

30 April 2015

Dr Lester Levy  
Chair  
Auckland Transport  
BY EMAIL

Tēnā koe Lester,

### **RE: Shareholder comments on the draft Statement of Intent 2015-2018**

The Council Controlled Organisations Governance and Monitoring Committee considered Auckland Transport's draft Statement of Intent 2015-2018 (SOI) at its 14 April meeting.

During the meeting, the committee resolved on a number of general shareholder comments that relate to all CCOs and some specific comments relating directly to Auckland Transport. Each CCO is asked to work with council staff to ensure that these comments and any minor editorial changes are reflected in your final SOI.

#### **General shareholder comments**

1. Auckland Transport has worked well to support council's objective to improve the quality and consistency of SOIs across all CCOs. We would like this to continue, going forward, as the 2015-2018 SOIs are finalised.

#### *Long-term Plan 2015-2025 alignment with final SOI*

2. The final SOI must align to the decisions made as part of the council's Long-term Plan 2015-2025 (LTP). This must ensure:
  - a. information contained in the final SOI is consistent with the LTP,
  - b. financial information is provided for FY 2014/2015, and the first three years of the LTP,
  - c. agreed non-strategic asset sale targets are included, and
  - d. performance information aligns with the LTP and includes:
    - i. all related LTP measures, that are clearly labelled in the SOI, with measures and targets worded exactly as in the LTP,
    - ii. 2013/2014 actual performance, 2014/2015 target, and
    - iii. next three years' targets.

#### *Te Toa Takitini*

3. Te Toa Takitini – Māori Responsive High Performance Council has been recently established by the Executive Leadership Group. It will be led by this group with a top-down council family approach to:
  - a. significantly lift Māori social and economic well-being,
  - b. strengthen the council's effectiveness for Māori as part of a high performance council, and
  - c. maximise post-Treaty settlement opportunities for the benefit of mana whenua, Auckland Council and the wider public of Auckland.

4. The final SOI should reflect the shift from “contributing to Māori well-being and Māori outcomes” to “Māori responsiveness – contributing to Māori well-being, organisational effectiveness, and post-Treaty settlement opportunities”.
5. The SOI should also include activities, projects, programmes and expenditure over the next three years identified through the Long-term Plan 2015-2025 that support Auckland Council group’s Māori responsiveness.
6. The final SOI should include a focused service performance measure on your engagement with mana whenua, to be drafted in consultation with the Independent Māori Statutory Board.

#### **Specific shareholder comments**

7. In the Letter of Expectation, sent in December 2014, direction for the development of the 2015-2018 SOI was outlined. In reviewing the draft SOI, selected direction has either not been included, or is not clearly identified. It is therefore expected that the following is included when finalising the SOI:
  - a. ‘Quality urban living’ is an Auckland Plan Transformational shift where Auckland Transport plays an important role in achieving the vision of being the world’s most liveable city. Therefore, under the Auckland Transport’s Contribution to Auckland Plan section in the SOI, Auckland Transport should express a primary contribution role towards this transformational shift. Further comments on supporting a ‘quality built environment’ should also be added.
  - b. Include comments supporting greenways plans within the ‘Development of safe cycle ways and walk ways’ in the three year work plan.
  - c. The SOI should outline a rapid growth in public transport patronage. It is expected there should be significant growth over the term of the SOI, reflecting our recent investment in projects such as electrification and integrated ticketing. It should also outline how we are on track towards 20 million annual boardings by 2020.
8. The Letter of Expectation outlined the importance of delivering on growth, geographic priorities and Special Housing Areas. In the final SOI, there should be stronger reference to how Auckland Transport will plan for and support growth, and identify any budgets approved as part of the LTP decision making process.

I look forward to receiving the final SOI by 30 June 2015.

Nāku noa, nā



**DEPUTY MAYOR PENNY HULSE  
CHAIR CCO GOVERNANCE AND MONITORING COMMITTEE  
AUCKLAND COUNCIL**

cc. Mayor Len Brown  
cc. Stephen Town, Chief Executive, Auckland Council  
cc. David Warburton, Chief Executive, Auckland Transport