A smiling man and a young girl are standing outdoors at a playground. The man, wearing a blue t-shirt and jeans, has his arm around the girl's shoulder. The girl, wearing a light blue t-shirt, dark shorts, and a bicycle helmet, is holding the handlebars of a red scooter. The background shows green foliage and a yellow playground structure. The text is overlaid on a dark blue rectangular area on the left side of the image.

Te Tahua Pūtea Tau 2021-2031
Puka Whakawhiti Kōrero
Te Tahua Pūtea Whakarauora

10-year Budget 2021-2031

Long-term Plan
Consultation Document
Our Recovery Budget

**AK
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Te Wāhanga Tuatahi:
Kupu whakataki

Part One: Introduction

About this document

This Recovery Budget is our 10-year Budget for 2021-2031, otherwise known as our Long-term Plan for that period. The Local Government Act 2002 requires each council to publicly consult on and adopt a long-term plan every three years.

This draft budget is based on the best information currently available. Due to the impacts of COVID-19, the financial outlook for the council group remains highly uncertain. We have therefore based our financial projections on a set of key assumptions about the health restrictions and economic impacts associated with the COVID-19 pandemic. These assumptions were informed by a range of internal and external sources following a robust process under the oversight of our Audit and Risk Committee. We have also undertaken sensitivity analysis to understand the impact if the situation is better or worse than we have assumed.

Parts of this document

In Part Two we'll give you an overview of our challenges, strategies and the impact of the COVID-19 pandemic.

In Part Three to Five we'll let you know of the issues and proposals that we want feedback on, including:

- our proposed package of investment in Auckland and the measures we would use to pay for this
- some important proposed changes to rates and strategic assets.

In Part Six we will set out the key local priorities for each local board area.

In Part Seven we have provided other information including a budget overview, audit report and letting you know how to have your say.

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E hiahiatia ana kia whai
wāhi mai ō whakaaro hei
whakarite i tā mātou Te
Tahua Pūtea Whakarauora

We want your input to help us to develop our Recovery Budget

You can give us your feedback until midday on 22 March 2021. Please refer to the back page of this document for ways to get in touch or complete the Feedback Form included in this Consultation Document.

For more information, including the Supporting Information for this Consultation Document, you can visit **akhaveyoursay.nz/recoverybudget**, phone **09 301 0101** or visit your service centre or library.

Final decisions will be made in May and June 2021 and the final 10-year Budget will be available on **aucklandcouncil.govt.nz** in July.

Supporting community-led initiatives

We provide financial support to community-led initiatives across the region. The best way to access this support is through the community grants programme.

To find out how to apply visit:
Auckland Council website > Understanding grants.



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He kupu nā te
Koromatua

Message from the mayor

Auckland Council's Recovery Budget responds to the financial challenges of COVID-19 while continuing to invest in our city's future.



Between 2018 and 2020, Auckland Council made strong progress addressing the region's long-term underfunding of critical infrastructure. We brought forward the clean-up of our beaches and harbours and accelerated investment in housing and transport infrastructure to meet the needs of our growing city.

However, the COVID-19 crisis has created huge challenges, reducing council income by \$450 million this year, with cumulative losses projected to reach around \$1 billion by 2024. While the health and broader economic effects of COVID-19 are not as bad as had been expected, we are by no means out of the woods yet. As long as New Zealand's borders remain closed, Auckland as a major tourist destination and destination for the largest group of international students will continue to be disproportionately affected.

Nor can the potential for further lockdowns be ruled out with the risk of more transmissible variants of the disease spreading in the community. The effects of COVID-19 on the global economy are still unfolding and create further uncertainty and downside risk for Auckland and New Zealand. We can celebrate our good fortune, for now, but must not be complacent about the hard road ahead or the potential for further economic shocks.

Auckland Council's 10-year Budget 2021-2031 is a Recovery Budget. It responds strongly to meeting the loss of income from COVID-19 while ensuring that we continue to invest in the infrastructure, services and facilities that our city needs to be world class and internationally competitive. It also continues our work to protect our environment and accelerates the actions we are taking to address the threats of climate change.

The Recovery Budget will increase total capital investment in our city from \$26 billion to \$31 billion over the next 10 years and will support operational expenditure of \$55 billion to maintain and operate community assets that Aucklanders rely on, such as museums, libraries, the zoo, parks, playgrounds sports facilities, rubbish collections, recycling, roading and public transport.

It will enable additional infrastructure investment in transport, housing, water and the environment of around \$900 million in the next three years and at the same time will support the renewal of key transport, water and community facility assets. This includes an extra \$550 million for transport, \$145 million for water infrastructure, \$54 million for stormwater and \$65 million for community facilities.

This capital investment will stimulate construction, jobs, and the economic recovery—allowing the council to contribute to bringing forward the recovery from the COVID-19 recession. It will also help us create long-term assets for the city and the issues it faces, in particular the increasing threat posed by climate change.

Scientists warn that we have less than a decade to make major changes to avoid the worst impacts of climate change.

Given this critical need, the Recovery Budget will significantly increase our existing climate actions with an extra \$150 million to further accelerate our response through measures such as bringing forward the electrification of our bus fleet—including immediately halting the purchase of new diesel buses—investment to divert more waste

“A suite of urgent measures will be required to counter the immediate financial challenges...”



from landfill and planting more than 11,000 street trees and 200 hectares of native forest. We will also improve our planning for coastal change and prioritise the Queen Street Valley to become a zero-carbon zone.

We will continue the work underway since 2018 to clean up our waterways and protect our environment by extending the Water Quality and Natural Environment targeted rates until 2031. This will provide an extra \$150 million to invest in water quality projects in the Manukau Harbour and Eastern Isthmus, as well as an additional \$107 million to lock in the benefits gained from pest control initiatives and ensure ongoing protection for native species such as endangered kauri.

A suite of urgent measures will be required to counter the immediate financial challenges of the pandemic and the lockdowns and to enable this investment.

In the Emergency Budget, we reduced staff numbers, constrained salaries and deferred lower-priority projects to achieve savings of \$120 million. Through the Recovery Budget we will continue to intensify this search for savings and value for money, including locking in permanently \$90 million of savings found in the Emergency Budget.

We will continue to sell surplus properties and reinvest the proceeds into critical infrastructure for our city. Over the next three years, we will increase these sales to return \$70 million a year to invest in Auckland.

Borrowing will be increased to a temporarily higher ratio of up to 290 per cent for the first three years, after which it will reduce over time to 270 per cent. This is a prudent approach that is unlikely to affect our ratings from the major credit agencies, and will allow us to continue to use debt to finance long-term assets that will benefit future generations of Aucklanders.

While we will maintain our long-term commitment to a 3.5 per cent rates increase, a one-off increase of 5 per cent in the next financial year will ensure that we can maintain essential services and keep the city moving forward. This increase will amount to around 70 cents a week for the average-value property on top of the normal 3.5 per cent increase.

The Recovery Budget aims to continue investing in our communities, our environment, our city and our people while upholding our commitment to prudent financial management and living within our means. It positions Auckland to recover strongly from the severe impacts of the COVID-19 pandemic and recession, and maintains as far as possible our progress towards fulfilling our role as New Zealand’s world-class, globally competitive and inclusive city.

A handwritten signature in purple ink that reads "Phil Goff".

Ngā mihi
Mayor Phil Goff

Whakaaro matua

Key considerations

In developing this draft budget, we have identified some key considerations to guide us when we make decisions.

The changes we make will impact these considerations to varying degrees.

Protecting
critical
infrastructure

Managing
growth
and keeping
Auckland
moving

Ensuring
long-term
financial
prudence and
sustainability

Reducing
emissions
and adapting
to Climate
Change

Delivering
on Te
Tiriti based -
partnerships
with Māori

Valuing
Auckland's
natural
environment

Valuing
inclusivity,
equity and
diversity

Tailoring
services to
communities
of greatest
needs

Supporting
the local
economy,
jobs and
employment

Te Wāhanga Tuarua:
Ngā wero matua

Part Two: Key challenges



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Whakaahua o ngā take matua

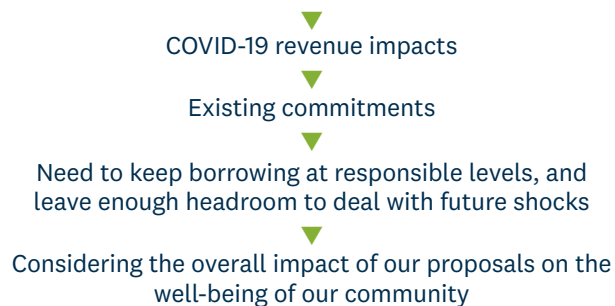
Snapshot of key issues

WE NEED TO BALANCE...

Rising investment demand...



...with...



...reduced investment capacity

OUR PROPOSED RESPONSE

KEY
ISSUE
1

\$31 billion package of capital investment

that will enable continued delivery of key services and strong investment in new and renewed assets, supported by:



\$90 million of ongoing savings



\$70 million asset recycling target for the next 3 years



Increased council borrowing in the short term



A one-off 5 per cent increase in average general rates

— see page 19 for more info

OTHER KEY PROPOSALS:

(within the \$31 billion capital investment package)

KEY
ISSUE
2

New climate action to reduce greenhouse gas emissions and adapt to the impact of **climate change**.

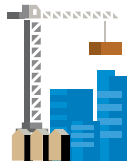
— see page 30 for more info



KEY
ISSUE
3

More focused approach to providing infrastructure to **support growth**.

— see page 32 for more info



KEY
ISSUE
4

Explore how **community services can be provided differently** to better meet the needs of our diverse and changing communities.

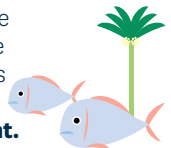
— see page 33 for more info



KEY
ISSUE
5

Extend Natural Environment Targeted Rate from 2028 to 2031 and both extending and increasing the Water Quality Targeted Rate to continue making progress with **protecting and enhancing our environment**.

— see page 35 for more info



As you read through this document, we invite you to think about:

Have we got the balance right?

Do you support our key proposals?

Are there any other better ways?

There are also some specific questions we want your feedback on the back page of this document

Ngā wero matua

Key challenges

Rising
investment
demand...

...with...

...**reduced**
investment
capacity

Rising investment demand

Auckland is rapidly growing and changing. We face some key challenges in relation to climate change and the degradation of our natural environment. We also need to look after all Aucklanders and ensure that we provide assets and services fairly.

All of this adds up to a greater need for us to spend more money on what Auckland needs. The key trends contributing to this rising demand are set out in this section.

The following sets out a summary of the key issues in our draft 30-year Infrastructure Strategy which are driving this rising demand. For further information refer to Section 1.1 of the Supporting Information document.

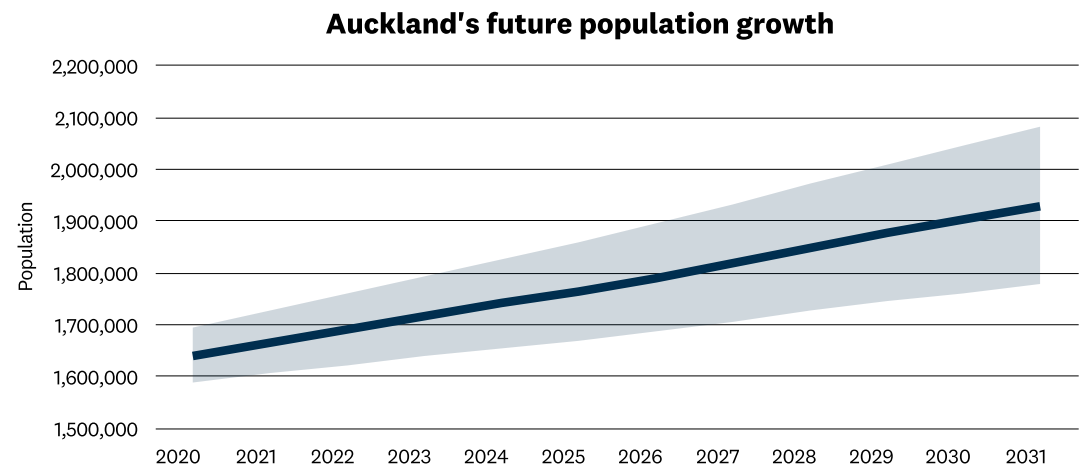
a. Rapid growth

Auckland's population continues to grow rapidly. This means we need to provide more services to more people.

More people also put more pressure on housing supply and housing affordability. While we do not build houses, we need to do our bit to ensure there is enough infrastructure (such as roads, water pipes, public transport, parks, and community facilities) to accommodate growth.

We also need enough infrastructure to support new business developments, as more people will need more places to work and do business. As Auckland grows, we will also need to spend more to mitigate the impacts of growth on the natural environment and the health of our waterways.

The following chart illustrates the rapid growth we are expecting, and the potential uncertainty that the COVID-19 pandemic may have on growth in the near term:





Auckland's diversity:

180 =
approximate
number of
ethnicities and
175 languages

**Almost a quarter
of Māori live in
Auckland** (26.9%
increase in the
number of Māori
living in Auckland)

28.2% (proportion
of Aucklanders
who identify with
an **Asian** ethnicity)
up from 23.1%

15.5% of
Aucklanders
who are of
Pacific ethnicity
(25.1% increase)

The number of older Aucklanders
(those aged 65 and over) continues
to increase over time, **up 13.0 per
cent since 2013**. This is expected
to approximately double in the two
decades from 2018, reaching a total
of 400,000 by 2038.

**Disability – one in
five** Aucklanders
were identified as
disabled in the 2013
Disability survey

Source: 2018 Census of Population and Dwellings, Statistics New Zealand

c. Transport demands

Traffic congestion has a big impact on the Auckland economy. The benefits of decongesting Auckland's transport network have been estimated to be between \$0.9 billion and \$1.3 billion per year (approximately 1 to 1.5 per cent of Auckland's GDP). A recent business survey found that 33 per cent of respondents now view traffic congestion as the main obstacle to growth and operations, up from just 5 per cent four years ago.

Auckland has a serious problem with road deaths and injuries. In 2019 alone, 40 people died and 567 people were seriously injured on our roads.

At the same time, road transport related emissions accounted for about 38 per cent of Auckland's total emissions in 2016. Between 2007 and 2017, on-road transport emissions increased by about 9 per cent.

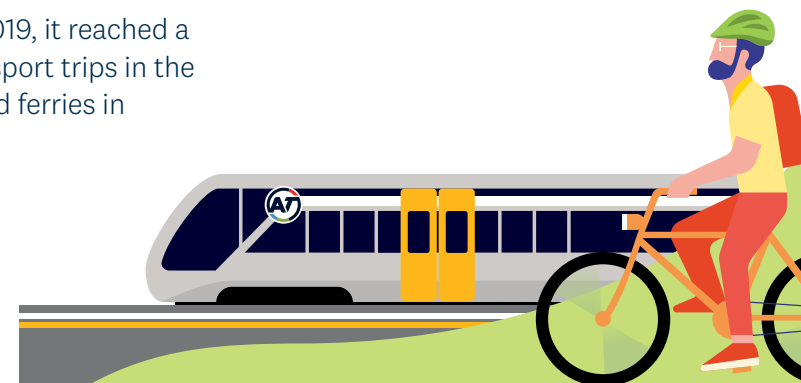
Public transport use in Auckland is growing fast. In June 2019, it reached a milestone - Aucklanders had made 100 million public transport trips in the past year, making that the biggest year for buses, trains and ferries in the city since 1951.

Substantial investment is needed in Auckland's transport network to address these issues and continue to provide more transport choices for more Aucklanders.

Rising
investment
demand...

...with...

...**reduced**
investment
capacity





Rising
investment
demand...

...with...

...reduced
investment
capacity

d. Looking after our assets

Updated information on our existing infrastructure has identified the need to increase spending to maintain, repair or replace many of these assets. This additional investment is important to protect our assets and reduce the risk of infrastructure failure.

The timing of this spending is important. If we wait too long, the risks may become unacceptable and long-term costs could rise dramatically.

e. Responding to climate change

In June 2019 we declared a climate emergency reflecting the threat that climate change poses to our economy, environment, and way of life.

This was followed in June 2020 by Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan, which sets out a plan for the region to:

- reduce greenhouse gas emissions by 50 per cent by 2030
- reach net zero emissions by 2050
- create a pathway to prepare for the impacts of climate change.

While we are already doing a lot of work tackling emissions, more investment will be needed to play our part to help meet these regional goals. More investment will also be needed to make our infrastructure more resilient to the effects of climate change. This includes the impacts of rising sea levels and more frequent extreme weather events.

f. Supporting recovery

Investing in capital projects is a major way that we can support the local economy. Making sure we put our money in the right places at the right time is key to providing jobs and economic stimulus for our recovery.

Prioritising investment demand

We are working on a new prioritisation approach that will help us to understand which investment demands across the council group are the most critical to:

- keep people safe
- protect our assets
- provide services in a sustainable way
- meet our growth and strategic objectives.

We want to ensure that we have quality information about the consequences of restricting or delaying capital investment.

The first phases of this new approach have been completed and provide assurance that the information set out in this document is based on sound evidence. The next phase will be more detailed and help us ensure that we make well informed decisions on final budgets as we consider your feedback on the issues set out in this document.

Reduced investment capacity

While responding to the above challenges is important, our financial ability to respond is limited. The key factors that limit our ability to spend additional money are set out in this section.

A summary of the key issues in our draft Financial Strategy which are constraining our ability to finance and fund investment in Auckland are set out in this section. For further information refer to Section 1.2 of the Supporting Information document.

a. COVID-19 revenue impacts

COVID-19 is having a significant impact on our revenue. This includes revenue reductions for Ports of Auckland Limited, public transport, revenue from conventions and stadiums and dividends from Auckland International Airport Limited. This has been made worse by the drought and associated water restrictions as well as some reductions in revenue from commercial contracts across the council group.



While the situation with COVID-19 and its economic impacts is still highly uncertain, the latest projections are that cash revenue for the council group will be over around \$1 billion less over the four-year period from July 2020 to June 2024, compared to the pre-COVID projections. Scenario modelling has indicated that if the COVID-19 impacts are more severe and last longer than currently projected, the revenue reduction could be as large as \$1.2 billion. Refer to page 70 for more information about the key forecasting assumptions underpinning this plan.

Because our ability to borrow is dependent on our income, this projected reduction in income has a substantial impact on our ability to invest in Auckland over the next few years.

b. Existing commitments

In April 2019, we decided to budget for an additional \$500 million of investment in the City Rail Link to future-proof growth and allow an appropriate level of contingency. In July 2020, we had to fund \$239 million of new water supply spending to respond to Auckland's drought.

These commitments have reduced our flexibility to spend in other areas. Other contractual commitments we have made to large, multi-year projects like the Central Interceptor and Eastern Busway have also contributed to this.

Rising
investment
demand...

...with...

...**reduced**
investment
capacity

Rising
investment
demand...

...with...

...reduced
investment
capacity

c. Need to keep borrowing at responsible levels

We use debt to fund new capital investment as a fair way to spread the cost over future Aucklanders who will benefit from that investment.

However, we have reached the limits of what we can responsibly borrow. Our current debt policy is to ensure that our debt is no more than 2.7 times our income. In May 2020 we agreed that it would be prudent, under the circumstances, to temporarily depart from our normal financial policy settings.

Our debt limit ensures that our financial position stays prudent and sustainable over time. We need to be careful that we don't increase debt to a level that overly burdens future ratepayers, or adversely affects our credit ratings. A lower credit rating would reduce our ability to borrow money when we need it and increase the cost when we do. We could be limited to borrowing for shorter periods and may have some restrictive conditions imposed on us when we borrow.

While the debt limit ensures we stay prudent, it constrains our ability to invest in our strategic projects. The impact of COVID-19 has made this worse in the short-term due to the impact on our revenue.

While our rating agencies have indicated that we have some capacity for higher debt levels, they have also indicated that if we moved to those higher settings we would need to be careful with our interest cost levels, annual cashflow and the flexibility in our capital programme.

In considering our debt settings we need to determine what is responsible and how much headroom we should retain to be able to respond to any future shocks.



d. Savings and asset recycling

As a public organisation we are aware that we need to be as efficient as possible and ensure that every dollar we are spending on behalf of the ratepayer is delivering value for money. As we already have some large efficiency targets built into our budgets, further spending reductions for our operations are likely to impact the services we deliver to the community.

We also have some ambitious targets from releasing value from surplus, non-strategic assets by selling or entering into long-term lease arrangements for these assets. There are limits how much more of this we can do as we will eventually run out of surplus assets. You can read more about asset recycling opportunities in section 7.16 of the supporting information.

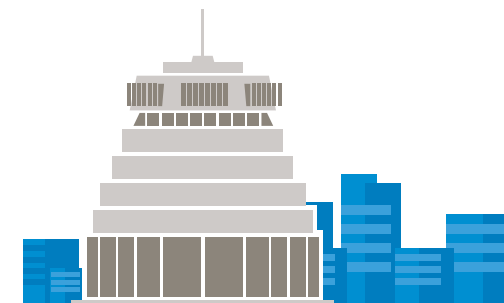


e. Rates and other charges

We need to consider the overall impact of our proposed changes to rates and other charges on our community now and in the future. These charges are only a small proportion of income for most households or businesses, but large increases may create affordability issues for those on fixed incomes, or for those who have had their income impacted by COVID-19.

f. Central government

We are working with central government on co-funding investment in Auckland and finding new ways to finance and fund infrastructure. We will continue to do this, but there are limits on what central government can or will do to help. We can't rely on them to solve all our investment challenges.



Rising
investment
demand...
...with...
...**reduced**
investment
capacity

Finding the right balance

Auckland is experiencing rapid growth, challenges from climate change and changing expectations from our community about the services they need. Like many other organisations, some services and facilities we provide were a response to circumstances that no longer exist.

In addition, we are facing some challenges with our aging assets, meaning there is a requirement to either replace or invest in their upkeep to a greater extent than we have in the past.

Even before COVID-19, responding to these pressures was going to be hard as we were reaching the limits of what we can responsibly borrow. With around \$1 billion less revenue over four years, there is now even less money available to meet these needs in the near term. The uncertainty we face means this challenge could get even harder.

The key challenge for our budget is the large and growing gap between the demand for investment in our assets and services and our ability to finance and fund that investment.

To resolve this challenge, we need to find the right balance between what's needed to deliver important projects and core services for the city, and what Aucklanders can afford. Given the high uncertainty we also need to make sure that we have enough capacity to respond to changing circumstances and future shocks.

While there is a range of things we can do, the solution needs to include a careful mix of:

- how much we invest
- how much we borrow
- how much revenue we collect.

Te Wāhanga Tuatoru:
Ngā take matua me ngā kōwhiringa i whakaarotia a

Part Three: Key issues and options considered



**AK
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1

Take matua 1:
Mōkī haumitanga e
marohitia ana

Key issue 1: Proposed investment package

Investment over the next 10-years

For the 10-year period 2021-2031 we are proposing a capital investment programme of around \$31 billion. This compares to around \$26 billion included in the previous 10-year budget as shown in the following table:

\$BILLION	LTP 2018-2028	LTP 2021-2031 (PROPOSED)
Transport	12.0	12.3
Water supply, wastewater and stormwater	7.1	11.5
Parks and community	3.7	4.5
City centre and local development	1.3	1.1
Environmental management and regulation	0.1	0.2
Economic and cultural development	0.4	0.3
Council support	1.6	1.5
Total	26.2	31.4

This proposal will require higher rates and debt, and will enable service levels to be improved over time. This proposed level of investment is necessary to renew ageing infrastructure, and to continue to invest in new infrastructure to meet population growth. While we face the impact of losing revenue from COVID-19, it is important that we keep investing in infrastructure to help the city recover from recession. This stimulates the economy and creates valuable long-term assets for future generations.

This proposed capital programme reflects some key trade-offs in terms of our asset and service levels over time. The implications of this are discussed on page 29. This proposed programme is further detailed in section 7.1 of the Supporting Information.

Investment over the next three years

The timing of this investment is important given the urgency of the challenges we face. We are proposing a package of financial responses that will enable capital investment averaging \$2.9 billion for the next three years. Without these measures, much of this investment would be delayed due to the impact of COVID-19, leading to unacceptable risks to our key assets and services. It would also delay the achievement of our important strategic objectives.



The proposed budget will see us deliver up to \$900 million more investment in the next three years enabled by higher rates and debt. This would enable us to make greater progress with delivering priority transport investment and renewals of community facilities. It will also create jobs and enable us to start to tackle the challenges of climate change, which will pose serious economic and environmental problems for the city long after COVID-19 ceases to be a problem.

Our financial response

The proposed financial response as detailed in the Draft Financial Strategy to enable this level of investment is to:



Continue and intensify our search for savings and value for money – we propose locking in at least \$90 million as permanent ongoing annual savings.



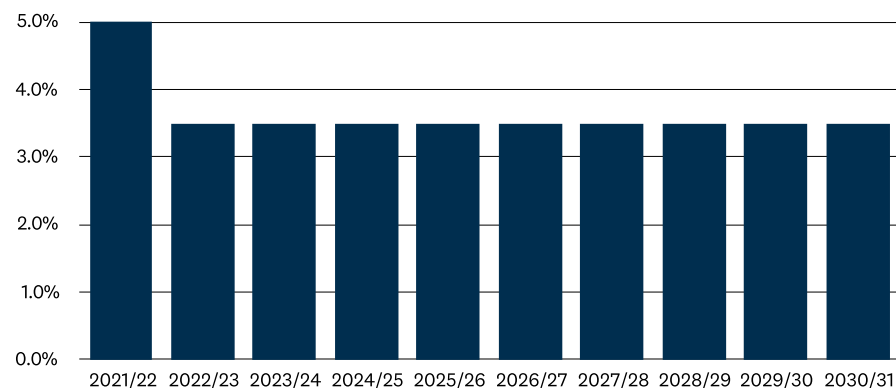
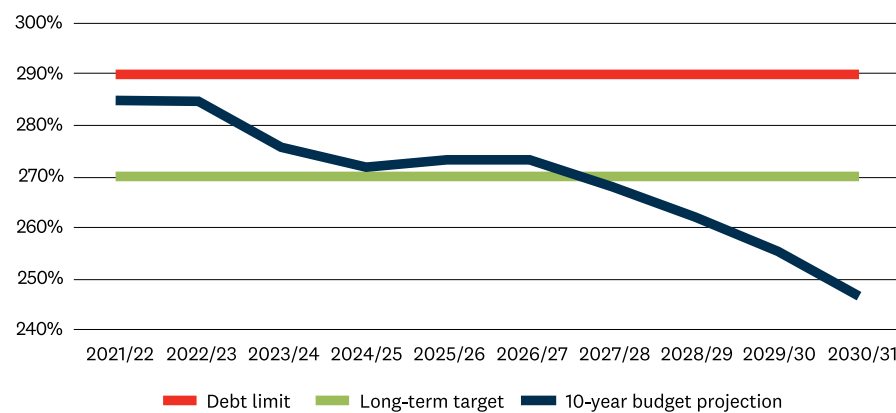
Continue to sell or lease surplus properties and reinvest the proceeds to meet Auckland's critical infrastructure needs. We propose to increase our budget for this to \$70 million a year over the next three years.



Increase our borrowing to a temporarily higher debt-to-revenue ratio of up to 290 per cent for the first three years, gradually returning to 270 per cent thereafter. This would be prudent and appropriate under the circumstances and because of high uncertainty around the impact of COVID-19. Advice from our credit rating agencies indicates that this is unlikely to have a negative impact on our credit rating.



Retain our long-term commitment to a 3.5 per cent general rate increase each year, but increase the average general rates for 2021/2022 by 5 per cent before returning to 3.5 per cent from the following year onwards. This one-off increase would help us meet the crisis caused by COVID-19.

Proposed general rates increase**Proposed debt to revenue ratio**

If the targets for cost savings and asset recycling are not achieved, we would look to reduce or defer investment rather than further increase rates or debt. The cost of the proposed one-off increase represents approximately \$38.50 a year on a residential property valued at \$1.08 million, in addition to the currently planned increase of 3.5 per cent.

As outlined earlier, the revenue impacts of COVID-19 could be up to \$200 million worse than we have projected under our assumptions. In this case our debt-to-revenue projections would be higher reaching a maximum of 289 per cent in 2023 and would be projected to be 248 per cent at the end of 2031. Alternatively, we could choose to mitigate the impact of further revenue changes by deferring or reducing investment.

Alternative options

With even greater use of rates and debt we could achieve a 10-year investment programme higher than the proposed \$31 billion and achieve further improvements to service levels sooner. We have considered investment scenarios of up to \$35 billion. This would enable more provision for Auckland's growth and greater ability to achieve the strategic outcomes of the Auckland Plan 2050 sooner. However, we consider that the higher rates and debt required would not be prudent or affordable.

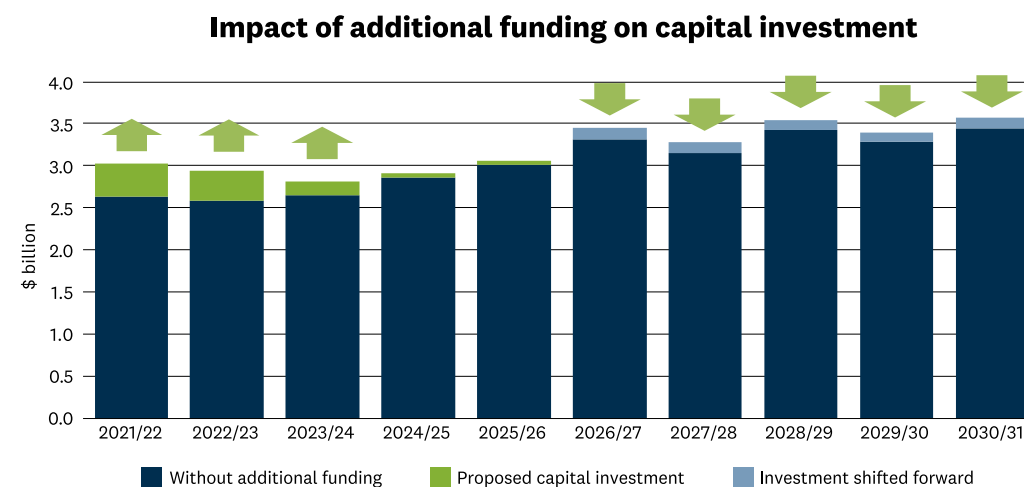
Without higher rates and debt, the capital programme would need to be reduced to a highly constrained level averaging \$2.6 billion over the next three years. This would mean 3.5 per cent average rates increases in all years and the debt-to-revenue ratio returning to 270 per cent within three years. However, up to \$900 million could not be accelerated to the first three years and this would result in severe consequences for council services and service levels from delaying that investment.

This chart compares the capital investment of the highly constrained and proposed scenarios.

Implications for our activity areas

To provide an indication of the difference the proposed additional \$900 million of investment over the next three years could achieve, the following pages show examples for each of our seven council activity areas of:

- What would be delivered over three years without the proposed increase in rates and debt.
- What the risks and implications of this would be.
- What more could be delivered over the next three years with the proposed greater use of rates and debt.





Ngā tikanga kawē Transport

We help Aucklanders move around the city with well-planned transport networks, good quality local roads and convenient, frequent public transport that more people use. We deliver a comprehensive programme of safety improvements to reduce harm across the transport network.

The transport programme for the 2021-31 period is subject to the decisions taken as part of the Auckland Transport Alignment Project Update and the Regional Land Transport Plan. Auckland Transport will undertake a separate consultation on their Regional Land Transport Plan.

With **no additional funding** we would be able to:

- continue investment in the City Rail Link
- renew assets in line with the asset management plans
- continue road safety programmes, but not at the same pace
- undertake committed work on projects such as the Eastern Busway, Rosedale Bus Station, Matakana Link, and Wolverton Culverts
- make substantial progress on the Urban Cycleway programme
- expand the electric trains fleet in time for the City Rail Link opening
- complete Northwestern Interim Bus Improvements (funded by Crown Infrastructure Partners).



However there would be a \$400 million reduction in transport capital investment over the next three years compared to pre-COVID projections. This would mean:

- minimal investment in projects in local board areas, further extensions, and Park and Ride facilities.
- no investment in roading projects such as Glenvar, Lincoln and Lake roads
- no further investment in the ongoing walking and cycling programme
- minimal investment in supporting growth
- missing out on up to \$200 million of Waka Kotahi subsidies (because the council and Waka Kotahi co-fund transport investment, if our funding reduces then so does theirs).

\$3,695m
CAPEX OVER
3 YEARS

With **proposed additional funding** of \$550m we could also:

- increase investment in projects in local board areas
- Complete the Urban Cycleways programme faster
- improve road safety and Papakāinga/Marae programmes being delivered earlier and evenly phased
- accelerate investment to support growth areas
- accelerate investment in bus priority, safety and cycling improvements as part of the Connected Communities programme
- accelerate the Wellesley Street component of the city centre bus improvements to better align with the City Rail Link opening
- progress Lincoln Road, Lake/Esmonde Road and Matiatia Park'n'ride.
- Deliver Glenvar Road Improvements and Orakei shared path
- protect the airport to Botany route
- invest up to \$6 million each year in seal extensions.

\$4,245m
CAPEX OVER
3 YEARS





Te putunga wai, waipara
me te wai āwhā

Water supply, wastewater and stormwater

Our water functions include:

- supplying safe drinking water
- treating wastewater to a high standard so that it can be safely discharged into the environment
- managing stormwater to minimise flooding and protect waterways
- providing infrastructure that keeps pace with the growth of Auckland.

Auckland has recently suffered the worst drought in its history, stretching its water supply and requiring urgent investment of \$224 million to improve the resilience of its water supply. Climate change will further exacerbate the issues we are facing, with increasing risks and impacts from both drought and flooding.

Water supply and wastewater

\$2,168m
CAPEX OVER
3 YEARS

With **no additional funding** we would be able to:

- undertake projects which are contractually committed or in-flight
- continue work on the Central Interceptor project
- undertake all required renewals of critical assets (key transmission assets and treatment plants)
- limit growth investment (around 60 per cent of the optimal growth programme)
- continue smart meters and new connections.



The implications of no additional funding would expose us to more risk. This would mean:

- almost all planned local network pipe renewals would be deferred, increasing the risk of asset failures and water lost through leaks
- water infrastructure does not keep up with new residential growth areas
- water supply resilience would be reduced
- energy neutrality initiatives would be delayed, impacting on the council group's implementation of Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan.

\$2,313m
CAPEX OVER
3 YEARS

With **proposed additional funding** of \$145m we could also:

- increase 50 per cent of planned local network pipe renewals with a focus on central Auckland. See page 29 for more information on our proposed plan to transition to a new approach for managing these non-critical assets to improve the reliability and performance of our pipe networks.
- increase growth investment (around 80 per cent of the optimal growth programme)
- continue leak detection
- design work on the Huia water treatment plant.



Stormwater

Stormwater projects improving pipe networks and natural waterways support Auckland's becoming a city that is resilient to climate change as it grows.

Refer to page 35 for more information about the water quality targeted rate.

\$356m
CAPEX OVER
3 YEARS

With **no additional funding** we would be able to:

- continue investing in minor capital works for reactive repairs and renewals only
- deliver stormwater infrastructure to the Clinker Place special housing area
- design the stormwater upgrade of the Corban Reserve
- renew and upgrade critical assets such as the East Tamaki dam, and the Paremuka dam culverts
- continue to deliver on our current deliver Water Quality Targeted Rate programme commitments.
- deliver Ports of Auckland outfalls upgrade



The implications of no additional funding would expose us to more risk. This would mean:

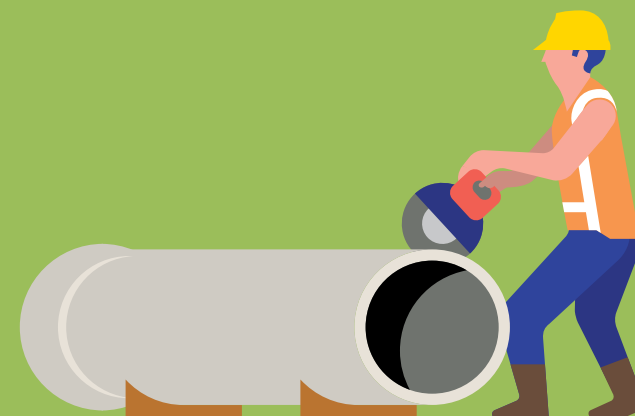
- deferral of growth and flood protection programmes and some renewal projects
- limiting our ability to respond quickly to adverse weather events. Other planned investment may need to be reprioritised in the event of an emergency.

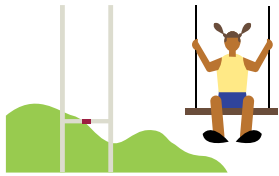


\$410m
CAPEX OVER
3 YEARS

With **proposed additional funding** of \$54m we could also:

- make faster progress on growth, renewal and flooding projects, such as the Corban Reserve upgrade, Awakeri Stage 2, Bracken and Tennyson Avenue, Totara Vale Drive and the renewal of Point England outfalls
- provide for emergency works, to respond quickly to sudden asset failures caused by adverse weather such as flooding, tomo, slips and sinkholes without affecting other planned investment.





Ngā papa rēhia
me te hāpori

Parks and community

We support strong and diverse Auckland communities by providing a wide range of arts, sports, recreation, library, and community services.

The recovery budget is proposing a move away from an asset-dominated approach to community services, to consider how to make more use of partnerships, grants, digital and non asset-based approaches tailored to community needs. Over time, this will allow us to divest aging community assets that aren't fit for purpose and reinvest in services and facilities that meet the greatest needs of our communities.

\$674m
CAPEX OVER
3 YEARS

With **no additional funding** we would be able to:

- deliver the highest priority renewals
- invest in growth and development projects that are contractually committed
- deliver the highest priority projects, including Avondale Library and Community Centre, phasing out of boilers at aquatic facilities to reduce emissions, and some park development in higher deprivation areas
- undertake technology and digital investment to support the move away from an asset-dominated approach.



The implications of no additional funding would expose us to more risk:

- increased degradation of facilities with risk of failures due to reduced asset renewals
- limited capacity for Community Facilities Network Plan projects
- reduced capacity to deliver locally driven initiatives
- new residential areas will not be provided with adequate community infrastructure, and growth and development investments are pushed out to future years
- sports field redevelopments would be postponed
- reduced breadth and availability of library and art collections.

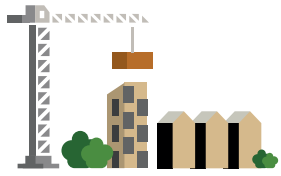
\$739m
CAPEX OVER
3 YEARS

With **proposed additional funding** of \$65m we could also:

- deliver \$26 million of additional high-priority asset renewal investment. This would not meet all asset renewal requirements, refer to page 29 and page 33 for more information on our proposed approach for community investment.
- undertake some seismic strengthening of community facilities
- deliver high priority growth projects, such as Scott Point's sustainable sports park, Flatbush's multi-use library and community centre, new open space in greenfield areas and Kāinga Ora development areas
- deliver sports park capacity in areas of greatest need
- deliver coastal protection projects, such as the Orewa Seawall.

Note: the proposed investment level is not enough to adequately maintain all existing community assets. Refer to Key issue 4 on page 33 for information on how we propose to address this.





Pokapū Tāone me te
Whanaketanga ā-Rohe

City centre and local development

We help deliver a vibrant city centre and local town centres. We do this to support businesses and a thriving economy, strong and inclusive communities, and showcase the culture and identity of Auckland.

\$432m
CAPEX OVER
3 YEARS

With **no additional funding** we would be able to:

- complete city centre and local development projects that are contractually committed, such as the Downtown Programme, Hurstmere Road Upgrade in Takapuna, Flatbush stormwater acquisitions and Westgate open space
- progress works in town centres across Auckland
- undertake urgent asset renewals
- progress initiatives funded by the City Centre Targeted Rate such as High Street Upgrade, Nelson Street Slip Lane etc.
- start construction for stage one of the Te Hā Noa Victoria Street linear park to align with the City Rail Link opening.



\$432m
CAPEX OVER
3 YEARS

The Recovery Budget **proposes no additional funding** in this activity for the next 3 years.





Ngā Mahi Whakahaere,
Whakarite hoki ā-Taiao

Environmental management and regulation

We nurture, look after and monitor Auckland's natural environment, and protect it from a variety of natural and human threats. We collect and dispose of Auckland's rubbish and recycling. We keep Aucklanders and whānau safe through our consenting, licensing, and compliance functions.

\$90m
CAPEX OVER
3 YEARS

With **no additional funding** we would be able to:

- deliver our existing Community Recycling Centres programme
- deliver projects funded by the Natural Environment Targeted Rate
- undertake engineering work such as the completion of the Rawene slip remediation, upgrades of leachate systems, and some urgent landfill land stability works.



The implications of no additional funding would expose us to more risk. This would mean:

- delaying the standardisation of the kerbside waste services across the city
- delayed track upgrades which could put more kauri trees at risk from kauri dieback disease
- delays in engineering work, including urgent closed landfill stabilisation works in Rosedale and Waikowhai.

\$100m
CAPEX OVER
3 YEARS

With **proposed additional funding** of \$10m we could also:

- work at Waikowhai Landfill to stabilise slopes and address health and safety concerns
- mitigate risks relating to the Rosedale closed landfill gas management system and slope stabilisation.





Te Whanaketanga
ā-Ōhanga, ā-Ahurea hoki

Economic and cultural development

Arts, natural environment, sport and live performance events enrich lives of Aucklanders' and visitors'. We promote Auckland as a place to work, invest, study and visit. We support the creation of quality jobs for all Aucklanders.

Closure of our borders due to COVID-19, no international visitors and restrictions on group gatherings have made running of events much harder. Economic growth will be slower over the next few years.

\$109m
CAPEX OVER
3 YEARS

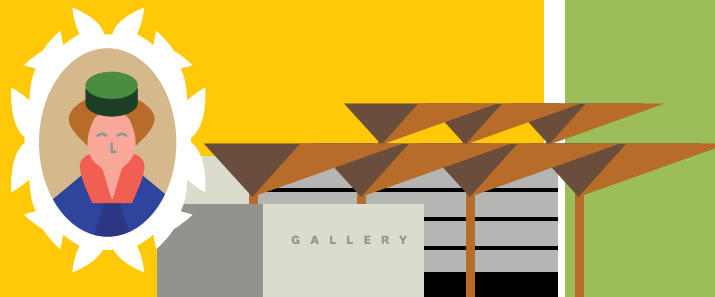
With **no additional funding** we would be able to:

- complete already contracted works, such as zoo renewals, and do only essential and reactive asset renewals.



The implications of no additional funding would expose us to more risk. This would mean:

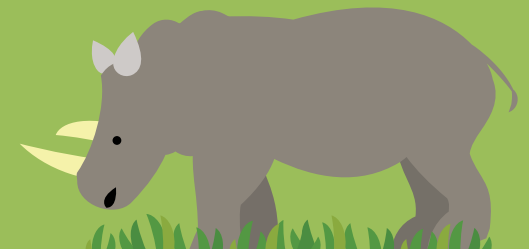
- focusing on the most critical health and safety concerns at venues
- the Art Gallery heritage building wrapped up for three years to defer urgent restoration work
- deterioration of venues and no updating of venue content
- risk of supporting systems failing, such as ICT systems and back-up power generation.



\$159m
CAPEX OVER
3 YEARS

With **proposed additional funding** of \$50m we could also:

- restore the Art Gallery heritage building
- improve health and safety across facilities
- a minimum deferral of asset renewals.





Te Tautokona o te Kaunihera **Council support**

We support Auckland Council to deliver services and elected representatives to make decisions. We provide emergency management for the city and grants for large regional amenities. Council support includes the operations of the Ports of Auckland.

With **no additional funding** we would be able to:

- renew network and user devices and software at the end of life, and do critical information communication technology (ICT) security remediation
- renew research and monitoring sites and equipment
- deliver strategic transformation projects.
- renew corporate property and the vehicle fleet



The implications of no additional funding would expose us to more risk. This would mean

- delays to delivering the Corporate Property optimisation strategy, which will delay the creation of more efficient and effective work environments for our staff
- delays to transformation projects.

\$380m
CAPEX OVER
3 YEARS

With **proposed additional funding** of \$26m we could also:

- progress critical ICT projects and the Worksmart Programme.

\$406m
CAPEX OVER
3 YEARS



Implications for our assets and service levels over time

The proposed capital investment programme of \$31 billion over 10 years includes over \$12 billion of asset renewal expenditure. This represents an increase of about \$4 billion (or 50 per cent) compared to our previous 10-year Budget. More information about asset renewals can be found in our draft Infrastructure Strategy in section 1.1 of the Supporting Information.

This level of asset renewal expenditure will be adequate to keep the condition of our assets within acceptable parameters and support our planned levels of service over the next 10 years, with one key exception. In the case of our community assets, we are proposing to change how we deliver the associated services and are therefore not proposing to invest in all the asset renewals that would be required if we continued to operate the full existing portfolio in the current manner. More information on our proposed approach to community investment is included in Key issue 4: Investment in our community on page 33 of this consultation document.

Asset renewal requirements tends to be lumpy in nature and it is normal practise to smooth out this investment over time. However, some assets are critical to delivering important services and even relatively short delays can create some unacceptable risks or impacts. With the additional \$900 million of capital investment over the next three years, we are highly confident that no critical asset renewals will be materially delayed because of our proposed investment plan.

However, this does not mean that all asset renewals will be undertaken as early as we would like. Because our funding is not unlimited, non-critical asset renewals need to be prioritised against other important investment requirements. This prioritisation is supported by good information about the condition and performance of our assets and sound asset management practise to ensure that asset-related risks are well managed and actively monitored.

In the case of our water supply and wastewater assets, we have reviewed our approach to renewing non-critical assets (local network pipes as opposed to key transmission assets and treatment plants). This review suggested that an optimum approach would be to proactively replace these network pipes rather than wait until they fail.

The cost of an optimum renewal investment approach would average around \$300 million per year. Our proposed investment plan would see us transition to this new approach over the period of this plan, but over the first three years we would only be able to proactively replace about half of the network pipes that the new modelling suggests we should replace.

Our proposed investment plan will significantly improve the reliability and performance of our network of water supply and wastewater pipes over time, but financing constraints mean we won't be able to make as much improvement to reliability and performance over the next few years as we would ideally like. Aside from financial constraints, there is also some uncertainty about the capacity of the construction market to immediately deliver the optimal rate of pipe renewals.



2

Take matua 2:
Urupare ki te huringa
āhuarangi

Key issue 2: Responding to climate change

In June 2019 we declared a climate emergency reflecting the threat that climate change poses to our economy, environment, and way of life. This was followed in June 2020 by the adoption of Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan, which sets out a plan for the region to reduce greenhouse gas emissions by 50 per cent by 2030, achieve net zero emissions by 2050, and a pathway to prepare for the impacts of climate change.

How we are addressing climate change

We are already doing a lot of work tackling emissions through encouraging a more compact city form and providing people with walking, cycling and public transport options. We are also contributing by making our water supply infrastructure more resilient to climate impacts, using more electric vehicles and phasing out gas boilers in aquatic centres.

Our climate change challenge

We need to do more as a region to achieve the goals of Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan. We are proposing additional actions to reduce emissions and deal with the impacts of climate change funded within the rates and debt settings proposed under key issue 1. Even with these additional actions the council group will still not be able to come close to achieving these goals through our efforts alone. We can make a meaningful difference and demonstrate our leadership in the areas we're responsible for, but we also need urgent climate action from central government, mana whenua, businesses, households, communities and others.

Additional actions we are proposing:

-  All new buses will be electric or hydrogen powered from 2021 (rather than 2025 as previously planned) and we will work with the government to achieve 50 per cent of the total bus fleet being hydrogen or electric powered by 2030
-  Making progress towards Queen Street Valley (currently Aotearoa's most polluted black carbon area) becoming a zero-carbon zone
-  Planting 11,000 more street trees and establishing a nursery to grow 200,000 seedlings a year
-  Planting an additional 200 ha of native forest
-  Increasing our zero-waste resource recovery network
-  Providing more advice and support to Aucklanders to reduce household emissions
-  Further increasing the efficiency of our facilities, including the installation of solar panels
-  Improving planning for coastal change and enhancing our ability to respond to worsening natural hazards
-  Partnering with others regionally to tackle our biggest emission challenges and supporting Māori-led climate change action
-  Supporting communities in need to reduce their energy costs and better access healthy, low carbon food.

Things we're doing

8
electric buses
on Waiheke



34
in our fleet
by June 2021

1.5 million
trees planted this term



Provided online tools such as 'Live lightly' and 'Future Fit' to support Aucklanders to reduce their carbon footprint.

How we'll fund this proposal

In this recovery budget we are proposing \$150 million of additional investment to accelerate our climate change actions. This investment is included within the proposed investment plans outlined already in Key Issue 1 and is able to be funded using the proposed changes to the four funding levers set out in that section.

Alternatives we have considered

Alternative one – a larger investment package

We considered an alternative investment package of \$320 million which might require higher rates but would not materially affect the council's debt. This would allow us to more significantly accelerate our climate action work in some key areas:

- Showing leadership by halving all of our organisational emissions by 2030
- Achieving a 100 per cent zero emissions bus fleet by 2030
- Faster progress with addressing coastal erosion and greater protection of coastal closed landfills
- Planting 18,000 more street trees - 29,000 in total
- Further investment in Māori-led climate change action.

Some earlier work on targeted rate funding options identified that if this alternative larger package were to be funded using additional rates, then it would add a one-off additional 0.9 per cent to the average general rates increase for 2021/2022. Another way to fund the larger package would be through reprioritising \$170 million of other planned expenditure and accepting any impact that might have on other council services.

Even with this additional spend we could not achieve everything we would like to do. We also considered other additional programmes to reduce emissions and respond to climate impacts. For example, more work is urgently needed to support our native species and ecosystems to be resilient to climate impacts. These programmes have not been proposed for funding in this budget but will require additional action in future.

Alternative two - no change to our current plan

We also considered the status quo as an alternative. This would see us continue what we had already planned in the area of climate action, but nothing further. If we maintained this status quo and proceeded with the proposed changes to rates and debt, then this would enable us to invest \$150 million more on other priorities and potentially improve some council services. However, we do not consider that to be a preferred option as it would fail to respond adequately to the climate emergency.

 **You can read more on this proposal in Section 7.2 of the Supporting Information document.**

3

Take matua 3:
Urupare ki ngā take
kāinga noho me te
tupuranga

Key issue 3: Responding to housing and growth

Over the next 10 years we expect 260,000 more people will choose to call Auckland home. We are required to provide services to that increasing population. Through our regulatory role we also ensure safe and high quality development.



The Auckland Unitary Plan

Through the Auckland Unitary Plan, expanding zoning for new homes enables the potential development of more than one million homes in existing residential zones and 137,000 in planned future urban areas. The Auckland Unitary Plan encourages a more compact city which uses infrastructure more efficiently.

What we're proposing

We're investigating additional infrastructure requirements to support a large number of growth areas across Auckland. However, funding and financing new infrastructure in all of those areas is a major challenge.

We are proposing to take a more focused approach to providing infrastructure, working within the \$31 billion proposed 10-year investment programme and the rates and debt settings proposed under key issue 1. We will focus our limited infrastructure investment capacity in a few key areas:

- areas agreed with the government as part of the Auckland Housing Programme, including Mt Roskill, Māngere, Tāmaki, Oranga and Northcote
- where significant government investment has been made, such as Drury in Auckland's south, and areas in Auckland's north-west
- where investment in significant projects, such as the City Rail Link, is being made.

We are not in a position to cover all the potential costs in the focused areas, and there will need to be prioritisation of projects within these areas.

This focused approach will mean that we will not be heavily investing in infrastructure to support other growth areas in the short to medium term beyond that which is already committed. We would continue to work with central government and private sector developers to explore alternative ways to progress development. This would include using the new Infrastructure Funding and Financing Act 2020.

Alternatives we have considered

Alternative one – increased funding

We considered an alternative of increasing funding to support the investment in growth that we would like. This investment would be substantial at several billion dollars more than provided for in this proposed budget. Much higher increases in rates and debt than proposed would be needed for this.

We believe this wouldn't be affordable or responsible. It would also result in existing ratepayers subsidising new Auckland residents.

Alternative two – no change to our current plan

We also considered the status quo as an alternative (with the same rates and debt settings as proposed) under key issue 1. This would see us continue to attempt to progress growth in many parts of Auckland with no additional funding. This simply will not work and will fail to deliver the housing and development outcomes that everyone is looking for.

We want your feedback on...

Should we focus our limited resources on a few key locations?



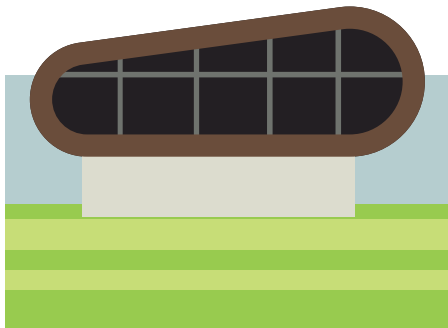
You can read more on this proposal in Section 7.3 of the Supporting Information document.

4

Te take matua 4:
Te whai haumi i tō
tātou hāpori

Key issue 4: Investment in our community

This recovery budget is proposing a move away from an asset-dominated approach to community services. We propose to consider how to better use partnerships, grants, digital and non-asset based approaches more tailored to community needs.



Councils have traditionally provided community services through building community assets and delivering services through those. This means that Auckland now has a large network of community facilities, many of which are aging and require significant renewal investment.

Auckland's population continues to grow and become increasingly diverse. The needs of our communities are changing over time. We need to become more adaptable in how we provide community services to keep up with the changing needs.

Our community investment challenge

With much of our investment locked into aging community assets, we are spending more on renewals and maintenance. This detracts from the amount we can spend delivering the services Aucklanders need. Our current asset-based approach is becoming financially, socially and culturally unsustainable.

What we are proposing

We are proposing a focused investment approach, working within the \$31 billion proposed 10-year investment programme and the proposed rates and debt settings under key issue 1. Services will be tailored to the greatest needs of our communities. We will use alternative ways of delivering services, through partnerships and digital channels and multi-use facilities. These are less dependent on having a large number of community assets. We would maintain the same service levels for our communities, just delivered differently.

Over time, implementation of this new approach would see us divest aging community assets that aren't fit for purpose and reinvest in services and facilities that better meet the needs of our communities. We propose to do this by working with our local boards who understand the specific needs of their local communities. Moving fully to this new approach will take time, with some changes implemented over the next three years and others to be implemented through the next 10-year Budget review.

In the meantime, we will provide an additional \$65 million over the next three years to address the highest priorities for community services and facilities.

This would provide a level of renewals to safeguard our facilities from asset failure, and will support high-priority growth projects such as the Scott Point sustainable sports park and the Flatbush combined library, community and arts centre at Ormiston. It will also:

- provide new neighbourhood space in greenfield areas
- support Kāinga Ora developments, sports park investments in areas of greatest need
- allow for progress on coastal protection areas such as the Orewa Seawall.

We want your feedback on...

Should we move to a new way of providing community services that is less reliant on our assets?

Alternatives we have considered

Alternative one – increased funding

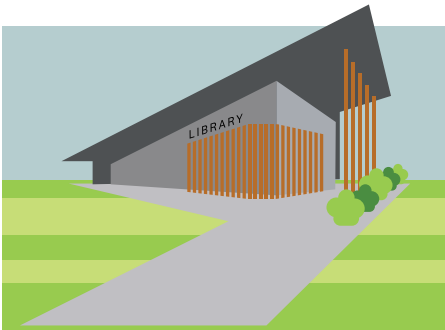
We considered an alternative of increased funding with higher rates and debt. This would see need for \$1.9 billion additional investment in assets over the next 10-years to achieve the same levels of service and portfolio offerings expanded to cater for growth. This would ensure all assets are well maintained and adequate for growth, but not necessarily ensure these will be the assets that our diverse and changing community actually need. It would require significant further increases in rates and debt than proposed, but not necessarily achieve the intended community outcomes set out in the Auckland Plan.

Alternative two – no change to our current plan

We also considered the alternative of the status quo with no additional funding and no change to how we deliver services. This would mean rates and debt settings as proposed under Key Issue 1, but would lead to a renewals gap that would grow exponentially. Many facilities would likely need to close for health and safety reasons as they deteriorate past our capacity to maintain and repair them. Multiple facility closures with no alternative service delivery would likely lead to a significant deterioration in community service levels over time.



You can read more on this proposal in Section 7.4 of the Supporting Information document.



5

Te take matua 5:
Te tiaki me te whakapai
ake i te taiao

Key issue 5: Protecting and enhancing the environment

The previous 10-year budget accelerated actions to improve our water quality and natural environment. This was funded by the Water Quality Targeted Rate and the Natural Environment Targeted Rate.



What the Water Quality Targeted Rate pays for

The Water Quality Targeted Rate has already funded work to improve water quality. We have been able to contribute \$10 million towards a six-year clean-up of the Kaipara Harbour.

We have put in infrastructure to stop wastewater overflowing into our harbours and onto our beaches and introduced proactive monitoring of septic tanks. This has allowed us to re-open five beaches that were previously closed because of public health concerns.

We have focused on the western isthmus where the worst wastewater overflows have been. Work has begun on the St Marys Bay and Daldy Street outfalls, and the Freeman's Bay stormwater separation project.



What we're proposing

The recovery budget is proposing to extend the Water Quality Targeted Rate from 2028 to 2031, providing an additional \$150 million. This will allow us to start works to improve water quality elsewhere in the city, particularly in coastal areas from Hobson's Bay to St Heliers, as well as the Manukau Harbour. Work would begin in 2028/2029.

We are also consulting to increase the Water Quality Targeted Rate in line with the projected average increase in general rates 5 per cent in 2021/2022 and 3.5 per cent each year thereafter. This will provide an additional \$106 million. This increase combined with the extension to 2031 will provide a total of \$256 million over 10 years and will enable us to:

- deliver improved water quality in the Manukau Harbour, Tāmaki Estuary and along the beaches between Parnell and Glendowie with major construction projects starting six years earlier in 2022/2023.
- fund additional litter trap projects to improve freshwater and coastal water quality through contaminant removal across the entire region.

This proposal would not significantly impact our debt-to-revenue ratio.

How this proposal will affect rates

Under this proposal the Water Quality Targeted Rate will increase in 2021/2022:

- for the average value residential property (\$1,083,500) by \$3.30 (0.12 per cent on total rates) to \$69
- for the average value business property (\$2,862,500) by \$15.30 (0.09 per cent on total rates) to \$321.

What the Natural Environment Targeted Rate pays for

The Natural Environment Targeted Rate has funded work to address the spread of kauri dieback disease and tackle pests that are killing our native birds and trees.

So far we've:

- opened 60km of kauri-safe tracks, undertaken pest control on 88,000 ha of reserve and park land,
- set more than 1500 traps to eliminate stoats on Waiheke Island.

What we're proposing

The recovery budget is also proposing to extend the Natural Environment Target Rate from 2028 to 2031. This will provide an additional \$107 million allowing us to maintain our investments in measures such as addressing the spread of kauri dieback, and predator and weed control. We are not proposing to change the Natural Environment Targeted Rate.

➔ **You can read more on this proposal in Section 7.5 of the Supporting Information document.**



Increase in kokako population – 340 adult birds now compared to 232 birds in 2018



Ētahi atu kaupapa
mātāmua

Other priorities

Aside from the key issues covered above, some of the other key proposed priorities for this 10-year budget are:



Māori outcomes

Council is committed to Treaty-based partnerships with Māori. We enable delivery against 10 Māori Outcomes strategic priorities through our Māori Outcomes portfolio. The portfolio includes our day-to-day activities, supplemented by the targeted use of the Māori Outcomes fund (\$150 million investment over the next 10 years).

The proposed funding will support Māori-led initiatives that are aligned to Kia Ora Tamaki Makaurau (the council’s Māori Outcomes performance measurement framework). Examples include the Marae Infrastructure Programme, which helps marae to be healthy and sustainable cultural hubs.

The range of activities supported by the Māori Outcomes fund is varied. It enables incubation of initiatives, which over time transition into business as usual activities - such as Ngā Kete Akoranga, our cultural capability programme. Te Kete Rukuruku is returning names to parks and places in Tāmaki Makaurau and helps to ensure the Māori language is seen, heard, spoken and learnt in everyday life. The fund supports papakāinga and marae development with feasibility and concept design, financial planning, governance and asset management.

Social investment

If there is one thing that COVID-19 has taught us, it’s the importance of continuously protecting our communities. The recovery budget reinstates contestable funds which were impacted in the Emergency Budget 2020/2021. We have recognised the need to protect our most vulnerable communities. We propose to embed a \$500,000 annual homelessness operational fund to work alongside others to support homeless people through early intervention, targeted outreach, dedicated city centre initiatives, research and innovation initiatives. The impact of COVID-19 and the recession has seen many people lose jobs and income. The Southern Initiative and the Western Initiative will help disadvantaged sections of our community with skills training and employment pathways, and Auckland Unlimited will support job creation and job skill programmes. We remain committed to providing a Living Wage to our contracted cleaners and enable a fair day’s wages for a fair day’s work. We also propose to work with Māori and Pasifika communities through the Amotai social procurement initiative. Amotai connects buyers with businesses with a potential pipeline of contracts estimated at \$900 million. It also identifies industry gaps and provides training and support.

Our long-term priorities and mana outcomes

Papakāinga and Māori Housing Kia Ora te Kāinga	Māori Business Tourism and Employment Kia Ora te Umanga
Whānau and Tamariki Wellbeing Kia Ora te Whānau	Realising Rangatahi Potential Kia Ora te Rangatahi
Marae Development Kia Ora te Marae	Kaitiakitanga Kia Ora te Taiao
Te Reo Māori Kia Ora te Reo	Effective Māori Participation Kia Ora te Hononga
Māori Identity and Culture Kia Ora te Aurea	An Empowered Organisation Kia Hāngai te Kaunihera

Te Wāhanga Tuawhā: Ō reiti

Part Four: Your rates



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Te Wāhanga Tuawhā: Ō reiti 2021/2022

Your rates for 2021/2022

Your rates pay for a wide range of day-to-day activities and support investment in Auckland's assets.

The 10-year Budget 2018-2028 included average general rates increases for existing ratepayers of 3.5 per cent in each year from 2021. For 2021/2022, we are proposing a one-off increase of 5 per cent to help support the investment Auckland needs. This would then reduce to 3.5 per cent from 2022/2023 onwards.

To ensure cost recovery of our waste activity we also propose a small increase to the base waste management rate. We are also proposing to increase our investment in improving the Water Quality Targeted Rate each year in line with the projected overall increases in average general rates (see page 35 of this consultation document for more detail).

We consider that business rates are too high compared to residential rates and we have an existing policy to address this. This policy will mean the average increase in rates for residential ratepayers will be slightly higher at 5.34 per cent, and the average increase in rates for business ratepayers will be slightly lower at 3.52 per cent.

The overall proposed increases for the average value residential and business properties are \$150 and \$583 respectively.

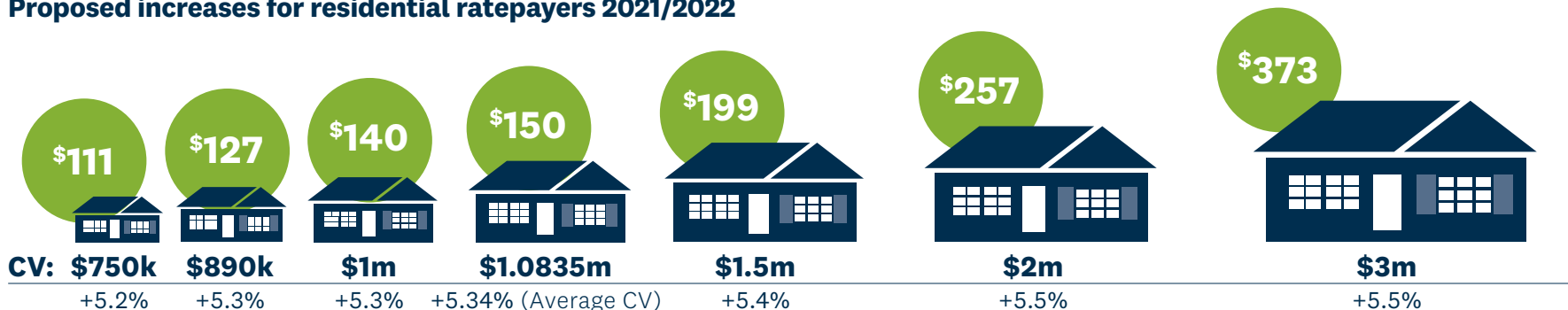
The makeup of these increases is shown in the below table:

Proposed change in rates for 2021/2022

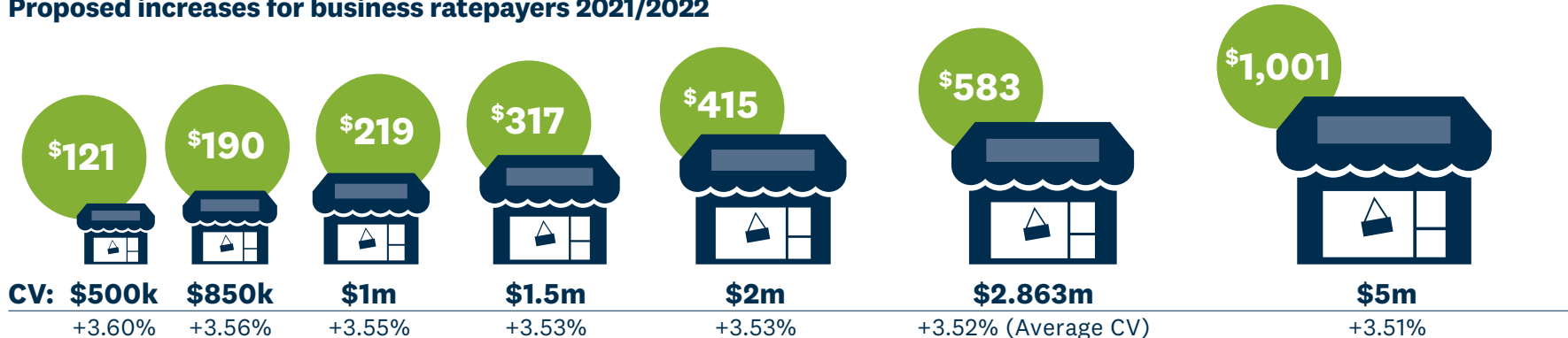
	AVERAGE VALUE RESIDENTIAL PROPERTY	AVERAGE VALUE BUSINESS PROPERTY
Capital value	\$1.0835m	\$2.836m
General rates increase from existing plan (3.5%)	\$106.50	\$331.00
Additional 1.5% one-off increase (5% total)	\$38.50	\$235.50
Waste management base rate increase	\$1.68	\$1.68
Water Quality Targeted Rate increase (5%)	\$3.30	\$15.30
	\$150	\$583

The following graphic sets out the proposed overall rates increase for residential and business ratepayers for a range of property values. To find out what your proposed rates are for 2021/2022 please visit [akhaveyoursay.nz/ratesguide](https://www.akhaveyoursay.nz/ratesguide).

Proposed increases for residential ratepayers 2021/2022



Proposed increases for business ratepayers 2021/2022



The rates calculated above include general rates, the Water Quality Targeted Rate, the Natural Environment Targeted Rate, and the Waste Management Base Service Rate that nearly all properties pay. A number of other changes are also being proposed to our rates that may affect individual properties (see pages 35 and 39-47) of this document for more detail).

The rates shown above do not include water charges which are set by Watercare. To support a significant increase in capital investment over the next 10-years, Watercare's board of directors have resolved to increase water and wastewater tariffs by 7 per cent on 1 July 2021 and 1 July 2022, followed by annual increases of 9.5 per cent for six years and then increases of 3.5 per cent for the last two years of this plan.

Proposed changes to rating policies

We are proposing changes to some of our rating policies:

Changes to the Urban Rating Area and farm-lifestyle properties

Business and residential properties located within the Urban Rating Area pay higher urban rates while properties located outside the Urban Rating Area pay lower rural rates.

As the city expands, new developments outside the Urban Rating Area are being provided with infrastructure and services similar to properties located within the Urban Rating Area.

This means that developing areas and towns near the current Urban Rating Area have similar levels of access to services as nearby properties inside the Urban Rating Area but are paying lower rates.

What we're proposing

We are proposing to set the Urban Rating Area to include all the land that has an operative urban zoning, or which has resource consent to be developed for urban use now except for Warkworth.

This will ensure rates are set fairly as the city grows. We propose to exclude Warkworth at this stage as it has much lower service levels than other urban areas and it is further from urban Auckland.

Land that is rezoned for urban development in the future will be included at that time. This change will affect properties located in a number of areas close to the current urban boundary. The lists below indicates the suburbs where the majority of affected properties are located.

Areas affected by the proposal include:

- Pine Valley
- Herald Island
- Whenuapai

It also includes parts of:

- Dairy Flat
- Upper Orewa
- Hobsonville
- Massey West (Redhills, Taupaki)
- Drury
- Hingaia
- Karaka
- Pukekohe.

We are also considering whether to include Huapai, Kumeū and Riverhead in the Urban Rating Area. These towns are becoming more urban and have greater access to services than rural areas but their overall level of service is lower than other urban areas.



If we don't extend the Urban Rating Area

Properties within these developing townships will continue to pay the lower rural rates while having access to similar levels of services as properties located within the Urban Rating Area.

A final decision on which areas will be included in the Urban Rating Area will be made after considering feedback and a further review of service levels.

Farms and lifestyle use properties

There are also a small number of farms and lifestyle use properties in the Urban Rating Area that are now zoned for residential or business use. These properties have access to the same level of our services as their urban rated neighbours, but currently pay 80 per cent of the urban residential rate.

We propose to charge farm and lifestyle properties in the Urban Rating Area the urban residential rate to ensure they pay a fair share of the costs of providing services.

 **You can read more on the proposed changes in Sections 7.7 and 7.8 of the Supporting Information document.**

Introducing the Electricity Network Resilience Targeted Rate**What we are proposing**

We are proposing to introduce a targeted rate of \$10.5 million per year on Vector. This will fund our tree management programme around the Vector overhead power lines. This will allow for an enhanced level of service that will reduce risk to Vector's powerlines from trees owned by the council. It would result in:

- improved public safety around power lines
- reduced power outages.

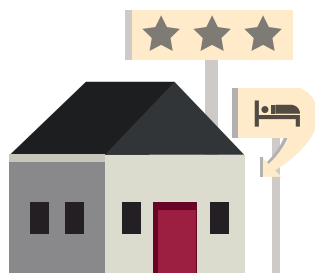
This rate would only be paid by Vector. Vector has said paying for the rate would increase the average residential electricity bill of their customers by approximately \$1 per month.

Pruning more trees to the best arboriculture practices will create a more resilient urban forest and a more resilient electricity network. However, it may result in some loss of tree canopy.

To manage the impact on the tree canopy of the enhanced approach to tree maintenance we will:

- spend \$500,000 of the rate collected from Vector on new tree planting
- the new rate will free up \$1.5 million of general rates funding. We propose to spend this on further additional tree planting and more pruning in parks and town centres.

 **You can read more on the proposed changes in Section 7.9 of the Supporting Information document.**



Reinstatement of the Accommodation Provider Targeted Rate

The Accommodation Provider Targeted Rate (APTR) is a rate paid only by owners of properties such as motels, hotels and Airbnb properties. It seeks to recover from accommodation providers a fair proportion of visitor attraction and major events spending by Auckland Unlimited. In the Emergency Budget 2020/2021, we decided to reduce our spending on visitor attraction and major events and suspend the APTR until 31 March 2021.

We do not know how long the disruption to Auckland's visitor economy caused by COVID-19 will last. Restrictions on travel and mass gatherings due to COVID-19 may continue for some time. This may impact on the focus and amount that we want to spend on the visitor attraction, major events, and destination marketing activity.

Consulting on a broad range of options provides scope for us to respond to a wide range of future scenarios before a final decision is made.

What we're proposing

We are proposing three options for the reinstatement of the APTR. These are:

Option 1	(Status quo): resume the APTR as currently planned from 1 April 2021 raising around \$14.2 million in 2021/2022 to help support \$29 million of spending on visitor attraction, major events and destination marketing activity. The financial projections included in this document are based on this status quo option.
Option 2	reinstate the APTR from 1 January 2022 reducing the APTR revenue to around \$7.2 million in 2021/2022 and lower spending on visitor attraction, major events, and destination marketing activity to around \$21.8 million in 2021/2022
Option 3	reinstate the APTR from 1 July 2022 and lower spending on visitor attraction, major events, and destination marketing activity to around \$14.5 million in 2021/2022.

Depending on developments in the visitor economy, we may also consider an intermediate option between two of those outlined above.

If we decide to reduce our spend and extend the suspension of the APTR either to 30 December 2021 or 30 June 2022, we would also look to remove APTR charges (around \$3.3 million) from the May 2021 rates invoice for the balance of the 2020/2021 financial year.

We think that accommodation providers will continue to benefit now and in the future from our investment in visitor attraction to Auckland. This will happen by securing future events as well as international marketing to maintain Auckland's profile to international visitors.



You can read more on the proposed changes in Section 7.10 of the Supporting Information document.

Extending the duration of the City Centre Targeted Rate

We are proposing to extend the duration of the City Centre Targeted Rate from 2024/2025 until 2030/2031 to align with the 10-year Budget 2021-2031. The City Centre Targeted Rate helps fund the city centre redevelopment programme and is due to expire in 2024/2025. This programme enhances the city centre as a place to live, work, visit and do business. The extension will allow additional investment of \$157.7 million in the period 2025/2026 to 2030/2031.

 **You can read more on the proposed changes in Section 7.11 of the Supporting Information document.**

Rates decisions made last year

In the 2021/2022 year we plan to implement a number decisions we made last year. We plan to:

- set the Waitakere Rural Sewerage Targeted Rate at \$290 per year to recover the full cost of providing a three yearly septic tank pump out service to ratepayers in the Waitakere Ranges Local Board area who have onsite wastewater systems
- change the Clevedon Water and Wastewater Connection Targeted Rate from a financial assistance targeted rate to a rate paid over 15 years to recover the costs of connection with the ratepayers meeting their onsite costs. You can read more on the proposed changes in Section 7.12b of the Supporting Information document.
- reinstate interest on loan repayment targeted rates paused last year to allow us to update our compliance with consumer finance legislation
 - Riverhaven Drive targeted rate
 - Retro-fit your home targeted rate
 - Kumeū Huapai Riverhead wastewater targeted rate
 - On-site wastewater systems (septic tank) upgrades targeted rate
 - Point Wells wastewater targeted rate
 - Jackson Crescent wastewater targeted rate

You can read more on the proposed changes in Section 4.2 of the Supporting Information document.



Paremoremo Public Transport Targeted Rate

What we are proposing

The consultation on the Upper Harbour Local Board Plan 2020 sought feedback on providing additional public transport services in non-serviced areas funded by targeted rates. Fifty-five per cent of respondents supported the Upper Harbour Local Board investigating this further.

We are proposing to introduce a bus service between Paremoremo and Albany. Paremoremo residents don't currently have any public transport choices. The service will operate at peak hours on weekdays providing three round trips in the morning and four in the afternoon. We are considering two options to fund this service:

Option 1	A targeted rate of \$238 per Separately Used or Inhabited Part of a property (SUIP) for properties located within 500m walking distance of a proposed bus stop (see section 7.15 of the Supporting Information: Option 1 - Paremoremo bus service area in the Supporting Information). The narrow service area assumes the distance someone would walk up to 500m to catch a bus service in an urban area.
Option 2 (preferred)	A targeted rate of \$153 per SUIP for properties located in the wider Paremoremo and Lucas Heights area (section 7.15 of the Supporting Information: Option 2 - Paremoremo bus service area in the Supporting Information) of the Upper Harbour Local Board. A wider service area assumes that, in rural areas, residents will travel much longer distances to catch a bus service.

A SUIP includes each dwelling on the same property. For example, a main residence and a granny flat on the same property are counted as two SUIPs. Each separate business on the same property operating under a separate license, lease or other agreement is also counted as a SUIP, for example each shop in a shopping mall.

 **You can read more on the proposed changes in section 7.15 of the Supporting Information document.**

Introducing the Rodney Drainage Targeted Rate

Glorit, Te Arai and Ōkahukura are the only remaining areas of rural Auckland where we provide stormwater management services to private landowners. This is due to a historical legal arrangement (drainage districts) inherited from the former Rodney District Council. In all other rural areas of Auckland, private landowners are responsible for maintaining and renewing the drainage assets located on their land. In those circumstances we would only be involved when emergency remedial work is required.

Historically the drainage assets were funded from a targeted rate levied on local landowners which was replaced with general rate funding by the former Rodney District Council in the 1990s. We inherited the funding when the

councils in Auckland amalgamated. The level of the funding we inherited has not been sufficient to maintain the assets to a satisfactory standard. As a result, the council recently invested a one-off \$260,000 to upgrade the assets, but this funding model is not sustainable.

What we're proposing

We are proposing to introduce a community-council joint management model to manage the drainage assets in Te Arai and Ōkahukura, which would be funded from a targeted rate levied on properties benefiting from the drainage.

We are also proposing that the landowners in the Glorit drainage district manage and fund the drainage assets themselves.

The landowners in the three drainage districts are the beneficiaries of the stormwater services and we consider it fair that they should meet the costs of maintaining the assets.

 **You can read more on the proposed changes in Section 7.13 of the Supporting Information document.**

Potential changes to Business Improvement District Targeted Rates

Business Improvement Districts (BIDs) support local business areas to help attract new business and customers. We are proposing to extend the boundaries of three of the BID targeted rate areas. We are also proposing to adjust the targeted rates for the BIDs proposed by their business associations. The BID areas where we are proposing extensions are:

- Manurewa
- Glen Innes
- Dominion Road.

The proposed changes to these BID targeted rates will only be considered by the council if there is a successful ballot of business owners in each area.

 **You can read more on the proposed changes in Section 7.14 of the Supporting Information document.**

New fees and increases

We are proposing to introduce some new fees (or deposits) and raise some fees including:

- an increase in the multiple dog license fee from \$45 to \$79 for the first application, and a fee of \$50 for an additional property inspection if a dog owner changes address
- a new fee of \$70 for our Animal Management Officers to attend to livestock nuisance complaints such as roaming stock. We are also proposing an additional fee of \$120 for subsequent call outs and \$75 for after hour call outs
- a new fee of \$200 for high-risk Producer Statement Author fees
- a new fee of \$90 for hard copy applications for building and resource consents

To ensure that customers pay upfront costs or deposits that are much closer to the likely final charge we are proposing:

- an increase in the deposit for an application for minor engineering approval from \$600 to \$1200
- a new fee for pre-application meetings set at a base fee of \$311 to replace the current standard and complex pre-application fees for building consents

We are also proposing to budget for an increase in our venue hire fees by 6 per cent as they have not been adjusted for inflation since 2014. We are also increasing other fees by inflation of 1 per cent to meet cost increases.

Watercare have also made some decisions to increase their water and wastewater tariffs. More information can be found on page 35 of this document.



You can read more on the proposed changes in section 7.12a of the Supporting Information document.

Removing library late return fines

We are proposing to remove late return fines on library books and other items but will continue to charge lost book replacement fees and fees for rentals. Each year around 35,000 library members stop using our services because they owe us more than \$10. We will lose revenue from fines of around \$1.2 million per year.



You can read more on the proposed changes in Section 7.12a of the Supporting Information document.



Te Wāhanga Tuarima:
Ētahi atu take hei
whakahoki kōrero mai

Part Five: Other matters for feedback

This section sets out the other matters to be considered as part of this consultation including proposals relating to some of our strategic assets.

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Ngā tono e pā ana ki
ngā rawa tāpua

Proposals related to strategic assets

Some changes to strategic assets can only be made if the decision is provided for in the 10-year Budget. Some things that may be considered for the next few years relate to things that may be considered strategic assets because of their heritage status or their waterfront location.

No conflicts of interest have been identified in relation to these assets. For lease or development agreements the proposals should provide us with opportunities to have ongoing accountability and/or monitoring of these assets to ensure we achieve our intended outcomes.

Bledisloe House

We are proposing to grant a long-term lease of the Bledisloe House building to a developer (with conditions attached) to avoid additional cost liability, to protect heritage and achieve wider Aotea Precinct integrated outcomes. The primary alternative to this proposal is to retain the building in full council control, while we know that:

- it is surplus to council operational requirements and is not fit-for-purpose for Auckland Emergency Management
- there are substantial unfunded renewal maintenance cost requirements over the next 10 years
- Bledisloe House ‘turns its back’ to the adjacent Aotea station, the overstation development, ground level retail and the laneways development, and that any plans to achieve integrated outcomes are not provided for in current or proposed budgets
- delaying Bledisloe House refurbishment and integrated outcomes will lead to an extended period of disruption in the area where commuters emerge from the Aotea station and overstation developments.



PROPOSAL DETAILS:	
What we are proposing	Entering into a long-term (125-year) lease of Bledisloe House with a developer.
Why are we proposing this	To allow commercial, heritage protection and integrated Aotea Precinct public realm outcomes to be achieved in a timely manner.
Financial implications	Would help support the asset recycling target that allows additional investment in the city to occur without impacting council rates or debt. Also avoids some significant maintenance and renewal costs.
Service level implications	No change to service levels as Bledisloe House is no longer needed for operational requirements as more staff use flexible working arrangements.
Relationship with Māori	In the past, local Iwi have expressed interest in purchasing commercial and social assets. As part of the long-term lease negotiation local Iwi would be informed and consulted with if required.
Other options considered	<div>1. Do Minimum – We retain the building and undertakes the necessary renewals and maintenance funded by higher rates and debt (or by displacing other investment). Development and heritage outcomes would not be achieved.</div> <div>2. Invest and Optimise - We would seek to achieve development outcomes ourselves. This would involve substantial investment of council funds.</div>

 **More information on this proposal can be found in section 7.17 of the Supporting Information for this consultation document.**

Heritage buildings in Takapuna and Devonport

We are proposing to sell two council-owned buildings located at:

- 2 The Strand, Takapuna
- 3 Victoria Road, Devonport.

Both properties are heritage scheduled buildings, have been identified as surplus to our operational requirements and previously approved for sale by the council subject to the completion of statutory process (including public consultation in this 10-year Budget).

Number 2 The Strand, Takapuna is an endowment property. We would ensure that its sale would comply with the Local Government Act 2002 and the proceeds would be used in a way that is consistent with the purpose of the endowment.

PROPOSAL DETAILS:	
What we are proposing	Disposing of 2 The Strand, Takapuna and 3 Victoria Road, Devonport.
Why are we proposing this	These properties are no longer required by the council for service delivery purposes.
Financial implications	Would help support the asset recycling target that allows additional investment in the city to occur without impacting council rates or debt. Also avoids costs associated with the buildings' seismic issues.
Service level implications	No change to service levels as these buildings are no longer needed for operational requirements and no funded current or future use has been identified.
Relationship with Māori	In the past, local Iwi have expressed interest in purchasing commercial and social assets. As part of the disposal process local Iwi would be informed and consulted with if required.
Other options considered	No Sale - The council retains the building and undertakes the necessary seismic work funded by higher rates and debt (or by displacing other investment) and then leases the building to a commercial tenant. Other surplus assets would need to be identified to achieve asset sales targets.

 You can read more on the proposed changes in Section 7.18 of the Supporting Information document.



Waterfront properties

Panuku is leading the regeneration of Wynyard Quarter located within Auckland’s city centre waterfront area. To date the regeneration of Wynyard Quarter has been extremely successful with commercial, residential, and marine development delivered by our development partners. These partnerships include private developments on various council owned waterfront properties in Wynyard Quarter. Private development complements the delivery of public realm projects by Panuku and combined, they have transformed Wynyard Quarter into a vibrant and liveable community.

We are proposing to provide in this 10-year Budget for long-term leases on seven additional council-owned development sites in the city centre waterfront precinct: North Wharf (site 14), Jellicoe Street (site 19), Silo 6 (site 12), Wynyard Point Blocks A and B, 44-56 Hamer Street and 101 Pakenham Street West. This is where Panuku plans to partner with private developers as part of its existing plans to transform the waterfront area.

PROPOSAL DETAILS:	
What we are proposing	Entering into long-term leases on seven council-owned development sites in the city centre waterfront precinct: North Wharf (site 14), Jellicoe Street (site 19), Silo 6 (site 12), Wynyard Point Blocks A and B, 44-56 Hamer Street and 101 Pakenham Street West.
Why are we proposing this	To enable Panuku to continue progressing its existing plans to partner with private developers to transform the waterfront area into a vibrant and liveable community.
Financial implications	No material change to previous 10-year Budget projections as this proposal would just enable Panuku to implement its existing plans. Prepaid rental income is currently intended to fund other investment in the city.
Service level implications	Not proceeding with leasing these properties would severely limit Panuku’s ability to carry out further regeneration of the waterfront area.
Relationship with Māori	Specific consultation with Mana Whenua has occurred, and will continue to occur, on development plans for the city centre waterfront area. Local Iwi will also be informed and consulted with if they desire on the long term leasing proposal.
Other options considered	1. Do Nothing – if we did nothing the intended development outcomes would not be achieved, and we would not receive prepaid lease revenue. 2. Sell Properties - we could simply sell the properties and take the risk that the intended development outcomes are not achieved.

 You can read more on the proposed changes in Section 7.18 of the Supporting Information document.

Proposed changes to key policies

Some changes to key council policies can only be made if we provide for them in the 10-year Budget. We are proposing some changes or updates for the following policies:

CCO Accountability Policy

We are proposing to amend and update our Council-controlled Organisations (CCOs) Accountability Policy.

One of the proposed changes is to remove some of the common expectations of substantive CCOs from the accountability policy. We intend that these will instead be included in a statement of expectations for CCOs.

Our proposed accountability policy also:

- retains and updates some common expectations
- updates our expectations of each CCO's contribution to and alignment with our objectives and priorities
- updates reporting requirements.

A consequence of moving some common expectations to the statement of expectations is that in future these can be amended outside of the 10-year Budget process.

The proposed draft policy can be found in section 5.2 of the Supporting Information for this consultation document.

Auckland Airport Shareholding Policy

We are proposing to amend and update our Auckland Airport shareholding policy to ensure it remains current and that it enables us to maximise the value we receive from our shareholding.

The major change in the proposed new policy is some amendments to provide council with greater flexibility to take advantage of corporate actions and their associated financial benefits but not change the controls over the underlying shareholding. The revised policy also reflects historical changes, specifically the decision to disband Auckland Council Investments Limited and Auckland Airport's institution placement which diluted our shareholding.

The key alternatives to adopting the draft policy are:

- Not adopt the new policy and accept that the existing policy contains statements that do not reflect the current environment. This would not be good practise and could result in less than maximum value being received from our shareholding.
- Adopt only the portions that correct statements that do not reflect the current environment but not adopt the added flexibility sought. This could result in less than maximum value being received from our shareholding.

There are no conflicts of interest associated with this proposal. Responsibility for accountability and monitoring of this shareholding will remain with Auckland Council. The proposed draft policy can be found in Section 4.6 of the Supporting Information.

Local Board Funding Policy

There are no proposed changes to our Local Board Funding Policy and the existing policy is included in section 4.3 of the Supporting Information for this consultation document.

Revenue and Financing Policy

The Revenue and Financing Policy is proposed to be amended to provide for the proposals that we are consulting on as part of this 10-year Budget, and the proposed amendments to the Policy are being consulted on separately from but at the same time as this plan. For Further information and to have your say please visit the Auckland Council website > Have Your Say > Draft Revenue and Financing Policy. The proposed draft policy can also be found in Section 4.1 of the Supporting Information.

Tūpuna Maunga Authority Operational Plan

The Ngā Mana Whenua o Tāmaki Makaurau Collective Redress Act 2014 (the Act) came into effect on 29 August 2014. The Act vested the Crown-owned land in 14 Tūpuna Maunga (ancestral mountains/volcanic cones) in 13 iwi/hapū with interests in Auckland (Ngā Mana Whenua o Tāmaki Makaurau). The Act also established the Tūpuna Maunga o Tāmaki Makaurau Authority (a co-governance body between the council and Ngā Mana Whenua) to administer the Tūpuna Maunga.

The Act requires that the Tūpuna Maunga Authority prepare an Annual Operational Plan to provide a framework in which the council will carry out the routine management of the 14 Tūpuna Maunga, under the direction of the Maunga Authority. This must be prepared and adopted concurrently with the council's annual budget (or 10-year budget) and included in summary form. A summary of the draft Operational Plan 2021/2022 can be found in Section 4.5 of the Supporting Information or accessible on the website <https://www.maunga.nz/plans-policies-and-procedures/>.



Further work to do

In addition to the key proposals set out in this document, we may also refine and update our draft 10-year Budget due to the following:

1. Your feedback on what is important to you

We will consider all feedback received when making our final decisions in May 2021 before adoption of the final 10-year Budget in June 2021.

2. Review of budgets and performance targets

We will review our group budgets to update them with the latest information on key assumptions and cost drivers such as project timing, interest and inflation rates. Final capital investment budgets will be decided after considering public feedback and reviewing the final results of our risk-based capital prioritisation work.

We will also ensure we continue delivering the best value for money for ratepayers by operating more efficiently i.e. providing the same levels of service at lower cost. We are also reviewing how we measure the performance of our services.

3. Central government

The new government is continuing to revise and update the existing central government policy programme in key areas like transport, housing, climate change and COVID-19 recovery. We will need to keep working closely with them to ensure our plans and priorities continue to align.

4. Monitoring and review

Given the high uncertainty around this budget we will continue to monitor new developments such as changes to the COVID-19 situation and its economic consequences. Council staff will report to the council's Finance and Performance Committee with regular updates as required.

This uncertainty could also see significant changes to our revenue and financial projections which may require us to consider amending the final 10-year Budget in the coming years.

Te Wāhanga Tuaono:
Aronga mātāmua a
ngā poari ā-rohe

Part Six: Local board priorities

This section sets out the key local priorities for each local board area and any changes we are thinking of making for 2021/2022. We are seeking your feedback on whether we have got these priorities right.

➔ **For more information about the priorities for your local area, please see section 6 of the Supporting Information for this consultation document.**



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Local Boards

For more information about the priorities for your local area, please see Section Six of the Supporting Information for this Consultation Document.

See Feedback Form
Page 76.

- **Albert-Eden** Page 56
- **Aotea/Great Barrier** Page 57
- **Devonport-Takapuna** Page 57
- **Franklin** Page 58
- **Henderson-Massey** Page 58
- **Hibiscus and Bays** Page 59
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Albert-Eden Local Board



Key areas of spend
COMMUNITY SERVICES



ENVIRONMENTAL SERVICES



PLANNING SERVICES



GOVERNANCE

OPERATING SPEND 2021/2022

\$19.9M

\$171,000

\$620,000

\$1.1M

CAPITAL SPEND 2021/2022

\$4.3M

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What we propose in your local board area in 2021/2022

- Support volunteer groups and initiatives that encourage social connectedness and strong communities, recognising the impacts of COVID-19 and changes brought about by urban development.
- Protect our natural environment by supporting projects like the Albert-Eden Urban Ngahere (Forest) Project and restoration of the biodiversity of our rock forests, urban streams and coast.
- Ensure a range of programmes, tailored to serve the needs of our local, diverse population, are delivered at our community facilities, libraries and recreation centres.
- Consider climate change impacts in our decisions and projects, and support education, awareness raising and action.
- A boundary expansion of the Dominion Road Business Improvement District.

Key advocacy initiatives for 2021-2031

- Advocate to the Governing Body for funding to upgrade our sportsfields to address the current and future shortfall in sports capacity. We need an increase in playing and competition hours for the growing numbers of sports teams.
- Advocate to the Governing Body for funding to realign the Chamberlain Park 18-hole golf course, to develop a new park, walking and cycling connections and stream restoration.
- Advocate to the Governing Body for the continuing provision of aquatic facilities in the Mt Albert area.
- Advocate to the Governing Body for a civic square to be funded at 915-919 New North Rd, Mt Albert, to provide a focal point for the town centre and connection to the train station.

Aotea/Great Barrier Local Board

				
Key areas of spend	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE
OPERATING SPEND 2021/2022	\$2.1M	\$199,000	—	\$597,000
CAPITAL SPEND 2021/2022	\$122,000	—	—	—





What we propose in your local board area in 2021/2022

- Water security is our top priority. We will work alongside mana whenua, advocate to governing body to establish an emergency water supply and water security plan and, also support AoteaOra Trust with a drinking water refill programme
- Food security is a big part of our island's resilience. We will continue to progress community initiatives like seed banking, abattoir, island fish and farmers' markets
- Marine protection is important to us all. We will explore the mana whenua and community-led Ahu Moana approach, advocate to governing body for policy changes to prohibit marine dumping and advocate to central government for the reform for commercial fisheries
- We will continue annual funding support for our community groups and environmental projects on the island.

Key advocacy initiatives for 2021-2031

- Expanding the renewable energy micro-grid of our council facilities to include Claris airport and also provide public electric vehicle charging facilities
- Championing the implementation of Sea Change – Tai Timu Tai Pari to protect our Hauraki Gulf
- Seeking a policy change to prohibit all marine dumping
- Seeking better council procurement systems to enable local employment and business development
- Establishing an emergency water supply and water plan for our island
- Ensuring the protection of our International Dark Sky Sanctuary status by requesting Auckland Transport and Council use low-level night lighting in the region
- Advocating for more priority to be given to the increasing issue of dust on unsealed roads, caused by climate change and record levels of drought
- Investigate a potential visitor levy to respond to the impacts of tourism.

Devonport-Takapuna Local Board

				
Key areas of spend	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE
OPERATING SPEND 2021/2022	\$10.6M	\$73,000	\$2.7M	\$830,000
CAPITAL SPEND 2021/2022	\$4.1M	—	\$934,000	—




What we propose in your local board area in 2021/2022

- Supporting initiatives like the Wairau Estuary Restoration programme that protect and enhance our natural environment
- Ensuring our parks and facilities meet the needs of our diverse and growing population. The delivery of the new toilet and changing facility on Takapuna Beach will further enhance this popular spot
- Funding initiatives that help our communities connect and feel safe
- Working with sport organisations to ensure everyone can get active, stay fit and play organised sport whatever their age or ability
- Providing safe walking and cycling paths
- Supporting and funding events that encourage people to come to our town centres and take advantage of all they have to offer
- Looking for opportunities to develop relationships with iwi in our area.

Key advocacy initiatives for 2021-2031

- Advocating to council's Governing Body that the new ferry terminal at Bayswater be fully funded in the Regional Land Transport Plan
- Advocating to the Governing Body for an extension to the length of time that the Water Quality and Natural Environment Targeted rates are collected, ideally for the duration of the 10-year Budget 2021-2031 rather than finishing in 2028.
- Advocating for an increase in budget for the Safe Networks Programme that supports Safeswim and the work to identify and remedy illegal discharges at our beaches.
- Advocating for local board transport capital funding to contribute to the cost of the new walking and cycling connection between Francis Street and Esmonde Road.

Franklin Local Board

Key areas of spend	 COMMUNITY SERVICES	 ENVIRONMENTAL SERVICES	 PLANNING SERVICES	 GOVERNANCE
OPERATING SPEND 2021/2022	\$15.2M	\$210,000	\$829,000	\$1.2M
CAPITAL SPEND 2021/2022	\$7.1M	—	—	—





What we propose in your local board area in 2021/2022

- support and develop community-led environmental restoration initiatives, including those led by mana whenua eg. Te Korowai o Papatūānuku stream restoration, the C.R.E.S.T project and Pest-Free Franklin
- fund a local economic development broker to support local businesses to leverage and grow economic development opportunities
- review our community partnerships and community grants programme to ensure the community is empowered to deliver local outcomes e.g. support rural hall committees to develop five-year operational plans and three-year funding agreements with local social service agencies. We will also review the event and ecological partnership funding approach.

Key advocacy initiatives for 2021-2031

- reinstate local board transport funding to pre-COVID levels
- increase the AT 2021/2024 budget for renewal, rehabilitation and maintenance and prioritise rehabilitation of Whitford-Maraetai Road, Papakura-Clevedon Road, Alfriston-Brookby Road, Glenbrook Road, Hūnua Road and the Pukekohe ring road
- fund AT to provide a bus service connecting Wairoa sub-division communities to transport nodes at Papakura Train Station, Pine Harbour and Botany to allow for environmentally sustainable transport choices and access to council services and facilities
- allocate \$23 million for the development of Karaka Sports Park and community hub.

Henderson-Massey Local Board

Key areas of spend	 COMMUNITY SERVICES	 ENVIRONMENTAL SERVICES	 PLANNING SERVICES	 GOVERNANCE
OPERATING SPEND 2021/2022	\$30.2M	\$273,000	\$764,000	\$1.1M
CAPITAL SPEND 2021/2022	\$8.9M	—	—	—

What we propose in your local board area in 2021/2022

- Progress actions in the Waitākere ki Tua Action Plan and lift Māori participation in local decision-making.
- Investigate options for Te Rangi Hiroa Reserve nursery site, with a focus on community-led sustainability and food initiatives.
- Progress initiatives such as street tree planting and developing a community-led Climate Action Plan to lower Henderson-Massey's carbon footprint.




Key advocacy initiatives for 2021-2031

- Advocate to the Governing Body to retain funding in the 10-year Budget to progress the work on aquatic provision in the northwest.
- Advocate to the Governing Body to reinstate Auckland Transport's Local Board Transport Capital Fund to pre-Emergency Budget levels for all local boards and restore the funding formally allocated by local boards before the budget was adopted.
- Advocate to the Governing Body for funding in the 10-year Budget to progress the proposed permanent facility for Waitākere Outrigger Canoe (Waka Ama) Club in Te Atatū South (consultation, detailed design, consenting and a detailed estimate). This would help address the gap in regional support for Waka Ama, one of Aotearoa New Zealand's fastest growing sports.
- Advocate to central government and to the Governing Body for funding in the 10-year Budget for the remaining sections of Te Whau Pathway, not covered by the "shovel-ready" central government project funding, to be completed.
- Advocate to the Governing Body to fund the Waitangi at Waititi event as part of the regional event programme given the significant number of Aucklanders from across the region who attend the event.

Other focus points

- Ensuring community spaces cater for our diverse communities and are accessible and welcoming places.
- Enhancing a sense of belonging and safety in our town centres and community spaces.
- Continue providing quality parks and playgrounds, libraries, community and recreation facilities, and events.

Hibiscus and Bays Local Board

Key areas of spend	   			
	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE
OPERATING SPEND 2021/2022	\$16.8M	\$288,000	\$497,000	\$1.0M
CAPITAL SPEND 2021/2022	\$5.0M	—	—	—





What we propose in your local board area in 2021/2022

- Continue our support for local community groups, especially those working with youth development, family support and helping to build resilience among the most vulnerable in our community
- Funding environmental groups such as Restore Hibiscus and Bays, and other initiatives in schools and neighbourhoods to assist our communities to look after our environment
- Improve our economic wellbeing by actively working with our Business Improvement Districts, Business Associations and event organisers to create a stronger local economy.

Key advocacy initiatives for 2021-2031

- Advocate to the Governing Body for funding and delivery of the next phase of the Ōrewa Beach Esplanade Enhancement Project
- Advocate to the Governing Body for equitable regional funding for local arts, culture, and community centres
- Advocate to the Governing Body to allocate sufficient funding to ensure that the Regional Land Transport Plan can continue to fund the Local Board Transport Capital Fund, the Community Safety Fund and the Glenvar / East Coast Roads improvements project.

Howick Local Board

Key areas of spend	   			
	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE
OPERATING SPEND 2021/2022	\$25.4M	\$401,000	\$528,000	\$1.1M
CAPITAL SPEND 2021/2022	\$5M	—	—	—

What we propose in your local board area in 2021/2022

- improved focus on play space renewals – including equipment for all ages
- investigate the provision of a play space focused on people with differing needs
- provision of shade for play spaces
- investigation of a destination play space
- more options for wheeled play for all ages.

Key advocacy initiatives for 2021-2031

We plan to advocate to the council's Governing Body:

- for the Local Board Transport Capital Fund to be reinstated to the pre-COVID-19 level, and previously allocated funding to be fully restored
- for increased regional funding for the restoration of our beaches
- for funding to upgrade rural roads to urban standards.
- for use of eco-friendly and environmentally sustainable building methods, and for bringing forward the construction timeframe for the Flat Bush Community Centre and Library.

Kaipātiki Local Board

Key areas of spend	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE
OPERATING SPEND 2021/2022	\$16.1M	\$333,000	\$322,000	\$1.1M
CAPITAL SPEND 2021/2022	\$9.1M	—	—	—

What we propose in your local board area in 2021/2022

The key initiatives we want to prioritise for delivery in 2021/2022 include:

- developing more meaningful relationships with Māori, starting with a hui in 2021
- continuing to support Pest Free Kaipātiki Restoration Society with its community-led conservation work
- working to address the flooding and seawater inundation at Little Shoal Bay
- finalising the Kaipātiki Connections Network Plan to outline key walking and cycling links
- working with businesses in the Wairau Valley to better understand their issues and opportunities.

We also propose investigating the option of a targeted rate to fund locally important issues such as addressing flooding and seawater inundation at Little Shoal Bay, a multi-sport facility at Birkenhead War Memorial Park, and walking and cycling links (such as shared paths, bush tracks and connections to the Northern Pathway).

Key advocacy initiatives for 2021-2031

The key initiatives we want funded through the council's 10-year Budget 2021-2031 include:

- implementing the Birkenhead War Memorial Park Masterplan, which includes developing a new multi-sport facility and improved aquatic play
- implementing measures to minimise the spread of kauri dieback disease
- expanding investment to improve water quality, particularly within the catchment of the Wairau Estuary
- delivering the Northcote redevelopment to support a successful and integrated community
- improving travel options and infrastructure to support safe journeys to and from school.

Māngere-Ōtāhuhu Local Board

Key areas of spend	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE
OPERATING SPEND 2021/2022	\$18M	\$297,000	\$2.2M	\$944,000
CAPITAL SPEND 2021/2022	\$3.3M	—	—	—





What we propose in your local board area in 2021/2022

- Support business partnerships to help the local economy recover from the effects of COVID-19.
- Invest in initiatives that can help communities build awareness of how our lifestyles can minimise our emissions, and how we can help support the region's aspiration of becoming zero-waste by 2040, and zero-emissions by 2050.
- Improve local youth leadership capacity and participation on local matters by working closer with the youth.
- Additional investment and attention are needed to improve the car park and accessibility to onsite facilities at Seaside Park.
- Deliver Massey Homestead full refurbishment by advocating for more resources for structural improvements.
- Maintain and improve facility networks - such as playgrounds, open spaces and council facilities to meet local needs of all ages and abilities.

Key advocacy initiatives for 2021-2031

- The local board requests the Governing Body funding for the Ōtāhuhu Town Centre Streetscape project to complete the remaining development works and deliver a safer, attractive and vibrant town centre for the community.
- The Māngere Mountain Education Trust successfully delivers education programmes to visiting local schools and community groups. The local board seeks ongoing investment support from the Governing Body's 10-year budget to continue the delivery of these programmes.
- The local board transport capital fund is important in improving the local transport network. The local board requests the Governing Body for this fund to be reinstated to pre- Emergency Budget levels through the 10-year budget.
- The local board continues to advocate to the Governing Body to approve budget for the Māngere East Precinct and initiatives to enhance this centre as a thriving and liveable community. The local board advocates to the Governing Body to allocate long-term funding for the Ōtāhuhu Portage route project as a priority. The site is of national significance in terms of history and culture, with enormous potential to make the area accessible and connected for local and international visitors.

Manurewa Local Board

Key areas of spend	   			
	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE
OPERATING SPEND 2021/2022	\$16.2M	\$107,000	\$1.1M	\$1.2M
CAPITAL SPEND 2021/2022	\$2.5M	—	—	—

What we propose in your local board area in 2021/2022

- Fund youth and community groups to lead initiatives that:
 - deliver vibrant, multicultural arts, events and festivals
 - strengthen community and cultural connections
 - deliver placemaking activities
 - improve wellbeing.
- Partner with mana whenua and mataawaka on cultural storytelling and participation in local planning and delivery of economic benefits.
- Renew more play spaces that build the play network, ensuring children of different ages and abilities are challenged, and families have comfortable and accessible places to spend time at.
- Work with our sports and recreation partners to progress works at War Memorial Park, Netball Manurewa, Gallaher Park, Totara Park
- Support initiatives that improve our environment, clean our waterways and prepare our diverse communities for disasters and climate change.
- Support the expansion of the Manurewa Business Improvement District.





Key advocacy initiatives for 2021-2031

We propose to advocate to the council's Governing Body:

- for retention of funding in the 10-year Budget 2021-2031 to progress work at War Memorial Park, to be completed in stages that include sports field improvements, floodlighting and a multi-purpose community facility.
- for the reinstatement of the Local Board Transport Capital Fund to pre-Emergency Budget levels.
- for funding in the 10-year Budget 2021-2031 to create a community recycling centre in Manurewa, plus a recycling centre and a resource recovery park for the south in partnership with other local boards.

The Manurewa Business Association is proposing to expand the boundary of the Manurewa Business Improvement District (BID) in our local board area. If the BID boundary expansion is successful, the Manurewa Business Association membership will also increase, and the BID targeted rate will increase from \$157,000 to \$315,000 as of 1 July 2021.

Maungakiekie-Tāmaki Local Board

Key areas of spend	   			
	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE
OPERATING SPEND 2021/2022	\$13.3M	\$165,000	\$1.1M	\$876,000
CAPITAL SPEND 2021/2022	\$6.1M	—	—	—

What we propose in your local board area in 2021/2022

- support placemaking initiatives in our town centres by working with the Business Improvement Districts (BIDs)
- support social enterprise and innovation projects that have a positive social or environmental impact
- support initiatives that celebrate our diverse communities, such as Te Kete Rukuruku
- investigate a feasibility study for a Pasifika Fale
- continue building on our strategic partnerships activity
- support initiatives that build our community's resilience and preparedness





Key advocacy initiatives for 2021-2031

Advocate to the Governing Body:

- for equity and accessibility to be the overarching principles that guide Auckland Council's decision-making
- to prioritise the provision of community services in Mt Wellington
- to continue support for the Ruapōtaka marae relocation and rebuild
- to support investment in the implementation of the Waikaraka Park Masterplan, including the investigation and design of the motorsport precinct and shared multi-use facilities with sports
- to retain and bring forward growth funding for the Tāmaki Reserves development
- to progress the redevelopment of the civic space and community facility in the Panmure town centre
- for the Local Board Transport Capital Fund to be re-instated to the pre-Emergency Budget level, and previously allocated funding to be fully restored.

The Glen Innes Business Association is proposing to expand the boundary of the Business Improvement District (BID) across two local board boundaries, Maungakiekie-Tāmaki and Ōrākei. If the boundary expansion is successful the Glen Innes BID programme would represent about 190 business ratepayers and owners, with total revenue from the BID targeted rate increasing to \$250,000 as of 1 July 2021.

Ōrākei Local Board

	 COMMUNITY SERVICES	 ENVIRONMENTAL SERVICES	 PLANNING SERVICES	 GOVERNANCE
Key areas of spend				
OPERATING SPEND 2021/2022	\$11.2M	\$343,000	\$550,000	\$919,000
CAPITAL SPEND 2021/2022	\$3.5M	—	—	—

What we propose in your local board area in 2021/2022

- Implement multiple environmental programmes along the coast, in Pourewa Valley and in our community reserves.
- Advance plans to improve community access to coastal reserves, e.g. Hakumau Reserve and The Landing.
- Continue to monitor and implement measures to improve water quality in our waterways and wetlands.
- Work with our community, business and resident associations to undertake placemaking at our local centres of Ellerslie, Remuera and Ōrākei.
- Support local businesses and town centres in their recovery from the economic impacts of COVID-19.
- Improve community safety in the bays through traffic calming, CCTV and CPTED (Crime Prevention Through Environmental Design) implementation.
- Finalise an Ōrākei Arts Plan to guide future enhancement of art, local heritage and culture at our public facilities and places.
- Investigate and plan for continued improvement of our fields at Thomas Bloodworth Park and Shore Road East.

Key advocacy initiatives for 2021-2031

Advocate to Auckland Transport for the links to the Glen Innes to Tamaki Drive Shared Path

The north-south links to the Glen Innes to Tamaki Drive Shared Path will improve road safety and reduce congestion by providing off-road access to schools and commuters, and connect multiple communities across the Pourewa Valley

Pourewa Valley enhancement





We are seeking regional funding from the 10-year budget to help restore and enhance the natural environment of Pourewa Valley as detailed in the Pourewa Valley Integrated Plan

Hobson Bay catchment wastewater/stormwater separation

We are advocating to the Governing Body to accelerate separation works for the Remuera catchment and for this project to begin following the completion of the Ōrākei/Okahu Bay separation and improve water quality at Hobson Bay.

The Glen Innes Business Association is proposing to expand the boundary of the Business Improvement District (BID) across the boundary shared by the Maungakiekie-Tāmaki and Ōrākei Local Boards into the Felton-Mathew Avenue business area. If the boundary expansion is successful the Glen Innes BID programme would represent about 190 business ratepayers and owners, with total revenue from the BID targeted rate increasing to \$250,000 as of 1 July 2021.

Ōtara-Papatoetoe Local Board

	 COMMUNITY SERVICES	 ENVIRONMENTAL SERVICES	 PLANNING SERVICES	 GOVERNANCE
Key areas of spend				
OPERATING SPEND 2021/2022	\$19.5M	\$277,000	\$1.1M	\$1.1M
CAPITAL SPEND 2021/2022	\$4.8M	—	—	—

What we propose in your local board area in 2021/2022

Community-led COVID-19 recovery initiatives

Resilience in our community is our top priority. COVID-19 has forced all of us to adapt to new ways of living and working. We are committed to supporting our community to continue to deliver programmes, projects and initiatives in new innovative ways.

Māori responsiveness

We will continue to work with mana whenua to deliver projects, and explore co-governance and co-management opportunities, specifically at Puhinui Reserve.

Progress the Manukau Sports Bowl master plan and Papatoetoe facilities gap analysis

We intend progress these two projects plans. This will give us a better understanding of what facilities and amenities you would like to see in the local board area.

Key advocacy initiatives for 2021-2031





Sportsfield and lighting upgrade: Rongomai and East Tamaki Reserve

Our sportsfields are in use for formal and informal recreation all year round. We need better fields to provide quality surfaces for our communities. We will advocate for regional funding for sportsfield and lighting upgrades at Rongomai and East Tamaki Reserve.

Reinstatement of the Local Board Transport Capital Fund to pre-Covid-19 levels

We will advocate to the Governing Body alongside other local boards for the Local Board Transport Capital fund to be reinstated to the pre-COVID-19 level of \$21 million per annum. We will also advocate for previously allocated funding of \$38 million – lost through the Emergency Budget 2020/2021 process – to be fully restored. This funding pool is a major contributor to delivering local transport projects.

Papakura Local Board

Key areas of spend	 COMMUNITY SERVICES	 ENVIRONMENTAL SERVICES	 PLANNING SERVICES	 GOVERNANCE
OPERATING SPEND 2021/2022	\$12.6M	\$65,000	\$392,000	\$981,000
CAPITAL SPEND 2021/2022	\$2.9M	—	—	—





What we propose in your local board area in 2021/2022

- Continue to work with the Papakura Commercial Project Group to plan and support continued development of the town centre and immediate surrounds, to develop Papakura's future as a vibrant metropolitan centre.
- Invest in community-led arts, events and multi-generational activities, which use and celebrate our parks and open spaces and promote health, movement and discovery for all age groups. We want to bring people together to meet and have fun at no cost.
- Work in partnership with Māori to develop an annual Waitangi Day event in Papakura, as well as opportunities for Matariki and Māori Language Week Te Wiki o Te Reo Māori celebrations and activities.

Key advocacy initiatives for 2021-2031

- Seek Panuku support to progress Papakura as a future vibrant metropolitan centre (as identified in the Auckland Unitary Plan). This will ensure Papakura develops over time into a larger commercial and retail centre on a key transport hub to support residential growth in surrounding areas.
- Advocate to Auckland Transport to develop additional park-and-ride capacity, an expanded bus interchange and other actions such as an on-demand bus service, to manage car park demand at the Papakura train station.
- Advocate to the Governing Body for additional funding, including the reinstatement of the Local Board Transport Capital Fund, to continue the development of the shared walking and cycling pathways from Elliot Street to Pescara Point and the Hunua Trail.

Puketāpapa Local Board

Key areas of spend	 COMMUNITY SERVICES	 ENVIRONMENTAL SERVICES	 PLANNING SERVICES	 GOVERNANCE
OPERATING SPEND 2021/2022	\$8.8M	\$154,000	\$6,000	\$1.0M
CAPITAL SPEND 2021/2022	\$1.1M	—	—	—

What we propose in your local board area in 2021/2022

- Supporting connected communities and social inclusion, which will assist in COVID-19 recovery and responding to rapid housing development.
- Protecting and enhancing our environment e.g. mitigating and adapting to climate change.
- Initiatives that enable our people to speak up and help shape our future.
- Promoting community hauora (holistic wellbeing) through our programmes and partnerships.

We believe these priorities, alongside the continued delivery of our existing work programme, will give us a good start toward achieving the refreshed goals of our new three-year Puketāpapa Local Board Plan. We look forward to hearing what you think!

Key advocacy initiatives for 2021-2031

Invest in living locally

To help us adapt effectively to significant changes like large population growth, COVID-19 recovery and climate change, we are seeking the council's Governing Body support, including funding and decision-making allocation for local placemaking activities, such as:

- building on key moves from the Mt Roskill Integrated Area Plan by investing in support for local town centres, neighbourhood centres and public spaces for people to live more actively and locally.
- valuing natural spaces and heritage, from trees to maunga
- ensuring we have quality urban neighbourhoods with effective infrastructure planning that includes our community's views
- improving local connections to help people easily move around our community
- reflecting our cultural identities throughout our community.

Maintain funding for two local projects from the previous Long-Term Plan:

- Construction of Stage Two of the Waikowhai Boardwalk (Bamfield Reserve to Taylors Bay)
- Investigation into the future of The Whare building (Monte Cecilia Park).

Rodney Local Board

Key areas of spend	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE
OPERATING SPEND 2021/2022	\$14.3M	\$487,000	\$315,000	\$1.1M
CAPITAL SPEND 2021/2022	\$5.4M	—	—	—

What we propose in your local board area in 2021/2022

- Continuing to progress the Kumeū-Huapai indoor courts facility
- Continuing to deliver improvements to our village and town centres
- Continuing our focus to improve water quality in our waterways
- Improving our local biodiversity and natural environment by eradicating pests, carrying out restoration work and mitigating kauri dieback
- Supporting the community, and community resource recovery and recycling centres, to minimise waste, turn waste into resources, and to promote education on waste reduction
- Progressing the outcomes identified in the Green Road master plan
- Progressing renewals or construction of key community facilities including Wellsford toilets, Kumeū library, Mahurangi community centre.

Key advocacy initiatives for 2021-2031

- Advocate for funding to continue progressing the delivery of the Kumeū-Huapai indoor courts facility, Rodney's one local initiative (OLI)
- Advocate for enough funding for Auckland Transport to renew and maintain 12 per cent of Auckland's roading network each year to ensure safe, well-maintained roads
- Advocate for \$121 million in funding for Auckland Transport's Unsealed Roads Improvement Programme to improve unsealed roads through strengthening and other methods.

Upper Harbour Local Board

Key areas of spend	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE
OPERATING SPEND 2021/2022	\$11.3M	\$325,000	\$727,000	\$833,000
CAPITAL SPEND 2021/2022	\$2.4M	—	—	—

What we propose in your local board area in 2021/2022

Some of our proposed top priorities for 2021/2022 are:

- Caribbean Drive sports field upgrade and toilet facility
- improving provision and access to drinking water (drinking fountains)

We also propose continuing to:

- implement our Greenways Plan as budgets allow
- progress the Upper Harbour Local Board Urban Ngahere (Forest) Strategy
- support initiatives that build local resilience and support community connections.

Key advocacy initiatives for 2021-2031

Prioritisation of investment for open space development in areas where there is a known need and gap in the network, such as:

- Scott Point Sustainable Sports Park
- a sub-regional indoor court facility in the Upper Harbour Local Board area

A long term solution for a library

Acquisition of Bomb Point, Hobsonville

Adequate levels of renewals funding to ensure assets are well maintained.

Waiheke Local Board

Key areas of spend	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE
OPERATING SPEND 2021/2022	\$5.6M	\$129,000	—	\$719,000
CAPITAL SPEND 2021/2022	\$2.3M	—	—	—

What we propose in your local board area in 2021/2022

- Developing a sustainable visitor strategy based on the concept of Waiheke as an island sanctuary in the Hauraki Gulf
- Coordinating community-led resilience and recovery plans
- Supporting initiatives which protect, restore and enhance the island's natural biodiversity
- Developing and implementing an Island Ngahere (Forest) Strategy to enhance biodiversity, increase canopy cover and improve Waiheke Island's carbon footprint
- Staged delivery of the Tawaipareira Reserve and Little Oneroa Reserve Concept Plans.

Key advocacy initiatives for 2021-2031

- Developing catchment management planning and prioritising flood mitigation in areas of repeated flood events, along with developing coastal compartment plans for sea level rise and coastal inundation
- Implementing marine protection strategies for the Hauraki Gulf and continued improvement of water quality of our streams and beaches
- Addressing housing needs, including enabling community housing, tiny houses and worker accommodation
- Providing essential visitor infrastructure, including toilets, and moving Waiheke into Zone C for the Accommodation Providers Targeted Rate (APTR)
- Implementing the Mātiatia Strategic Plan
- Including the Waiheke 10-year Transport Plan within the Regional Land Transport Plan (RLTP)
- Including Waiheke ferries within the Public Transport Operating Model and providing integrated ticketing
- Harmonising funding for art galleries across the region.

Waitākere Ranges Local Board

Key areas of spend	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE
OPERATING SPEND 2021/2022	\$9.3M	\$1.0M	\$264,000	\$735,000
CAPITAL SPEND 2021/2022	\$1.8M	—	—	—

What we propose in your local board area in 2021/2022

Some of our proposed top priorities for 2021/2022 are:

- strengthening our partnership with Hoani Waititi Marae
- supporting projects or actions which will have a positive impact on community resilience
- funding a community-based ecological restoration coordinator to continue resourcing, aligning and connecting community ecological restoration efforts across the Waitākere Ranges.

We will also focus on:

- enhancing a sense of belonging in and around Glen Eden town centre, responding to the needs of new and existing residents
- continuing to provide quality parks and playgrounds, libraries, community and recreation facilities, and events.

Key advocacy initiatives for 2021-2031

Funding for our local priorities:

Glen Eden town centre upgrade

This includes budget from the Governing Body, with commitment to a timeframe for progressing the build.

Local pedestrian and transport projects

Reinstate the Local Board Transport Capital Fund for local boards to levels pre- Emergency Budget; restore the funding formally allocated by local boards prior to the Emergency Budget; and progress the projects already supported by the local board.

Waitangi at Waititi

Significant numbers of Aucklanders across the region attend this event, which should be a recognised part of the Governing Body's regional events programme.





The Waitākere Ranges Heritage Area

A joint local board/Governing Body funding contribution to six gateways will lift the visibility of the Waitākere Ranges Heritage Area.

More linked up ways of getting around in the Waitākere Ranges local board and neighbouring areas.

Walking and cycling connections in the local area will need long-term funding from the Governing Body and Auckland Transport, as well as the local board.

Waitematā Local Board

				
Key areas of spend	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE
OPERATING SPEND 2021/2022	\$21.0M	\$257,000	\$8.9M	\$1.0M
CAPITAL SPEND 2021/2022	\$11.0M	—	—	—

What we propose in your local board area in 2021/2022

Our proposed priorities for the 2021/2022 budget include:

- Improve air and water quality and clean up our waterways. Encouraging restoration of local streams, such as Waipapa, Waiparuru and Newmarket streams, and supporting programmes that improve biodiversity in the Hauraki Gulf.
- To grow our urban ngahere (forest), we will prioritise planting at sites identified in the 'Planting Opportunities List' that will help deliver the goal of providing 30 per cent of tree canopy cover within our local board area by 2050.
- We will continue to work with mana whenua, and the community groups and across council to identify appropriate sites for regenerative urban farms which will capture carbon, that increase biodiversity, enrich soils, improve watersheds, and enhance ecosystem services, with the aim that they become self-sustaining and create employment.
- We will continue to provide support to address homelessness and improve dignity and wellbeing. This includes initiatives that provide basic amenities, such as drinking fountains, showers, toilets and lockers.

Key advocacy initiatives for 2021-2031





Increase funding for water quality improvements. We are advocating to the council's Governing Body to increase funding to accelerate improvements to our stormwater / wastewater systems. This will address growing public concern about pollution in our waterways and bays, including, particularly Hobson Bay, and help achieve cleaner harbours, beaches and streams.

Restore and reopen the Leys Institute and deliver Ponsonby Park. We are advocating for funding to strengthen and reopen the Leys Institute for library and community use. This Auckland Council-owned building is home to a popular community library and gymnasium and was closed to the public in December 2019 due to seismic and structural issues.

We also want the Governing Body to allocate the remaining \$5.5 million needed to deliver the much needed park project at 254 Ponsonby Road, for the growing community.

Reinstate Local Board Transport Capital Fund. We are advocating for reinstatement of the regional Local Board Transport Capital Fund to the pre-COVID-19 level of \$21 million annually and for previously allocated funding of \$38 million – lost through council's Emergency Budget – to be fully restored. This will allow us to improve road safety, and street scaping including the revitalisation of St Georges Bay Road, and support cycle lane programmes that contribute positively to the environment and community wellbeing.

Whau Local Board

				
Key areas of spend	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE
OPERATING SPEND 2021/2022	\$13.3M	\$178,000	\$966,000	\$1.0M
CAPITAL SPEND 2021/2022	\$14.9M	—	—	—

What we propose in your local board area in 2021/2022

- Open space planning to support growth and protect the environment.
- Investigation and design of a new urban park for New Lynn.
- Increase funding to the Urban Ngahere (Forest) Strategy.
- Expand the Whau Arts Broker role.
- Refresh our community grants programme to highlight our renewed commitment to Māori.
- Work with business associations around the impacts of COVID-19 and develop initiatives to support recovery.
- Placemaking activities to regenerate town and neighbourhood centres.
- Strengthen our partnership with Hoani Waititi Marae to support residents of the Whau.
- Continue our partnerships supporting improved water quality along the Whau River.
- Continue with the implementation of our Pacific and Ethnic Peoples' Plans.

Key advocacy initiatives for 2021-2031

- Site identification and delivery of the Whau aquatic and recreation facility
- Increase regional resourcing to support the Urban Ngahere (Forest) Strategy, other ways to increase urban tree cover and advocating to central government to strengthen tree protection rules.
- Support the Unlock Avondale Programme and deliver the Avondale multipurpose community facility.
- Advocate for the reinstatement of funding for the Local Board Transport Capital Fund to the level it was prior to the 2020/2021 financial year.
- Develop a new multi-storey park-and-ride facility in New Lynn to realise the recommendations of the New Lynn Urban Plan.
- Funding to complete the remaining parts of Te Whau Pathway.

Te Wāhanga Tuawhitu:
Ētahi atu kōrero

Part Seven: Other information


NUKUA STATION

**AK
HAVE
YOUR
SAY**

Pārongo mō te tahua pūtea 10-tau kua marohitia

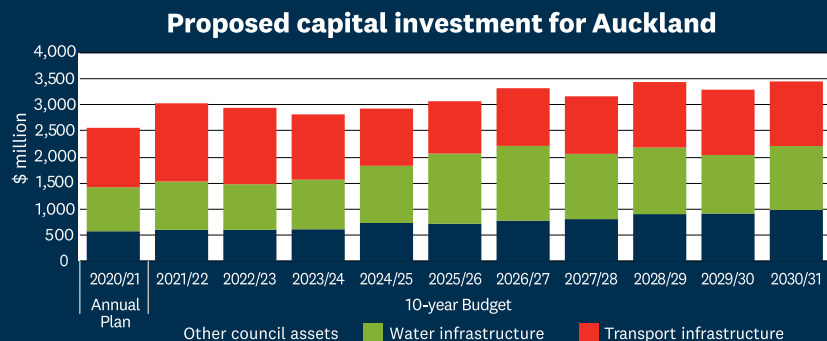
Proposed 10-year budget information

Key areas of spend

			WHAT WE DO	KEY PROPOSED RECOVERY BUDGET OUTCOMES
	Transport	CAPITAL SPEND \$12,290m	OPERATING SPEND \$19,186m	<p>We keep Auckland moving with well planned transport networks, good quality local roads and convenient, frequent public transport that more people use. We deliver a comprehensive programme of safety improvements to reduce harm across the transport network.</p> <ul style="list-style-type: none"> • More people using public transport • More people walking and cycling in the city • Less people dying or getting injured on our roads.
	Water, wastewater and stormwater	CAPITAL SPEND \$11,494m	OPERATING SPEND \$9,980m	<p>We reliably supply 350 million litres of safe drinking water and treat 400 million litres of wastewater every day. We manage stormwater to minimise flooding and protect waterways. We provide infrastructure that keeps pace with the growth of Auckland.</p> <ul style="list-style-type: none"> • A reliable supply of very high quality and safe drinking water to Aucklanders • Less flooding and improved water quality in waterways, particularly after storms.
	Parks and community	CAPITAL SPEND \$4,494m	OPERATING SPEND \$10,346m	<p>We provide parks, libraries, pools, recreation centres, community halls and events that support strong Auckland communities.</p> <ul style="list-style-type: none"> • Community infrastructure that meets the needs of a growing and increasingly diverse population • A range of recreation options that Aucklanders can choose from to stay active.
	City centre and local development	CAPITAL SPEND \$1,140m	OPERATING SPEND \$1,517m	<p>We help deliver vibrant town centres that support strong communities, a thriving economy and which accommodate growth.</p> <ul style="list-style-type: none"> • More residential homes in town centres • Well planned growth that supports strong communities • Infrastructure built in the city centre in time for large events.
	Economic and cultural development	CAPITAL SPEND \$339m	OPERATING SPEND \$2,752m	<p>We provide arts, natural environment, sport and live performance events that enrich the lives of Aucklanders and visitors. We promote Auckland as a place to work, invest, study and visit. We support the creation of quality jobs for all Aucklanders.</p> <ul style="list-style-type: none"> • More visitors to Auckland • Greater investment in Auckland • More quality jobs in local areas • A range of events and experiences across Auckland.
	Environmental management and regulation	CAPITAL SPEND \$152m	OPERATING SPEND \$5,164m	<p>We nurture, look after and monitor Auckland's natural environment, and protect it from a variety of natural and human generated threats. We keep Aucklanders safe and well through building compliance, animal control, alcohol licensing, resource consenting and environmental health activities.</p> <ul style="list-style-type: none"> • Our natural environment protected from human generated and natural hazards (e.g. kauri dieback) • Timely regulatory services which keep Auckland safe.
	Council support	CAPITAL SPEND \$1,537m	OPERATING SPEND \$6,205m	<p>We support Auckland Council to deliver services and elected representatives to make decisions. We provide emergency management for the city. We provide grants for large regional amenities. This includes the operations of the Port of Auckland.</p> <ul style="list-style-type: none"> • Aucklanders having a say in decision making and voting in elections • Aucklanders receive greater value from council services • More Aucklanders' are aware of and prepared for emergencies.
TOTAL		\$31,446m	\$55,150m	

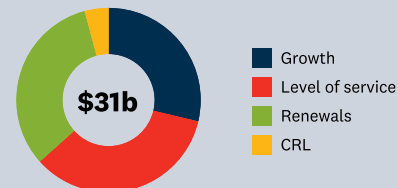
We propose to invest \$31 billion over the next 10 years ...

.... primarily on
transport
and water
infrastructure,
and...

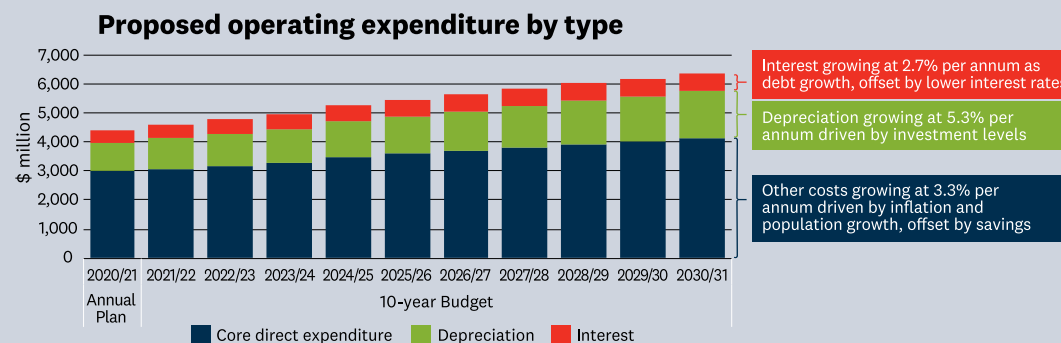


... balanced between renewing
aging assets, providing
for our growing city and
improving service levels...

Proposed 10-year Total Capital Investment



... This investment is
also the key driver
of the growth in our
operating spend
over the period to a
total of \$55 billion.



➔ For further budget
information
see Section 2 of
the Supporting
Information.

He matapae haurokuroku

Uncertainty and forecasting assumptions

The impacts of COVID-19, climate change and changes to government policy mean that the environment we operate in is much more uncertain. This means our financial projections are subject to higher levels of uncertainty and are more dependent on the forecasting assumptions that we make. The key assumptions with high levels of uncertainty and that have an important impact on our projections include:

ASSUMPTION AREA	WHAT HAVE WE ASSUMED?	WHAT ELSE COULD HAPPEN?
COVID-19 related government health restrictions	That border controls will remain, with Auckland at Alert Level 1 to December 2022 and no further lockdowns occur.	Further lockdowns could happen or border controls could remain in place longer than expected. This would reduce our projected revenue.
Population and development growth	The council has estimated that the population will increase by around 261,000 people by 30 June 2031. Growth for the early years of the plan is lower than previously expected.	If population growth is higher than expected, rates revenue would rise but council may need to increase the provision of infrastructure and services. The reverse is true for lower than expected population growth.
Economic growth and return on investments	The council is assuming that unfavourable economic conditions caused by COVID-19 will impact on the returns on our commercial investments.	Economic conditions more unfavourable than expected would reduce the returns on our commercial investments even further.
Government-led water reform programme	While this programme is likely to result in some fundamental changes at this stage there is not enough certainty over the form of the change to reflect in this budget.	The potential outcomes are varied and could have a significant impact on the council group's finances and services we provide. Further information on the current status of this programme can be found on the next page.
Government funding	Government funding of transport will be confirmed through the Auckland Transport Alignment Project. We have assumed that the government contribution to spending by Auckland Transport will continue at the same rate as previously agreed, resulting in \$5.45 billion of capital subsidies over the next 10 years. We have also assumed that we will receive "shovel-ready" funding from the government as agreed.	A lower level of transport contribution and shovel-ready funding from the government would require reduction of capital expenditure and/or service levels.
Regional Fuel Tax	Our projections of annual revenue remain at the previous estimates of approximately \$150 million per annum. We are also assuming for the last three years of the plan, after the current Regional Fuel Tax scheme expires, there will be an equivalent funding source.	A lower level of Regional Fuel Tax (or any future tool) would require us to change to either reduce investment in transport projects or look to fund the projects from other sources. The Auckland Transport Alignment project (ATAP) update will provide more certainty around funding contributions as well as project priorities for transport in Auckland.
Asset sales and savings	To support our package of spending and investment we have set a savings target of \$90 million per annum and an asset recycling target of \$70 million per annum for the next three years. While the particular assets and savings are yet to be finalised, we are confident we will be able to meet these targets.	If we are unable to meet these targets, we will need to look at either using other funding levers or reducing our capital expenditure.
Climate Change	The most recent projections indicate warming temperatures, less annual rainfall in the north but more in the south and stronger winds. More frequent and severe weather events are expected. This will have a variety of implications for Auckland's infrastructure networks and coastal assets.	If the impact of climate change is higher than anticipated there may be increased surface flooding, damage to infrastructure due to extreme weather events and greater risk to public safety and private property. Further information of the potential impacts of climate change on our assets can be found in the Draft Infrastructure Strategy, Section 1.1 of the Supporting Information.
City Rail Link (CRL) accounting treatment	We are still projecting a capital cost of \$4.4 billion, with completion expected in the end of 2024. Until the final decisions on which CRL assets the council group will take ownership of are made, the appropriate treatment is to assume the assets to remain in City Rail Link Limited indefinitely. Our budgets also include a provision for a share of the related running costs and depreciation.	Once the decisions on ownership are made, we will need to change how we reflect these assets in our financial statements. Different projected costs and/or ownership structures could affect the council's overall funding requirement.

 **More information on our assumptions can be found on Section 2.2 of the Supporting Information.**

He whākinga mō te
hōtaka tiaki wai

Water reform programme disclosure

The Government has announced a three waters reform programme with decisions on reform proposals not expected until around May 2021. These reforms would have significant impacts for Watercare and Auckland Council but there is not yet any certainty about what these impacts might be.

The council has signed a Memorandum of Understanding (MoU) with the Government to work together to explore future service delivery options for three water services in Auckland. There is an option for the council to opt out of this process at a later stage once things are clearer.

Under the MoU local and central government will work together on the possibility of delivering three waters services through a small number of large scale (mostly multi-regional) water service delivery entities. These entities would be publicly owned, protected from privatisation and have an improved ability to raise capital to meet investment requirements.

Water reform will not change the need for three water services to be delivered to Auckland. The information in this consultation document and the supporting information about these services and their associated investment requirements will remain relevant regardless of what happens with water reform.

Further information about the Government's reform strategy and timeline, including when it is proposed that there would be further engagement and consultation with communities, is available at: <https://www.dia.govt.nz/Three-Waters-Reform-Programme>.



Te pūrongo a te
kaitātari kaute
motuhake

Independent auditor's report



To the reader:

Independent auditor's report on Auckland Council's consultation document for its proposed 2021-31 long-term plan

I am the auditor for Auckland Council (the Council). The Local Government Act 2002 (the Act) requires the Council to prepare a consultation document when developing its long-term plan (LTP). Section 93C of the Act sets out the content requirements of the consultation document and requires an audit report on the Council's 10-Year Budget 2021-2031. I have used my staff and resources, and appointed auditors and their staff, to complete the work for this report. I completed my report on 18 February 2021.

Opinion

In my opinion:

- the consultation document provides an effective basis for public participation in the Council's decisions about the proposed content of its 10-year Budget 2021-2031, because it:
 - fairly represents the matters proposed for inclusion in the LTP; and
 - identifies and explains the main issues and choices facing the Council and the Auckland region, and the consequences of those choices; and
- the information and assumptions underlying the information in the consultation document are reasonable.

Emphasis of matters

Without modifying my opinion, I draw attention to the following disclosures in the consultation document.

Uncertainty over three waters reforms

Page 71 outlines the Government's intention to make three waters reform decisions during 2021. The effect that the reforms may have on three waters services provided is currently uncertain because no decisions have been made. The consultation document was prepared as if these services will continue to be provided by the Council

group, but future decisions may result in significant changes, which would affect the information on which the consultation document has been based.

Uncertainty over forecast funding

Page 70 outlines the Council's key assumptions in respect of its financial projections. We draw specific attention to the following assumptions, which are subject to higher levels of uncertainty and could affect the Council's ability to fund its planned capital expenditure:

- Covid-19 border controls will remain until December 2022 with no further lock-downs.
- The Government's capital subsidies for Auckland Transport will be confirmed through the Auckland Transport Alignment Project at the same rate as previously agreed between the Crown and the Council.
- The asset recycling target of \$70 million per annum for the first three years of the plan and a \$90 million permanent savings target (to be achieved in 2022 and maintained in subsequent years) will be met.

Changes in these assumptions could require the Council to reduce its planned capital expenditure and may result in a reduction in levels of service, without further increases in funding, either through rates or debt.

Uncertainty over the ownership of City Rail Link

The City Rail Link project is expected to be completed in late 2024. Page 70 outlines that an agreement has not yet been reached between the Crown and the Council over the future ownership of the assets that comprise the City Rail Link. The Council has assumed that it will need to fund \$408 million of the future running costs over the 10 year period of the LTP and depreciation for 50% of the assets. Changes in this assumption will affect budgets for the future running costs and depreciation related to these assets, as disclosed in the underlying information to the consultation document.

Basis of opinion

Using my staff, and appointed auditors and their staff, I carried out my work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, I took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information* that were consistent with those requirements.

I assessed the evidence the Council has to support the information and disclosures in the consultation

document. To select appropriate procedures, I assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the consultation document.

I did not evaluate the security and controls over the publication of the consultation document.

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements relating to its procedures, decisions, consultation, disclosures, and other actions associated with preparing and publishing the consultation document and LTP, whether in printed or electronic form;
- having systems and processes in place to provide the supporting information and analysis the Council needs to be able to prepare a consultation document and LTP that meet the purposes set out in the Act; and
- ensuring that any forecast financial information being presented has been prepared in accordance with generally accepted accounting practice in New Zealand.

I am responsible for reporting on the consultation document, as required by section 93C of the Act. I do not express an opinion on the merits of any policy content of the consultation document.

Independence

In carrying out my work, I complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of *Professional and Ethical Standard 1 (Revised)*; and
- quality control requirements, which incorporate the quality control requirements of *Professional and Ethical Standard 3 (Amended)*.

In addition to this report on the Council's consultation document and all legally required external audits, I or my appointed auditors have provided assurance reports on:

- a limited assurance engagement in respect to the Auckland Council's Debenture Trust Deed and Master Trust Deed reporting certificates;
- an assurance engagement in respect of information provided by the Auckland Council and Auckland Council Group as required by the terms of its foreign borrowings programme;

- agreed-upon procedures engagements in relation to the requirements of the Freshwater Improvement Funding Deed; and
- other engagements for Watercare Services Limited in the areas of cyber and security risk advisory, probity services, project assurance related to the central interceptor project and limited assurance on selected non-financial information.

These engagement are compatible with those independence requirements. Other than these engagements I have no relationship with, or interests in, the Council or any of its subsidiaries.

A handwritten signature in black ink, consisting of a stylized 'G' followed by a horizontal line with a small upward curve at the end.

Greg Schollum
Deputy Auditor-General
Wellington, New Zealand



Our recovery budget

We want your feedback on our 10-year Budget 2021-2031

Feedback must be received by 12pm midday Monday 22 March 2021. Please read the Consultation Document available at [akhaveyoursay.nz/recoverybudget](https://www.aucklandcouncil.govt.nz/akhaveyoursay/recoverybudget) or at any library, service centre, or by phoning **09 301 0101** before you give feedback. It has more information about the issues and choices that we want your feedback on. Please refer to the online rates guide at [akhaveyoursay.nz/ratesguide](https://www.aucklandcouncil.govt.nz/akhaveyoursay/ratesguide) and Glossary of terms on page 80 of the Consultation Document.

All questions are optional. We encourage you to give feedback online at [akhaveyoursay.nz/recoverybudget](https://www.aucklandcouncil.govt.nz/akhaveyoursay/recoverybudget), or you can complete this form and return it to us using one of these options:

Email

Scan your completed form and email it to akhaveyoursay@aucklandcouncil.govt.nz.

In person

Drop your completed form off at your local library or service centre.

By post

Place your completed form in an envelope and send it to freepost address: AK Have Your Say, Auckland Council, Freepost Authority 182382, Private Bag 92 300, Auckland 1142.

Your feedback will be included in public documents. All other personal details will remain private.

First name: _____

Last name: _____

Email or postal address: _____

Your local board: _____

Is your feedback on behalf of an organisation or business? (If yes, this confirms you have authority to submit on the organisation's behalf) ☐ Yes ☐ No

Name of organisation or business: _____

The following information is optional but will help us know whether we are hearing from all Aucklanders.

Are you: ☐ Female ☐ Male ☐ Gender diverse

What age group do you belong to?

☐ Under 15 ☐ 15-24 ☐ 25-34 ☐ 35-44

☐ 45-54 ☐ 55-64 ☐ 65-74 ☐ 75+

Which of the following describes your ethnicity? (Please select as many as apply)

☐ Pākehā/NZ European

☐ Māori – which iwi/Hapū do you affiliate with? _____

☐ Chinese

☐ South East Asian

☐ Samoan

☐ Tongan

☐ Indian

☐ Korean

☐ Cook Islands Māori

☐ Other (please specify) _____

All personal information that you provide in this submission will be held and protected by Auckland Council in accordance with our privacy policy (available at [aucklandcouncil.govt.nz/privacy](https://www.aucklandcouncil.govt.nz/privacy) and at our libraries and service centres) and with the Privacy Act 1993. Our privacy policy explains how we may use and share your personal information in relation to any interaction you have with the council, and how you can access and correct that information. We recommend you familiarise yourself with this policy.

Proposed Recovery Budget

To answer the following question please refer to pages 17 to 29 of the Consultation Document

Our proposed 10-year budget would see capital investment of \$31 billion in Auckland over the next 10 years. This would allow us to deliver key services Aucklanders rely on, renew our aging assets, have a focused approach to building infrastructure to support population growth, and make progress on addressing the challenges of climate change and environmental sustainability.

As a result of COVID-19, it is projected that our revenue will be impacted by around \$1 billion. In light of this, and to provide the investment outlined above, we are proposing a one-off 5 per cent average general rates increase for 2021/2022, rather than the previously planned 3.5 per cent increase. The increases would return to 3.5 per cent each year thereafter. We are also proposing to increase our borrowing in the short term, continue to make cost savings and sell more surplus property.

Without this greater use of rates and debt, around \$900 million of much needed investment in Auckland would be delayed from the next three years to later in the decade. This would slow Auckland's recovery, put our services and assets at risk, lose hundreds of millions of dollars in matching government subsidies, and limit our response to our climate and environmental challenges.

What is your opinion on the proposed Recovery Budget?

☐ Support ☐ Do not support ☐ Other ☐ Don't know

Tell us why: _____

Climate change

To answer this question please refer to pages 30-31 of the Consultation Document

Through Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan, we heard Aucklanders want greater action on climate change. The proposed 10-year budget includes additional investment to respond to the challenges of climate change.

The proposed additional investment will mean we do not need to buy any more diesel buses and it will help us replace our diesel buses with electric and hydrogen buses sooner. It will also help us divert more waste from landfill, plant over 2 million more native trees and other initiatives.

What is your opinion on this proposal to invest more in responding to climate change?

- ☐ Support the proposed increased investment
☐ Do not support increased investment
☐ Other ☐ Don't know

Tell us why:

Water quality

To answer this question please refer to pages 35-36 of the Consultation Document

Since 2018 the Water Quality Targeted Rate has allowed us to fund initiatives to improve the water quality of our harbours, beaches and streams. This was initially intended to run from 2018 to 2028.

We are proposing to extend the Water Quality Targeted Rate until June 2031.

Extending the targeted rate

Extending this targeted rate to June 2031 will help continue to improve water quality in other areas of the city, including coastal water quality from Hobson's Bay to St Heliers, as well as the Manukau Harbour. Extending this targeted rate would enable this additional work to begin in 2028/2029.

Increasing the targeted rate

To start construction on the above major new water quality projects six years earlier (in 2022/2023), and to increase our investment in regional water quality programmes across all of Auckland, we are also proposing to increase this targeted rate annually in line with proposed average increases in general rates.

What is your opinion on this proposal?

- ☐ Support the extension and the increase
☐ Support the extension only
☐ Do not support either change
☐ Other ☐ Don't know

Tell us why:

Community investment

To answer this question please refer to pages 33-34 of the Consultation Document

We have hundreds of community assets like libraries, halls, community centres, community houses, arts venues and assets in our parks that are getting older and some are in urgent need of repair. The cost of operating, repairing or rebuilding these assets over the next 10 years could leave no money for anything new or upgraded. To maintain our current assets and upgrade or provide new assets, rates would likely need to be increased over time.

We propose a new approach for community services, such as leasing or shared facilities, that does not rely as much on us building and maintaining physical assets. This will reduce our carbon footprint and lower our costs by partnering with others to deliver services and deliver more community services online.

Over time, we propose to consolidate the number of our community facilities and services (which may result in some facilities being closed) and instead focus on multi-use facilities and online services to provide for our diverse communities.

What is your opinion on this proposal?

- ☐ Support ☐ Do not support ☐ Other ☐ Don't know

Tell us why:

Rating policy

The following are some of our proposed changes to the way we charge rates on properties. These changes affect each property differently. They may, or may not, affect your property.

To see how your rates may change, or for more information on these and other proposals before answering, please read **Part Four (pages 38-47) of the Consultation Document** or go to our rates guide at [akhaveyoursay.nz/ratesguide](https://www.akhaveyoursay.nz/ratesguide).

What is your opinion on the following rating policy proposals?	Support	Do not support	Other	Don't know
Extending the Natural Environment Targeted Rate until June 2031 to invest further in measures such as addressing the spread of kauri dieback, and predator and weed control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Extending the Urban Rating Area so land that has an operative urban zoning, or which has resource consent to be developed for urban use now (except for Warkworth), pays the same urban rates as nearby properties that have access to a similar level of service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Charging farm and lifestyle properties in the Urban Rating Area residential rates so they pay the same urban rates as nearby properties that have access to a similar level of service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Extending the City Centre Targeted Rate until June 2031 to maintain our investment in upgrading the city centre	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Introducing the Rodney Drainage Targeted Rate on the land in Te Arai and Okahukura that benefits from the stormwater services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Upper Harbour Local Board are proposing a new bus service between Paremoremo and Albany, funded by a targeted rate. Which of the following options do you support?

☐ **Support option 1** – targeted rate of \$238 for each separate dwelling or business on a property for properties located up to 500m walking distance of a proposed bus stop

☐ **Support option 2** – targeted rate of \$153 for each separate dwelling or business on a property for properties located in the wider Paremoremo and Lucas Heights area of the Upper Harbour Local Board

☐ **Do not support either option** ☐ **Don't know**

Tell us why:

☐ **Do you live in the affected area?**

We are proposing other changes to rates and fees, including the introduction of the Electricity Network Resilience Targeted Rate on Vector to fund council's tree management programme around the Vector overhead power lines and options to reinstate the Accommodation Provider Targeted Rate. Do you have any comments on any of our proposed changes to rates and fees charges (see pages 35, 36, 39-47)? (please be clear which proposal you are talking about).

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Glossary of terms

Accommodation Provider Targeted Rate (APTR)

A rate paid only by owners of properties such as motels, hotels and Airbnb properties. The money received from this rate is used to fund major events and undertake other activities to attract visitors to Auckland.

Activity or service

The services the council provides to the community. This includes things like running buses, collecting rubbish and maintaining parks.

Annual Plan, Annual Budget or Emergency Budget

The plan that sets out what the council seeks to achieve in a financial year, the services we will provide, how much money will be spent and where that money will come from. Next year's budget is referred to our Emergency Budget because of the need to respond to a significant financial challenge for 2020/2021.

Asset

An item of value, usually something of a physical nature that you can reach out and touch, that will last for more than one year. Infrastructure assets are physical items such as roads, pipes and council buildings that are needed to provide basic services.

Asset recycling

This means letting go of some of our less well used assets to help pay for new ones that will help us deliver better services to the community. Usually this means selling assets to somebody else, but sometimes it is possible to instead agree that someone else will use the asset for a period of time before handing it back to us in the future.

Auckland Council or the council

The local government of Auckland established on 1 November 2010. The council is made up of the governing body, 21 local boards, and the council organisation (operational staff).

Auckland Transport

The organisation that delivers transport services on behalf of the council.

Auckland Unlimited

The organisation that manages Auckland Zoo and the Auckland Art Gallery along with venues used for conventions, shows, concerts and major sporting events. Auckland Unlimited also delivers major events for council and provides tourism promotion and economic development services on the council's behalf.

Capital investment, capital expenditure or capital programme

Building (or buying) assets such roads, pipes and buildings that are we use to provide services to Aucklanders.

Council-controlled organisation (CCO)

A company (or other type of organisation) that is at least 50 per cent owned by the council or for which the council has at least 50 per cent control through voting rights or the right to appoint directors. These organisations each have their own board of directors (or equivalent) and their own staff who manage day-to-day operations.

Council group

Auckland Council and the Council-controlled organisations, along with the council's investments in Ports of Auckland and Auckland Airport.

Deferral

Delaying the building or buying of assets until a later time.

Development contributions

A charge paid by developers to the council when they build or subdivide property. The council uses this money to help pay for the new assets such as roads, pipes and parks that are needed to support the new households or businesses that will occupy the new properties that have been developed.

General rates

Ratepayers across Auckland pay to fund general services.

Governing Body

The Governing Body is made up of the mayor and 20 councillors. It shares its responsibility for decision-making with the local boards. The governing body focuses on the big picture and on Auckland-wide strategic decisions.

Grants and subsidies

Money that someone pays to the council to cover (or help cover) the cost of providing a service to Aucklanders. Sometimes grants also refers to money the council pays to a community organisation to provide services to Aucklanders, rather than council providing those services directly.

Facilities

Buildings or other structures used to provide services to Aucklanders.

Financial year

The year from 1 July to 30 June the following year. The council budgets and sets rates based on these dates rather than calendar years which end on 31 December.

Local boards

There are 21 local boards which share responsibility for decision-making with the governing body. They represent their local communities and make decisions on local issues and services.

Operating budget or operating expenditure

Money that the council spends on providing services in the current financial year, as opposed to building things that will

provide services for years to come. This includes spending money on staff and contractors to do things like process building consents, open libraries, run buses and maintain parks. It also includes things like paying grants to community organisations and paying interest on money the council has borrowed.

Panuku

Panuku Development Auckland, the organisation that provides property management and development services to the council and Aucklanders.

Rates

A tax against the property to help fund services and assets that the council provides.

Rates postponement

Allowing ratepayers to delay paying the rates they owe until a later date.

Revenue or income

Money that the council receives (or is due to receive) to pay for the cost of providing services to Auckland. Cash revenue specifically refers to the money received during the year, and excludes things like postponed rates which will be received later.

Savings

Reducing the amount of money that the council pays out in a particular financial year. This could refer to being more efficient (paying less money to get the same service) or to saving money by delivering less services to the community. It also sometime refers to spending money later than we previously planned.

Targeted rates

A rate that is paid by only a particular group of ratepayers or is used to fund only a particular set of activities. This is used when the council wants to make sure that those ratepayers who benefit from an activity pay for it (as opposed to spreading the cost across all ratepayers) or where the council wants to make sure that money collected for a particular purpose is only spent for that purpose.

Transport

Local roading, parking and public transport services provided for Aucklanders. These services are usually provided by Auckland Transport, except for the City Rail Link project which is delivered separately in partnership with central government.

Waste

Generally refers to household and business rubbish, along with recycling and things like food scraps which can be reused for other purposes.

Watercare

Watercare Services Limited, the organisation that provides water supply and waste water services to Aucklanders.

Tukuna mai ō whakaaro

Give us your views on our Recovery Budget

There are a number of ways you can share your views with us on the 10-year Budget 2021-2031. Please take the time to get involved.

**AK
HAVE
YOUR
SAY**

Written and online feedback



You can provide feedback online at **akhaveyoursay.nz/recoverybudget**

Or you can complete the feedback form included in this Consultation Document,

Or you can request documents at libraries and service centres and then send it back to the freepost address provided,

or download a copy online and send it to the freepost address provided,

Or email it to:
**akhaveyoursay@
aucklandcouncil.govt.nz.**

Face-to-face



Face to face events will take place across the region (unless social distancing measures are put in place again due to COVID-19). The details of these events will be published on the website at **akhaveyoursay.nz/recoverybudget** or you can call for more information on 09 301 0101.

Phone

If you would prefer to give your feedback over the phone you can register for this by phoning **09 301 0101**.

Social media



Comments made through the following channels will be considered written informal feedback:

- Comments on 'Recovery Budget' Facebook posts on Auckland Council and Local Board Pages AND using **#AKHaveYourSay**
- Comments on 'Recovery Budget' Instagram posts on the Auckland Council Page AND using **#AKHaveYourSay**
- Comments on 'Recovery Budget' Twitter posts on the Auckland Council Page AND comments using **#AKHaveYourSay** across other Twitter pages

Webinars



We will also be holding a range of online webinars, where councillors, local board Chairs and subject matter experts will be discussing and providing information on the recovery budget. You will have an opportunity to listen and ask questions. For more information and to register for these webinars go online to **akhaveyoursay.nz/recoverybudget**.

Translations



We want as many people from Auckland's communities as possible to have their say in this process.

To help with this, translated summaries of this consultation document as well as the feedback form are available in Te Reo Māori, Korean, simplified Chinese, Samoan, Tongan, New Zealand Sign Language video and accessible versions.

The translated documents are available:

- online at **akhaveyoursay.nz/recoverybudget** for downloadable translations and feedback forms
- on request in libraries and service centres
- by emailing **akhaveyoursay@aucklandcouncil.govt.nz**
- by calling **09 301 0101**



Where to find more information:

You can find everything you need to know at **akhaveyoursay.co.nz** including the Supporting Information, an online feedback form and a schedule for Have Your Say events. The full Supporting Information that supports this Consultation Document will also be available at libraries, service centres and local board offices. If none of the above methods are suitable for you, please call us on 09 301 0101 to discuss alternative options.

10-year Budget 2021-2031
Long-term Plan
Consultation Document

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