

## BOARD PAPER

<b>Paper no:</b>	16/12/1099
<b>Meeting date:</b>	9 December 2016
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<b>Recommended by:</b>	Fergus Gammie, Chief Executive
<b>Board function:</b>	Setting sector and organisation direction
<b>Subject:</b>	<b>Auckland Transport Alignment Project – Update on Implementation</b>

# It is recommended that the NZ Transport Agency Board ...

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- **Receives** the update on the progress being made on the implementation of the Auckland Transport Alignment Project

# The Alignment Project is a significant step towards addressing Auckland's transport issues

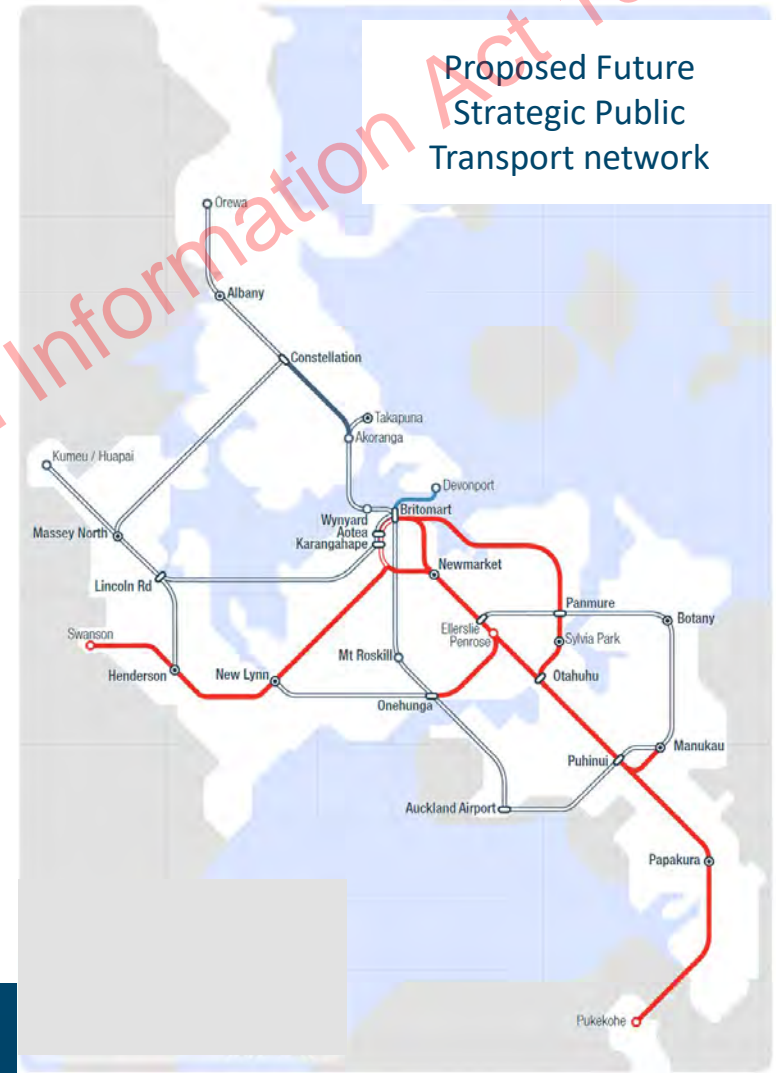
The Government (the Ministry of Transport, the NZ Transport Agency, the Treasury and the State Services Commission) and Auckland Council/Auckland Transport have worked successfully together over the past year to agree a three-pronged strategic approach for the development of Auckland's transport system [*I&O paper 15/10/150 and Board paper 16/10/1066 refer*]:

1. **Making better use of existing networks** in order to achieve a significant increase in people/hour throughput in the key corridors
2. **Targeting investment** towards completing the agreed strategic roading, rapid transit and cycling networks by 2048 (refer to diagram on the rights and page over) as well as the local network improvements needed to support population intensification and greenfield growth
3. **Influencing travel demand** to reduce single occupancy vehicle travel demand on congested routes in peak hours



# To deliver on the strategic approach, the Project determined specific priorities for 2018-28

1. **Improved network management** to increase corridor through-put with the use of improved customer insight and data, as well as new technologies
2. **A step up in demand management** through smarter pricing, amongst other initiatives
3. **Strategic network expansion:** Northwestern busway, Grafton-Port access, Airport-Manukau-Botany, including SH20B capacity – in addition to the projects already underway e.g. East-West link, Panmure-Botany busway, Northern busway extension
4. **Strategic network capacity improvements:** rail development plan, SH16/18 connection, SH1 Papakura to Drury, central city access and airport northern access
5. **Local network expansion** (road, bus, ferry, rail, cycling) to support the four 'greenfield' growth areas as well as population intensification in existing centres and suburbs



# Implementation is currently focused on preparing for the 2018/21 transport plans and programmes

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1. **Progressing business cases** for the 2018-28 priorities listed above
2. **Developing the other 2018/21 programmes** including public transport services (including rail procurement) as well as the optimal road safety, walking and cycling programmes. Specifically, Auckland Transport and the NZ Transport Agency are undertaking further work around appropriate levels of service and the optimal renewal programme for the local roading network
3. In preparation for 2018/21, **aligning the various policy and evaluation frameworks** by imbedding the new strategic approach for Auckland in the 2018/28 Government Policy Statement and the Auckland Plan - as well as adjusting the 2018/21 NLTP and Auckland RLTP investment assessment frameworks and prioritisation tools
4. **Assessing available transport funding** for 2018/21 (and beyond) against more detailed investment scenarios to determine when additional funding or new funding sources will be required, and assessing the merits of various options
5. **Cementing the central-local partnership** through the formal endorsement of a joint Project Implementation Plan and governance process

# Smarter pricing has been identified as critical to achieving the ATAP objectives

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- The Ministry of Transport and Treasury are in the process of finalising draft Terms of Reference for consideration by the Ministers of Transport and Finance in mid December
- Their likely preferred approach is to start in early 2017 with two significant and related work streams which could potentially progress separately or sequentially:
  1. **A national work stream** to consider whether and when to replace the current NLTF revenue sources (FED, RUC, MVR and tolling) and what the most effective and efficient replacement system is
  2. A more urgent and specific **Auckland focussed work stream** that explores how peak travel demand can be shifted through use of pricing and other demand management techniques such as cordon charging, motorway access charging, increased use of toll roads, T2 and T3 lanes, amongst more 'here and now' options
- Once approved, the intent is to progress the Auckland work stream through the Alignment Project partnership, whereas the national work stream will have a different delivery and engagement framework. NZ Transport Agency staff have been involved in the scoping work so far and are likely to be assigned significant roles

# Whilst good progress is being made there are some emerging and ongoing risks...

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- **Change in leadership:** Auckland has a new Mayor and some important changes in Committee leadership
- **Degree of flexibility:** as noted above, the Project has determined clear priorities for 2018-28. However, some parties see it as more of a guideline and are already mooted possible changes to priorities. Light rail and Penlink are often mentioned as two programmes that could be 'brought forward' into the 2018-28 period through the use of private financing
- **Pricing vs. revenue:** the Project clearly separated the need for smarter pricing (to manage demand) with any need to raise the required additional revenue. However, some parties prefer to conflate the two issues i.e. that Auckland requires road pricing to help raise revenue for transport. Such differing objectives complicate working in partnership to resolve these two significant and critical issues



# Finally, there is significant interest in learning from (and then applying) this type of partnership

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There is keen interest across central and local government officials to repeat to apply this type of partnership process to other areas e.g. housing and the Auckland Plan review. In response to this significant interest a Lessons Learnt review was recently completed.

## Assessment of what worked well:

1. Building trust amongst sponsors, senior managers and staff prior through informal meetings prior to the project start
2. Sponsorship by senior Ministers (Finance & Transport) and Mayor and lead Councillor
3. Clear and formally agreed terms of reference (by Cabinet and Council)
4. Formally agreed objectives, and only 4 of them (again by Cabinet and Council)
5. Three-staged delivery: problem and issues definition; possible solutions; preferred solution
6. Setting and delivering to firm deadlines
7. Having an independent director
8. Highly collaborative approach through formal engagement at all levels: sponsors; Chief Executives, 2<sup>nd</sup> tier managers; and technical leads/working group
9. Commissioning and applying transport modelling analysis i.e. 'one source of the truth'
10. 'Getting real' i.e. identifying and costing the required significant interventions

Continued ...





# There is significant interest in learning from (and then applying) this type of partnership continued

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## Assessment of what could have been done better:

1. Due to tight timeframes Chief Executives were drawn into the detail as technical staff had to start reporting directly to the Chief Executives group
2. Some of the key staff were not as available as expected and promised
3. A high reliance on the regional transport modelling tools exposed to the project findings to the limitations of the models
4. The independent project advisor/consultant role was not sufficiently well defined, and hence not the extent of 'external challenger' role that was envisaged
5. Tight timeframes limited the scope for innovative communication and engagement e.g. coming up with a better name for the final product than ATAP
6. A greater consideration of how land use scenarios could have impacted the transport response in the light of a high degree of uncertainty around the Auckland Unitary Plan