporting Standards (FRS) issued by the New Zealand Institute of Chartered Accountants as periodically updated and as required by the Financial Reporting Act 1993.</p> <p>A summary of Auckland Council's accounting policies is set out in Appendix 3.</p>	<p>Appendix of accounting policies should be included.</p>							
<p>6.4 Distributions to Auckland Council</p> <p><u>Auckland Transport does not anticipate making a distribution to Auckland Council, as Auckland Transport is funded at a level to undertake the operating and Capital programmes agreed with Council.</u></p>								
<p>6.5 Activities for which Compensation is Sought</p> <p>The Board of Auckland Transport seeks compensation for its activities at the levels identified in the financial statements (see Appendix 2).</p> <p>6.6 Value of Auckland Council Investment</p> <p>The Board of Auckland Transport considers that Auckland Council's investment in Auckland Transport has a commercial value equal to the asset valuation in the audited Balance Sheet of Auckland Transport.</p> <p>6.7 Procedures for Acquisition</p> <p>To be inserted: procedures to be followed before any member or the group subscribes for, purchases or otherwise acquires shares in any company or other organisation</p>	<p>Auckland Transport needs to advise of the procedures and criteria for purchasing shares in other companies.</p>							
<p>7 Approach to Governance</p> <hr/> <p>7.2 Role of the Board</p> <p>All decisions relating to the operation of Auckland Transport will be made by, or under the authority of, the Board of Auckland Transport in accordance with its SOI, Rules and relevant legislation.</p> <p>The Board of Auckland Transport is committed to the highest standards of governance and business behaviour. The Board will continue to monitor developments in corporate and public sector governance to ensure Auckland Transport implements the highest standards of governance at all times.</p> <p>In undertaking its activities Auckland Transport will exhibit and ensure:</p> <ul style="list-style-type: none"> • Sound business practice in its commercial undertakings; • Sustainable business practice; • Ethical and good behaviour in dealing with all parties; • That it acts as a good employer, and exhibits a sense of social and environmental responsibility • An open and transparent approach to decision-making, while respecting the need for commercially sensitive information to be protected; • An active partnership approach with Auckland Council and key Auckland Council Group stakeholders. <p>The Board is accountable to Auckland Council to ensure that Auckland Transport:</p> <ul style="list-style-type: none"> • Performs its functions; • Acts in accordance with relevant legislation and the Auckland Transport Rules; Achieves the objectives, performance targets and other measures set out in this SOI; and • Gives effect to the policies and plans of Auckland Council as set out in its governing legislation, including the Auckland Plan and all documentation defining the Council's strategic direction. <p>The Board will:</p> <ul style="list-style-type: none"> • Obtain full and timely information necessary to discharge its obligations fully and effectively; • Actively review and direct the overall strategy of Auckland Transport; • Actively review its Policies and Delegations; • Negotiate the SOI with the Auckland Council; • Monitor the external and internal environment and identify, evaluate and mitigate controllable risk factors; • Establish Auckland Transport as an effective, focused organisation with core competencies and appropriate systems necessary to carry out its functions; • Manage and monitor the performance of the Chief Executive Officer; • Establish remuneration policies and practices, and set and review remuneration for the Chief Executive Officer, and other senior executives; and • Provide leadership in relationships with key stakeholders. 	<p>Proposed text: "Auckland Transport will comply with all relevant legislative requirements."</p> <p>"Auckland Transport will act consistently with the principles of the Treaty of Waitangi."</p> <p>"Protection of heritage assets in areas under the control of Auckland Council in the railway corridor and no further loss of rail assets." Auckland Transport has not identified any decisions that will need prior approval from Council, but needs to identify strategic assets." From the above, there should be a list of strategic assets. The Council Accountability Policy states that the strategic assets owned and managed by Auckland Transport are: "Public transport network including Britomart." The policy also states that the strategic assets owned by the Council and managed by Auckland Transport are: roading network", and also includes "Any scheduled heritage buildings or structures."</p> <p>Auckland Transport should show that it will comply with the Council's Accountability Policy.</p> <p>Transport should identify any decisions that need prior approval from Council using the following criteria:</p> <ul style="list-style-type: none"> • Decisions potentially having a moderate adverse effect on a large number of residents and ratepayers • Decisions potentially having a large adverse effect on a small number of residents and ratepayers • Decisions which have a history of generating wide public interest • Decisions which affect Auckland Transport's ability to deliver on the current and future social, economic and cultural wellbeing of the region. • Decisions which will affect Auckland Transport's ability to meet any statutory responsibility • Decisions which will impact on any intended 							

	<p>service levels for Auckland Transport's activity (except if the impact is minor or has been agreed to by the Council through the SOI process).</p> <ul style="list-style-type: none"> • Decisions which will commit the Council to future provision of funding which has not been agreed • Details of decisions anticipated in the next 12 months. 	
	Shareholder Comment	Local Boards Comment
<p>7.3 Meetings</p> <p>Wherever possible, Auckland Transport will hold its meetings in public. Pursuant to section 96 of the Local Government (Auckland Council) Act 2009, Auckland Transport will ensure that it holds meetings that are open to members of the public on the following occasions each year:</p> <ul style="list-style-type: none"> • At its May meeting each year for the purpose of considering comments from the Auckland Council on the draft statement of intent for the following financial year; • At its August meeting each year for the purpose of considering the organisation's performance under its statement of intent in the previous financial year. <p>The specific time and location of these meetings will be publicly notified in newspapers with a circulation across Auckland, and on the Auckland Transport website.</p>	<p>"The Auckland Transport board meeting should be consistent with the guidelines provided by the Mayor."²</p> <p>This section should nominate the two board meeting dates.</p>	
<p>8 Relationship with Auckland Council</p> <hr/> <p>8.1 Auckland Transport is a statutory entity, being a council controlled organisation accountable to the Governing Body. It was established to assist Auckland Council to fulfil its responsibilities and must act in the long-term interests of Auckland. Auckland Transport, the Governing Body and local boards have a three-way relationship, which is integral to the achievement of the goals and objectives of all three parties.</p> <p>8.2 No Surprises Approach</p> <p>Auckland Transport and Auckland Council will adopt a 'no surprises' approach in their dealings with each other. Each party to this SOI will ensure that the other party is informed well in advance of anything considered potentially contentious in the public arena, whether the issue is inside or outside issues outlined in the SOI, Auckland Transport Rules and the relevant legislation. This approach will take into account the "no surprises" protocol for media issues currently being considered by the Auckland Council to apply to all CCOs, and the importance of reinforcing the concept of one Auckland Council.</p> <p>The Auckland Transport Board will keep in mind that Auckland Council has interests wider than those of ordinary shareholders in private companies, and will be sensitive to the demand for accountability placed on Auckland Council from citizens, ratepayers, and other bodies who hold Auckland Council directly accountable for Auckland Transport's actions.</p>	<p>Propose text: " ...inform the Council if it takes on additional risks."</p> <p>The "no surprises protocol" has been accepted by Auckland Transport.</p> <p>Proposed text: "All CCO's agree to Auckland Council's brand policy and guidelines including participation in a brand navigation group "BNG" to review the Auckland Council (and CCO's) brand strategy, brand performance measurement and supply efficiencies. The BNG will ensure all communications consistently reinforce the concept of one Auckland Council and that any brand changes, additions or deletions are agreed by Auckland Council."</p>	
<p>8.3 Input to Auckland Council Plans and Processes</p> <p>Auckland Transport will work with the Auckland Council to provide timely input towards the development of key Council plans. In particular, during the period covered by this Statement of Intent, Auckland Transport will provide specialist input to the development of the Auckland Spatial Plan, the Long Term Council Community Plan, and the Annual Plan. Auckland Transport will also contribute specialist input to the monitoring of the Regional Land Transport Strategy.</p>	<p>Change LTCCP to "Long Term Plans".</p>	
<p>8.4 The Approval of Auckland Council</p> <p>The Directors will ensure that Auckland Transport complies with its Rules and secures the approval of Auckland Council for all decisions and transactions, for which Auckland Council approval is required under the Rules of Auckland Transport.</p> <p>The approval of Auckland Council under the provisions relating to restricted transactions is not required for any transaction or other matter authorised in the Funding Agreement in relation to the current financial year of Auckland Transport.</p>		
<p>8.5 Urban Design</p> <p>Auckland Transport will work with Auckland Council to implement agreed Urban Design standards for capital projects in the transport network, as determined in the proposed Urban design review process which is intended to be agreed between the Council and CCOs by 30 June 2011.</p>	<p>Proposed text: "Auckland Transport will provide and maintain high quality streetscapes including trees, street furniture and public art works."</p> <p>Insert the following after: "for capital projects in the transport network" that are equivalent to those applied by the Auckland Council itself, ending with: "as determined in the proposed Urban Design Review..."</p>	

² Wherever possible Auckland Transport will hold their meetings in public, with adequate prior notice of agenda items and reports and a list of those items to be considered confidentially for commercial or privacy reasons.

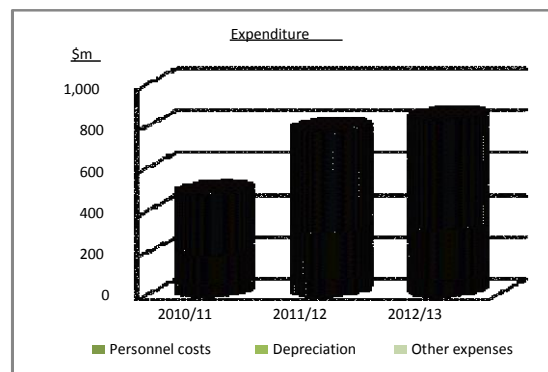
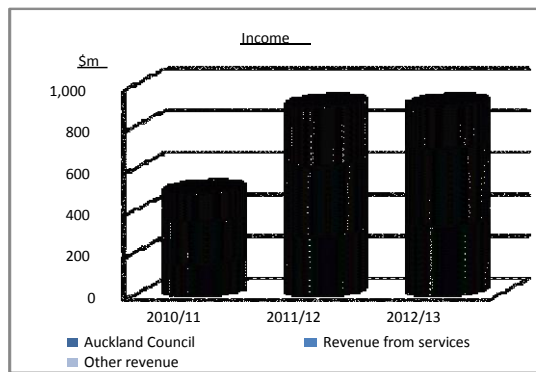
	Shareholder Comment	Local Boards Comment
<p>8.6 Disputes Procedure</p> <p>If Auckland Transport or Auckland Council identifies any matters of disagreement both parties will endeavour to discuss and consult on these matters at the earliest opportunity, and seek resolution between them.</p>		
<p>8.7 Relationships with Local Boards</p> <p>Auckland Transport recognises the role of local boards as representatives of the local community and as advocates on local issues, and undertakes to proactively engage with local boards on local transport matters. The details of this will be included in a Local Boards Engagement Plan, which will set out how Auckland Transport intends to:</p> <p>8.7.a.1 <u>Support each Local Board to effectively represent the interests of local communities in local transport issues</u></p> <p>8.7.a.2 <u>Ensure that Auckland Transport is responsive on local issues</u></p> <p>8.7.a.3 <u>Contribute to the development of Local Board Plans</u></p> <p>8.7.a.4 <u>Give effect to any Local Board agreement with the Auckland Council to the extent the agreement requires actions by Auckland Transport</u></p> <p>8.7.a.5 <u>Gain input from Local Boards, via the Auckland Council Governing Body, on Auckland Transport's priorities and direction.</u></p>	<p>Auckland Transport has made significant progress in a short time engaging with Local Boards.</p> <p>Proposed text: "Auckland Transport will develop a Local Board Engagement Plan, which will provide an overarching framework to guide engagement between Auckland Council and local boards. It will be aligned with Council guidance provided."</p> <p>Proposed text: "While Auckland Transport is charged with taking a regional approach in undertaking its activities, it will take account of the respective strengths and needs of each local board area. To that end, Auckland Transport will take account of the priorities identified in each Local Board Plan, as well as the key objectives and activities in each Local Board Agreement.</p> <p>Proposed text: "Auckland Transport will complete its Local Board engagement plans in consultation with the local boards by 31 August 2011."</p>	<p>Many local boards expressed concerns regarding the extent of consultation/engagement between them and Auckland Transport. Some local boards also expressed views on the types of projects and issues on which they wish to be consulted, the need for regular formal reporting by Auckland Transport and the importance of a liaison capability in Auckland Transport. Some local boards also noted that setting a timeframe for the development and completion of local board engagement plans is important.</p> <p>Many local boards commented on the need for Auckland Transport to recognise that they have an impact on the achievement of local outcomes and aspirations, and take account of the strengths each respective local board area brings to the Auckland region.</p> <p>A number of boards commented on the lack of clarity regarding the co-governance model in the SOIs. Several boards refer to local boards as having a 'governance role' and do not believe that the SOI adequately reflects this.</p>
	<p>Proposed new heading:</p> <p>Relationship with Key External Stakeholders</p> <p>Auckland Transport should also show how it relates to central government, particularly as it is significantly funded by central government.</p> <p>Independent Maori Statutory Board comment: "Relationship with the Independent Maori Statutory Board (IMSB). The IMSB is both independent from Auckland Council and Mana Whenua groups. Its purpose is to assist the Council to make decisions, perform functions and exercise powers by:</p> <ul style="list-style-type: none"> Promoting cultural, economic, environmental and social issues of significance for Mana Whenua groups and Mataawaka of Tamaki Makaurau; and ensuring that the Council acts in accordance with statutory provisions referring to the Treaty of Waitangi. <p>The IMSB will be undertaking research and developing a schedule of issues of significance to focus its work.</p> <p>It is requested that a subsection entitled "engagement with Independent Maori Statutory Board" be included within this section, to include the following text: "That Auckland Transport will take account of the Independent Maori Statutory Board's schedule of issues of significance and any statutory Treaty of Waitangi provisions that are relevant to its activities and where appropriate engage with the IMSB on these matters."</p> <p>Add a further sub-section entitled "Engagement with Council's Advisory Panels" and include the following text: "Auckland Transport will inform, and where appropriate consult the council's Pasifika, Ethnic, Youth, Business, Rural and Disability Panels on issues of particular interest to each panel."</p>	

	Shareholder Comment	Local Boards Comment
<p>8.8 Relationships With Other CCOs</p> <p>Auckland Transport recognises the need to work in a coordinated manner with other CCOs. In particular, it will ensure that a close and effective working relationship is established with:</p> <ul style="list-style-type: none"> • Auckland Waterfront Development Agency, in relation to development of the Auckland Waterfront, and the transport elements of that development; • Auckland Tourism, Events and Economic Development, in relation to the transport activities required for Rugby World Cup 2011. <p>Auckland Transport will also ensure a high degree of cooperation with other CCOs in the development of CCO ten-year plans.</p>		
<p>9 Accountability and Reporting to Auckland Council</p> <hr/> <p>Auckland Transport will ensure that the Auckland Council is kept well informed of its progress through a range of formal and informal reporting mechanisms. These will include:</p> <p>(a) Annual, half-yearly and quarterly reports: these will be provided within the statutory timeframes, and contain information on financial performance, and report on performance against the targets set in this SOI. Appendix 4 sets out the contents of each of these reports in more detail.</p> <p>(b) Meetings with Auckland Council: Auckland Transport will meet with the Auckland Council Governing Body or relevant Council Committee to formally present its Annual, Half Yearly and Quarterly Reports.</p> <p>(c) Transport Outcome Monitoring: Auckland Transport will provide information on transport system performance, and on the contribution of transport projects to long term outcomes, in a timely manner to assist Auckland Council in developing and monitoring the Regional Land Transport Strategy and the Auckland Plan.</p> <p>(d) Additional Information: Auckland Transport will provide additional information as required to ensure that Auckland Council is informed in a timely manner of significant events which relate to Auckland Transport and which may affect Auckland Council.</p> <p>Relevant information which is confidential under the terms of the Local Government Official Information and Meetings Act will be shared with Auckland Council as permitted by other agreements. When sharing such information, Auckland Transport will clearly state the nature of the information and the reason for confidentiality.</p>	<p>Financial reporting should be consistent with the format provided by the Auckland Council.</p> <p><u>The draft 2012/13 SOI will need to be provided as part of the LTP timeline. It is likely that the draft 12/13 SOI will be required by council before Christmas 2011.</u></p> <p>“Including reports on Traffic Management Plans for Eden Park in preparation for Rugby World Cup 2011, and TMPs for other major events.”</p> <p>Reporting for the 1st, 2nd and 4th quarterly report are to be provided within 1 month after the end of each quarter or directly following the next Board meeting (whichever is later) as per the Accountability Policy.</p> <p>Proposed text <u>Organisational Health and Capability.</u></p> <p>Auckland Transport will adhere to clause 36 of Schedule 7 of the Local Government Act 2002, which provides:</p> <p>(1) A local authority, and any other person having responsibility for the selection and management of employees of the local authority, must operate a personnel policy that complies with the principle of being a good employer.</p> <p>(2) For the purposes of this clause, a good employer means an employer who operates a personnel policy containing provisions generally accepted as necessary for the fair and proper treatment of employees in all aspects of their employment, including provisions requiring –</p> <p>(a) good and safe working conditions; and (b) an equal opportunities programme; and (c) the impartial selection of suitably qualified persons for appointment; and (d) Recognition of – (i) the aims and aspirations of Maori; and (ii) the employment requirements of Maori; and (iii) the need for greater involvement of Maori in local government employment; and (e) opportunities for the enhancement of the abilities of individual employees; and (f) recognition of the aims and aspiration, and the cultural differences, of ethnic or minority groups; and (g) recognition of the employment requirements of women; and (h) recognition of the employment requirements of persons with disabilities.</p> <p>(3) In addition to the requirements specified in subclauses (1) and (2), a local authority –</p> <p>(a) when making an appointment, must give preference to the person who is best suited to the position; and (b) must ensure that all employees maintain proper standards of integrity, conduct, and concern for the public interest.</p> <p>“To avoid being prescriptive that the obligations to be a good employer that the Transport Committee would prefer a reference to being a good employer and the relevant legislation.”</p>	

	Shareholder Comment	Local Boards Comment
<p>Appendix 1</p> <p>Directory</p> <p>Address: Auckland Transport Private Bag 92250 Auckland 1142</p> <p>Shareholder: Auckland Council (100%)</p> <p>Place of business: Auckland Transport Head Office 6 Henderson Valley Road Henderson Auckland 0612</p> <p>Chairperson: Mark Ford Deputy Chair: Philippa Dunphy (Deputy Chair)</p> <p>Board: Rabin Rabindran Dr Ian Parton Paul Lockey Mike Williams Cr Mike Lee Cr Christine Fletcher</p> <p>Executive Team:</p> <p>Chief Executive Officer David Warburton Chief Infrastructure Officer Kevin Doherty Chief Operating Officer Fergus Gammie Chief Finance Officer David Foster</p>		
<p>Appendix 2: Forecast Financial Statements</p> <p>Note: tables to be updated once information available</p>	<p>Figures from the final Annual Plan for Auckland Transport should be put in here.</p> <p>Forecasts for the 8 month SOI are not needed.</p> <p>Financial reporting should be consistent with the format provided by the Auckland Council.</p>	

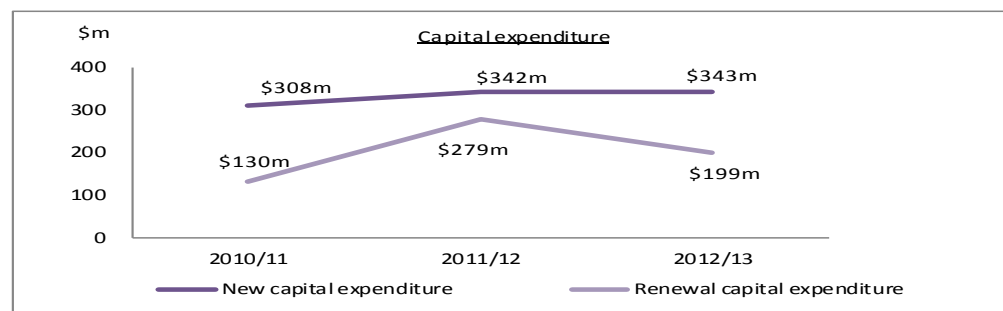
Statement of Financial Performance

	Plan 8 months to 30 June 2011 \$000	Plan 12 months to 30 June 2012 \$000	Plan 12 months to 30 June 2013 \$000
Income			
Auckland Council funding - opex	140,498	225,065	227,346
Auckland Council funding - capex	10,294	59,988	105,215
Revenue from services	207,060	337,319	371,550
Other revenue to fund capital expenditure	133,570	278,827	198,691
Total income	491,422	901,199	902,802
Expenditure			
Personnel costs	51,802	77,863	73,569
Depreciation and amortisation expense	140,714	224,216	242,615
Other expenses	295,756	484,521	525,328
Finance costs	-	-	-
Total operating expenditure	488,272	786,600	841,512
Operating surplus before tax	3,150	114,599	61,290
Income tax expense	-	-	-
Operating surplus after tax	3,150	114,599	61,290



Summary of capital expenditure

	Plan 8 months to 30 June 2011 \$000	Plan 12 months to 30 June 2012 \$000	Plan 12 months to 30 June 2013 \$000
Capital expenditure			
New capital expenditure	308,080	342,426	343,456
Renewal capital expenditure	130,232	278,827	198,692
Total capital expenditure	438,312	621,253	542,148
Funding			
Grants and subsidies	133,571	278,827	198,692
Auckland Council - capex funding	10,294	59,988	105,215
Auckland Council - investment	294,447	282,438	238,241
Total funding	438,312	621,253	542,148



Statement of Financial Position

	Plan 30 June 2011 \$000	Plan 30 June 2012 \$000	Plan 30 June 2013 \$000
Assets			
Current assets	82,392	82,392	82,392
Non-current assets	12,016,934	12,665,479	13,326,174
Total assets	12,099,326	12,747,871	13,408,566
Liabilities			
Current liabilities	109,379	109,379	109,379
Non-current liabilities	4,966	4,966	4,966
Total liabilities	114,345	114,345	114,345
Total equity	11,984,981	12,633,526	13,294,221

	Shareholder Comment	Local Boards Comment
Appendix 3: Summary of Accounting Policies	Attachment should be included	
<p>Appendix 4: Timing and Contents of Annual, Half-yearly and Quarterly Reports to Auckland Council</p> <p>9.1 Annual Report Within three months from the end of June each year, Auckland Transport will provide to Auckland Council an Annual Report which will comply with Section 68 of the Local Government Act and include the following:</p> <ul style="list-style-type: none"> • Directors Report; • Statement of Financial Performance; • Statement of Financial Position; • Statement of Cash Flows; • Statements of Movements in Equity; • Notes to the Financial Statements; • Report on performance against the Programme of Action and Performance Targets set in the Statement of Intent • Auditors Report in terms of section 69 of the Act on: <ul style="list-style-type: none"> ○ The above Financial Statements and Statement of Service Performance; and ○ The performance targets and other measures by which Auckland Transport was judged in relation to its objectives as per the SOI. <p>9.2 Half Year Report Within eight weeks from the end of December each year, Auckland Transport will provide to Auckland Council an unaudited Half Year Report which will include:</p> <ul style="list-style-type: none"> • Statement of Financial Performance; • Statement of Financial Position; • Statement of Cash Flows; and • Report on performance against the Programme of Action and Performance Targets set in the Statement of Intent <p>9.3 Quarterly Report Within eight weeks from the end of the September and March quarters of each financial year, Auckland Transport will provide to Auckland Council an unaudited Quarterly Report which will include:</p> <ul style="list-style-type: none"> • Statement of Financial Performance; • Statement of Financial Position; • Statement of Cash Flows; and <p>Report on performance against the Programme of Action and Performance Targets set in the Statement of Intent</p>	<p>Auckland Transport should report against the projects over \$1m (or others of political interest) in the list of CAPEX.</p> <p>The Half Year Report should have same reporting headings listed as in Annual Report, including CAPEX, for each quarter.</p> <p>Auckland Transport should refer to the Accountability Policy for the quarterly reporting timing.</p>	

OFFICE OF THE
MAYOR
OF
AUCKLAND

28 April 2011

Auckland Town Hall, 303 Queen St, Auckland, NZ
Private Bag 92300, Wellesley St, Auckland 1142, NZ

T: +64 9 301 0101

Mark Ford
Chair
Auckland Transport
BY EMAIL

Dear Mark,

RE: shareholder comments on the draft 2011-2014 statement of intent

The Council-Controlled Organisation (CCO) Strategy Review Subcommittee considered Auckland Transport's (AT) draft 2011-2014 Statement of Intent (SOI) at its 21 April meeting.

The subcommittee made the shareholder comments on the draft SOI, with reference to the 2011/12 letter of expectation to AT, SOI principles the subcommittee agreed to in December 2010, the relevant statutory requirements and the proposed Accountability Policy for Substantive CCOs. The shareholder comments are informed by the views of local boards and the Independent Maori Statutory Board.

The shareholder comments are detailed in the grey-shading column with the heading "Shareholder Comment" in the attachment, for your board's consideration at a meeting that is open to the public.

I look forward to receiving the final SOI by 30 June 2011.

Yours sincerely



Len Brown
Mayor of Auckland

cc. Cr Richard Northey, Chair, Accountability and Performance Committee
cc. Mr Doug McKay, Chief Executive Auckland Council
cc. David Warburton, Chief Executive, Auckland Transport

Attachment: Shareholder comments on draft SOI