Mahere ā-Pae tawhiti 2024-2034
Puka Whakawhiti Kōrero

Long-term Plan 2024-2034

Supporting Information

AK HAVE YOUR SAY

Auckland Council
Te Kaunihera o Tāmaki Makaurau

Section one: Our key strategies

1.1 Strategic Overview and delivery for Māori and Climate Change

Auckland's regional long-term outcomes are set out in the Auckland Plan 2050

The purpose of local government is to enable democratic local decision-making and action by, and on behalf of, communities; and to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

The council is required to set out its community outcomes by legislation, we do this in the Auckland Plan 2050. The plan provides direction on addressing Auckland's key challenges of high population growth and environmental degradation, and how we can ensure shared prosperity for all Aucklanders. The six Auckland Plan outcomes align with the four wellbeings set out in legislation:

The Future Development Strategy is our 30-year spatial plan to contribute to those outcomes. it provides the basis for integrated, strategic and long-term planning. The Future Development Strategy is Auckland's high-level vision for accommodating growth over the long term.

The Future Development Strategy strikes a balance between greenfield growth and focusing new homes – with a greater choice of housing – closer to urban centres with easy access for people to walking, cycling, and public transport to get around. It sets timeframes for development over 30 years so that investment in essential infrastructure can keep pace with growth.

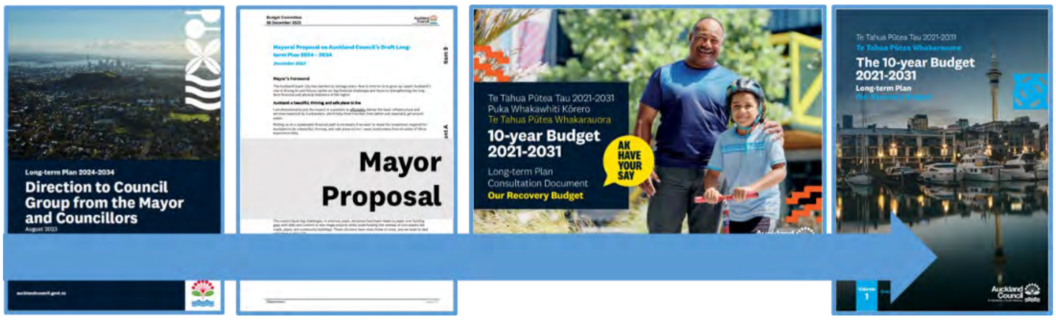
The Future Development Strategy:

- Identifies priority areas for investment of key infrastructure to support communities
- creates capacity for housing choice in locations of high demand
- limits development in areas with risks for people and property
- supports focused local investment in key locations.

How we invest to contribute to Auckland's regional outcomes

Auckland Council contributes to the regional Auckland Plan outcomes through activities in seven broad areas of investment. The Investment Areas consider council's role and the key levers it has to deliver against the regional outcomes. This includes as a regulator, provider, partner, funder, facilitator and advocate.

At the start of the LTP process, the Mayor and Councillors prepared their *Direction to the council group*. that document identifies principles for the LTP; challenges, opportunities and direction to each Investment Area; and required specific options to be developed for consideration as part of developing the LTP. This process is informed by consideration of how Auckland is tracking against its regional outcomes set out in the Auckland Plan and Auckland council's role in each Investment Area.



Auckland Council sets out the challenges, focus areas and what it will deliver in each Investment Area in the LTP. See what we proposed in the consultation document Part four.

The council delivers activity and services that work together to support Aucklanders' way of life. Activity and services in each Investment Area should be seen as part of an integrated council group contribution to the regional six Auckland Plan Outcomes.

The seven areas of investment are:

Investment Area	What the area covers
Transport	• Provide safe local roads, footpaths and cycle ways for pedestrians, cyclists, public transport users and drivers
	• Provide public transport services and infrastructure
Drinking water, wastewater, stormwater	• Provide reliable supply of safe water
	• Collect and treat wastewater
	• Manage stormwater network to minimise risks of flooding
Built environment (City Centre and Local Development)	• Provide enabling infrastructure (Transport and three waters) and ensure quality of vested assets • Transform City Centre and regenerate urban centres in locations with significant land holdings
Natural environment (Environment and regulation)	• Integrate land use and infrastructure planning and regulate development through consenting process • Regulate activities to safeguard public health and safety • Manage the collection and processing of household waste and minimize waste to landfill • Protect, improve and minimise risks to the natural environments and cultural heritage • Provide opportunities for communities to lead and deliver their own initiatives

Community and parks	• Protect and provide access to distinctive and unique environments through regional parks • Provide urban green spaces (local parks, paths and ngahere) and access to the coast • Enable a range of choices to access community services and recreation opportunities
Economic and Cultural development	• Provide access to regional facilities • Facilitate economic development opportunities and promote Auckland as a destination
Well-managed local government (Council Support)	• Lead council group response to partnership and participation of Māori in decision making and deliver Māori outcomes • Support effective governance, provide quality advice and advocate for Auckland's interests • Provide leadership in building resilience and responding to emergency and lead recovery • Engage with Aucklanders to have their say, participate in decision-making and stay informed • Operate a fit-for-purpose organisation and make it easy to get things done with council • Manage long-term finances sustainably and maximise returns on council's investment

Performance measurement framework

As part of the Long-term Plan 2024-2034 (LTP), council is legislatively required to prepare a set of performance measures (and targets) that the council considers appropriate to enable the public to assess the level of service for major aspects of the groups of activities.

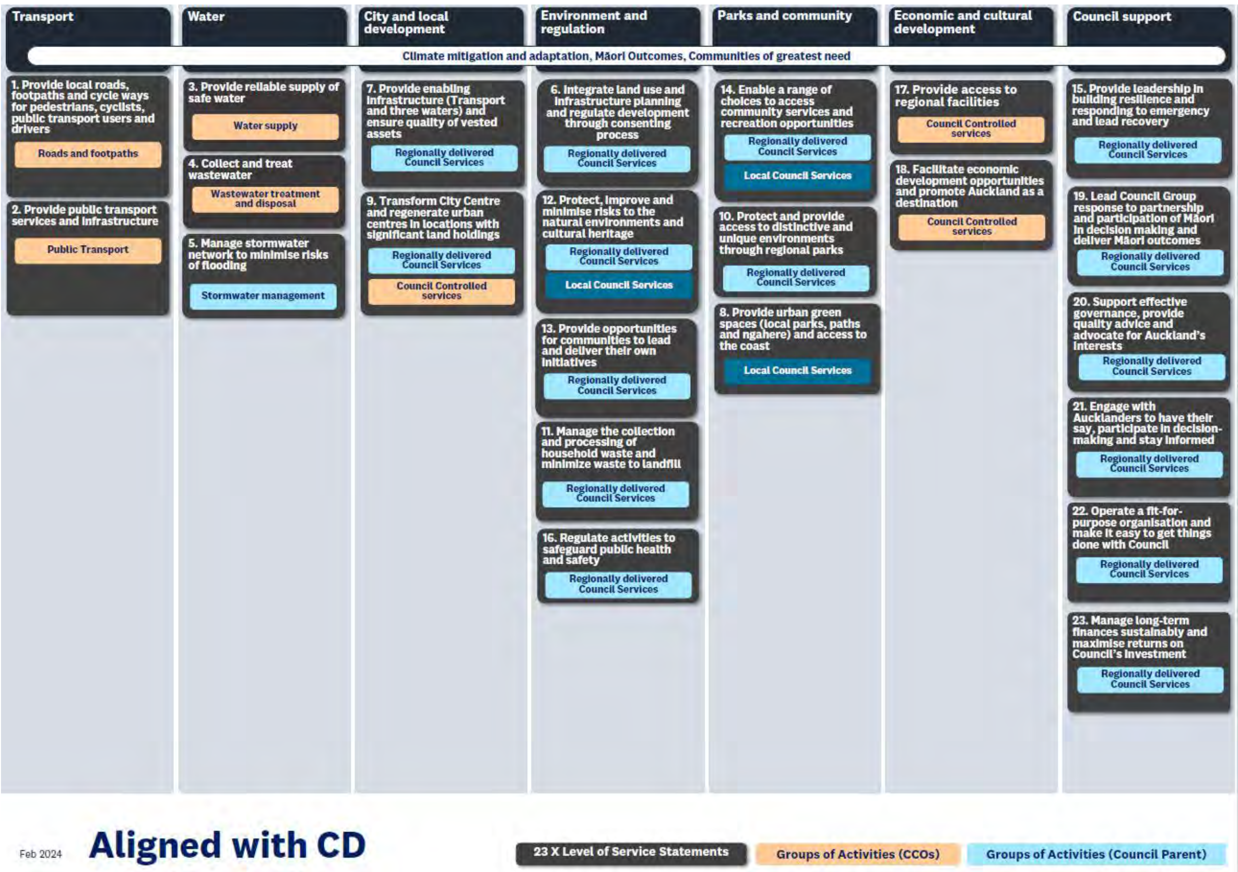
The direction to council from the Mayor and councillors for this LTP identified the need to improve trust and confidence and tell a better story about council's performance, including where we are performing well and where we need to do better using performance measures (including financial and non-financial measures).

The performance measures ("measures") are used to monitor the council group's progress against the outcomes as part of the longer-term Auckland Plan 2050 and how council plans to contribute to them. The service performance measures framework is included as part of this.

The performance measures and associated targets proposed for inclusion in the Long-term Plan 2024-2034 will be considered by Audit New Zealand (Audit NZ) to assess whether council's performance measures enable a reasonable assessment of service levels.

Auckland Council sets Levels of Service Statements for 23 Activities across the group, grouped into seven areas.

The diagram below shows the 23 activities, grouped by Group of Activity and mapped to the Investment Areas.



Council's focus for the next three years

In the supporting information section three, it describes what council group will deliver in each of the investment areas.

To achieve this delivery, the council group is exploring how we will focus on important changes to the way we work. We will develop a *Council Group 3-year focus* that will describe how Auckland Council Group as an organisation will work to deliver an Auckland we can be proud of. It will outline the group's focus areas to achieve the long-term vision for the region and describes organisational shifts for the next three years. Indicative areas of focus are:

1. Delivering community value for money

   Understanding what Aucklanders value the most, combined with new fiscal controls and enhanced focus on value for money to maximise value for the community.

2. Enhancing cross-council group collaboration

   Transform culture and process to get the benefit of the council's scale and expertise, speeding up joint projects for better joint outcomes for Auckland.

3. Strengthening our partnership with central government

   Take a collaborative approach with central government to Auckland's biggest challenges and define clear roles for central and local government.

4. Embedding climate mitigation and adaptation across our activities

Looking across all of our activities and regulatory powers, implement the high-impact changes to the role council plays in delivering climate action.

5. Driving the delivery that Auckland needs faster

   Stronger prioritisation of projects and increasing focus on execution and capital programme delivery to drive the change Auckland needs.

6. Innovating how we deliver services

   Accelerate the shift delivery of council's services to what Aucklanders expect of a 21st Century council, including creating Aucklander-centric digital services and community-led services.

Strategic architecture – our strategic direction and reporting frameworks

The Long-term Plan defines projects, programmes, and activities the council will deliver for the 2024-2034 period. The figure below outlines how the council's long-term, medium-term, and operational strategic and financial planning mechanisms work together to structure our effort. It also shows reporting frequency.

<table>
<tr><th></th><th>Strategic and financial planning framework mechanisms</th><th colspan="2">Reporting</th></tr>
<tr><td>Long-term</td><td>Auckland Plan 2050
Te Tāruke-āTāwhiri: Auckland's Climate Plan
Auckland Unitary Plan
Kia ora Tāmaki Makaurau
Other topic specific and place-based strategies, polices and plans</td><td rowspan="4">Annual report</td><td rowspan="4">Monthly, quarterly and annual reporting</td></tr>
<tr><td>Medium-term</td><td>Mayor and Councillor direction to the group for the LTP
Council's focus for the next 3 years
Long Term Plan and Budget
Local Board Plans</td></tr>
<tr><td>Annual</td><td>Annual Plan and Budget
CCO's Statement of Intent
Council's Letter of Expectation to CCO's
CE Objectives</td></tr>
<tr><td>Operational</td><td>Business Plans
Team Plans</td></tr>
</table>

Māori outcomes

Advancing Māori identity and wellbeing is a key priority of the Auckland Plan 2050. The 10-year budget outlines how the council group delivers this priority.

Kia Ora Tāmaki Makaurau, Auckland Council's performance management framework for Māori outcomes, identifies the outcomes that matter most to Māori in Tāmaki Makaurau. Kia Ora Tāmaki Makaurau was formally adopted in 2020. The Auckland Council group approach to delivering Māori outcome priorities will be reviewed periodically.

Kia Ora Tāmaki Makaurau focuses council group effort and operational spend towards delivering outcomes for and with Māori of Tāmaki Makaurau. In addition to operational budgets, the 10-year budgets (2021-2031 and 2018-28) created the Māori Outcomes Fund ($150m combined capital and operating expenditure) for activities that directly contribute to Māori identity and wellbeing through the delivery of Kia Ora Tāmaki Makaurau.

The 10-year budget proposes an increase in the Māori Outcomes Fund over the 10 years from $150 million to $171 million. The fund will increase by $3 million per annum from year four of the plan (a total increase of $21 million).

Kia Ora Tāmaki Makaurau is named for its overall outcome: holistic wellbeing for Tāmaki Makaurau. Kia Ora Tāmaki Makaurau outlines the practical steps to deliver on 10 Māori outcomes, by identifying focus areas where the council can best influence and direct resources for impact.

The 10 outcomes are:

- **Kia ora te marae -** Marae development
- **Kia ora te umanga -** Māori business, tourism and employment
- **Kia ora te kāinga -** Papakāinga and Māori housing
- **Kia ora te ahurea -** Māori identity and culture
- **Kia ora rangatahi -** Realising Rangatahi potential
- **Kia ora te reo Māori -** Te reo Māori
- **Kia ora te taiao -** Kaitiakitanga
- **Kia ora te whānau -** Whānau and Tamariki wellbeing
- **Kia ora te hononga -** Effective Māori participation
- **Kia ora hangai te kaunihera -** An empowered organisation

By delivering outcomes for Māori there will be wider benefits for Tāmaki Makaurau as a whole.

Climate outcomes

Auckland's climate is changing. We are already starting to see higher temperatures, increased drought, more intense rainfall events and sea level rise. We expect more change over the next 100 years. Climate change will impact on our communities, infrastructure, economy and natural environment.

The Auckland region has a plan for its long-term approach to climate action called Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan. It is a regional plan, and sets out eight priority action areas to deliver our goals to reduce emissions and adapt to the impacts of climate change.

The plan was prepared in partnership with mana whenua, through the Mana Whenua Kaitiaki Forum (now the Tāmaki Makaurau Mana Whenua Forum), to provide a te ao Māori perspective throughout the development of the plan.

Te Tāruke-ā-Tāwhiri outlines a Tāmaki Makaurau response to reflect our values and the foundations we need to succeed, including how we embed mātauranga Māori and te ao Māori principles, and how we work together to ensure an equitable transition to a low carbon, resilient future.

The plan identifies two goals for the Auckland region:

- To reduce our greenhouse gas emissions by 50 per cent by 2030 and achieve net zero emissions by 2050.
- To adapt to the impacts of climate change by ensuring we plan for the changes we face under the current global emissions pathway.

Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan identifies eight priority areas for actions:

- Natural environment
- Built environment
- Transport
- Economy
- Communities and coast
- Food
- Te Puāwaitanga ō te Tātai (flourishing inter-generational connections)
- Energy and industry

You can read the full plan on Auckland council website [Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan](#).

The council also has obligations under the Financial Markets Conducts Act which requires it to make annual climate statements which comply with the climate-related disclosure framework as set out in the Aotearoa Climate Standards from 30 June 2024. The aim of the standards is to support the allocation of capital towards activities that are consistent with a transition to a low-emissions, climate-resilient future. This is in section 1.2 of the supporting information.

1.2 Summary of the climate findings

1 Context

1.1 Strategic context

In June 2019, Auckland Council responded to the call for climate action from the community by declaring a climate emergency. The council committed to incorporating climate change considerations into work programmes, investments, and decisions as well as leading by example in monitoring and reducing greenhouse gas emissions (GHG emissions) and preparing for the impacts of climate change.

To face the challenges posed by climate change, the council adopted Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan in July 2020. The principles of Te Tiriti o Waitangi are foundational to council's commitments to climate action and the plan was developed in partnership with mana whenua. This plan sets the pathway for the Auckland region to a 50 per cent reduction in greenhouse gas (GHG) emissions by 2030 compared to those in 2016 (referred to as baseline), achieving net-zero emissions by 2050, and adapting to the impacts of climate change.

While Te Tāruke-ā-Tāwhiri is a plan for Auckland, the Auckland Council Group plays an important role in achieving its objectives, and we recognise that it will require radical changes to our organisation and the way we do business. Many of the actions, investments and decisions made by Auckland Council Group have an impact across the region and aligning those decisions will assist to deliver positive climate outcomes.

The Auckland Council Group (Auckland Council and it's CCOs, excluding Ports of Auckland) has committed to a 50 per cent reduction in operational GHG emissions (also referred as scope 1 and 2) by 2030 compared to those in 2019, and net-zero emissions by 2050. Ports of Auckland has also committed to net-zero emissions by 2050.

As we transition towards a low-carbon economy, it is important to quantify and transparently disclose GHG emissions associated with Council's capital and operational investments. It is also important to identify and disclose climate-related risks and opportunities associated with our operations. Doing this will assist our stakeholders to understand the steps our organisation is taking to prevent or minimise emissions as well as improving the resilience of our assets and services to ongoing climate impacts.

Disclosing greenhouse gas emissions through the Long-Term Plan (LTP) process also supports a better-informed decision-making process and encourages more sustainable and low carbon investments and decisions. This approach ensures that we align with the expectations set in Te Tāruke-ā-Tāwhiri and ensures robust climate data is available for reporting in our climate statement.

The impacts of climate change are being felt in Tāmaki Makaurau Auckland. In early 2023 Auckland experienced its most extreme flooding on record and an ex-tropical cyclone within two weeks. We also experienced a record-breaking drought in 2020. These extreme events were made worse by human-induced climate change, and climate impacts for Auckland are expected to worsen in the coming decades. So that our communities can thrive into the future, it is important that Auckland Council Group invests in activities which both reduce emissions and increase resilience of our assets and services for Aucklanders. Climate action should be embedded across all the work that we do.

1.2 Statutory considerations

The Financial Markets Conducts Act 2013 (FMC Act) requires certain climate reporting entities (and group climate reporting entities (which includes the Auckland Council Group)) to make annual climate statements which comply with the climate-related disclosure framework as set out in the Aotearoa Climate Standards (issued by the External Reporting Board (XRB)) from 30 June 2024.

The aim of the standards is to support the allocation of capital towards activities that are consistent with a transition to a low-emissions, climate-resilient future.

Ultimately, it provides a consistent framework for entities to consider climate-related risks and climate-related opportunities for the activities over the short, medium and long term.

The objective of this is to enable primary users (e.g. investors) of financial statements to assess the merits of how entities are considering those risks and opportunities, and then make decisions based on these assessments.

In addition to several other disclosures, the council is required under the Aotearoa Climate Standards to disclose:

- 'how the governance body considers climate-related risks and opportunities when developing and overseeing implementation of the entity's strategy'; and
- 'the extent to which transition plan aspects of its strategy are aligned with its internal capital deployment and funding decision-making processes.'

Governing Body members are the council's directors for the purposes of Part 7A of the FMC Act and have obligations to ensure that the council complies with its climate-related disclosure obligations.

1.3 Audit NZ recommendations

The Auditor-General has a strong interest in making sure that public organisations approach all their climate change-related activity – including governance, planning, risk management, data collection, and reporting – with integrity. Doing so will help ensure that public organisations are able to provide New Zealanders with transparent, meaningful, and understandable information about the organisation's responses to, and how it is affected by, climate change. It will also facilitate the public sector's effective and efficient transition to a lower carbon economy.

The Auditor-General's expectations for public organisations are:

- that governing bodies and senior management teams monitor climate change risks and closely oversee the climate change activity, data, and reporting of their organisation;
- that emissions information is measured and reported clearly – the information must be credible, comparable, transparent, as well as understandable;
- that emissions targets, actions, achievements, progress, and the terminology used are well considered, accurate, and honest (that is, no deliberate or inadvertent “greenwashing”); and
- that reporting on the expected effects of climate change on a public organisation is based on a robust assessment (including risks and opportunities) of the effects on its activities and assets.

Where appropriate, the Auditor-General expects:

- robust planning for how a public organisation will strengthen the resilience of its communities and infrastructure;
- transparent reporting of spending and achievements from specific climate change funding; and
- appropriate monitoring of a public organisation’s performance in meeting its stated targets.

Although identifying, managing, and reporting on climate targets, outcomes, and progress is new and, at times, difficult, it is arguably one of the most important challenges facing New Zealand’s public sector.

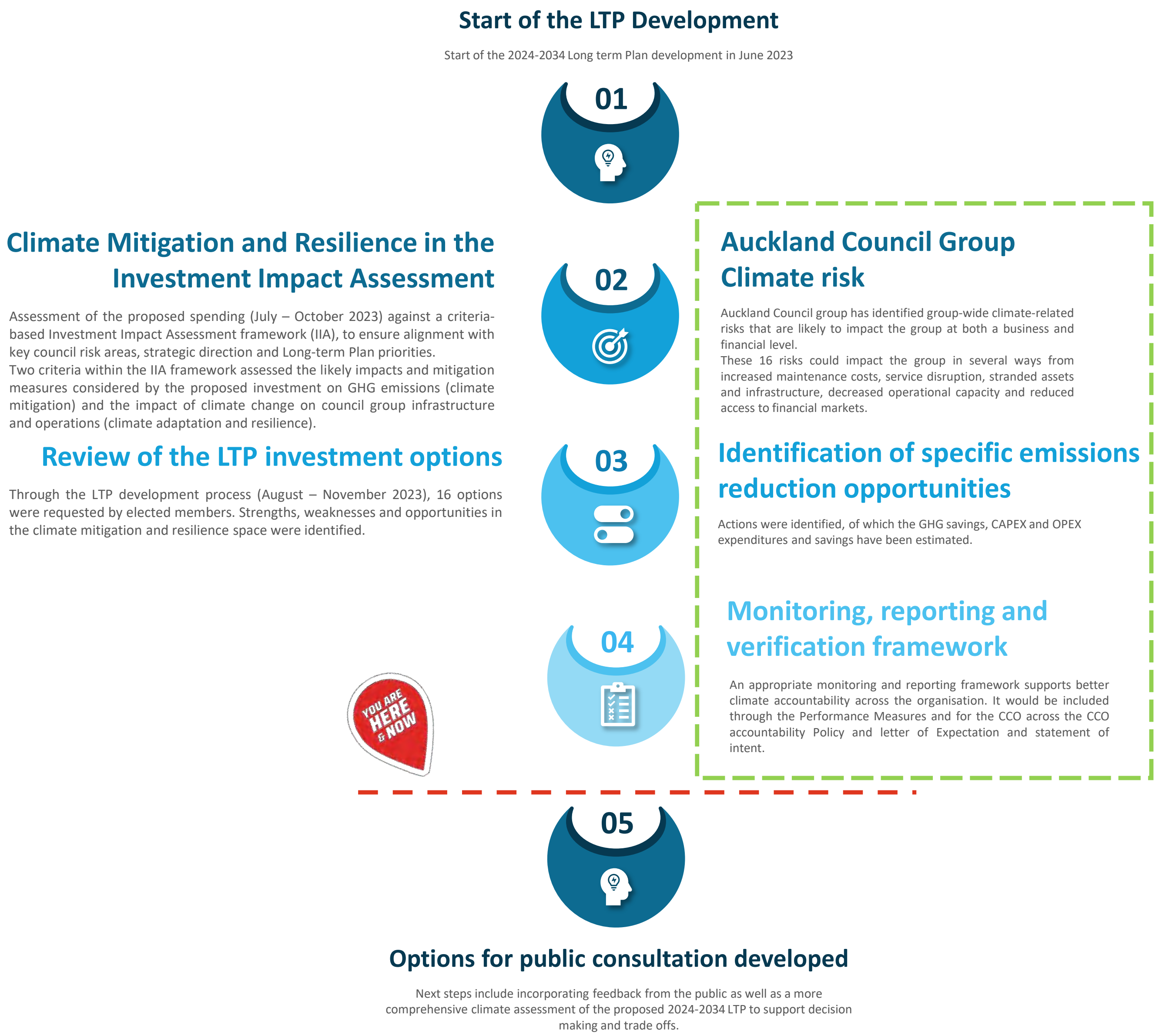
Audit New Zealand’s current draft Audit engagement letter to Auckland Council[1] also highlights the following expectations around climate :

> *We will review the Council’s climate change assumptions to determine whether they are reasonable and supportable.*
>
> *We will assess the quality of the supporting information the Council is using in developing its assumptions and disclosures included in the LTP, the consultation document (if relevant), and the adopted underlying information.*
>
> *We do expect the Council to reflect information on the impacts of climate change identified in the last three years in its climate change assumptions and work plans outlined in the LTP.*
>
> *The Council’s climate commitments should flow through to its relevant activity plans and then into its performance framework. For example, we would expect intentions to reduce greenhouse gas emissions be reflected in performance measures, targets, work programmes, and budgets.*
>
> *The Council’s climate change mitigation or adaptation plans should also be reflected in the infrastructure and financial strategies.*

[1] Audit engagement letter: Audit of the consultation document and long-term plan for the period commencing 1 July 2024 provided to the Audit and Risk Committee 05 December 2023 - Attachment A Item 17

2 Key steps and milestones

The key climate related steps are presented in the figure below. The AC Group climate risks, the Emission reduction opportunities and the directions of the monitoring framework are described in the following sections of the document.



2.1Auckland Council Group Climate risks

In accordance with the Aotearoa Climate Standards, the council group has identified group-wide climate-related risks that are likely to impact the group at both a business and financial level.

These risks could impact the group in several ways from increased maintenance costs, service disruption, stranded assets and infrastructure, decreased operational capacity and reduced access to financial markets.

Additionally, many of the climate-related risks impacting the council group will also have a direct and indirect impact on Aucklanders through the services we provide.

This Long-term Plan process provides the council the opportunity to align capital deployment with the group's climate goals and ensure the group's climate-related risks and opportunities are managed.

The group’s current key climate-related risks are:

No.	Headline Risk Statement	Full Risk Statement	Mapping to Key Risk Themes
1	Increased damage to and reduced access to Council Group key assets, infrastructure and facilities due to increased frequency and severity of acute weather events.	An increase in frequency and severity of extreme acute weather events may lead to **increased damage to and reduced access to Council Group key assets, infrastructure and facilities** resulting in a reduction in operating days of revenue generating facilities, inability to maintain service delivery, reduction in the useful life of assets, and significant repair costs.	Building for the future – assets and key infrastructure investment

No.	Headline Risk Statement	Full Risk Statement	Mapping to Key Risk Themes
2	Failure to effectively and accurately consider climate change in governance structures, decision making and long term planning including responding to climate risks, budgeting and planning etc.	Lack of consideration of climate change impacts in decision making and investment decisions, lack of climate science capability inputting into long-term planning, insufficient climate risk management to identify key risks resulting in a **failure to effectively and accurately consider climate change in governance structures, decision making and long term planning** resulting in reactive response to climate change, stranded assets, inability to meet emissions reduction targets, reputation damage as Council Group's response to climate change is deemed insufficient.	Climate change – transition and adaptation
3	Inability for Council group to respond to the changing needs of Aucklanders under different climate scenarios and meet increased demand/load on group services such as emergency management, use of facilities and climate refugees etc.	An increase in frequency and severity of extreme weather events and chronic rising of temperatures could lead to an **inability for Council Group to respond to the changing needs of Aucklanders under different climate scenarios and meet increased demand on current and newly required group services, such as emergency management, support for climate refugees, and social services** resulting in a reduction in the desirability of Auckland, customer dissatisfaction with services, inability to meet key Health and Safety obligations, increased strain on funding.	Climate change – transition and adaptation
4	Failure to balance delivery of climate-related priorities with broader group objectives and strategy (e.g. the Long Term Plan)	Reduced operational capacity, limited organisational climate change capability, lack of effective embedment of climate change into decision making and prioritisation frameworks could lead to a **Council Group failing to balance delivery of climate-related priorities with broader group objectives and strategy**	Climate change – transition and adaptation

No.	Headline Risk Statement	Full Risk Statement	Mapping to Key Risk Themes
		resulting in reduced long-term organisation performance, reputation damage, failure to reach long-term Group objectives.	
5	Inability to affordably and easily debt access capital and other financial products as a result of climate change	Changing investor preferences to reduce exposure to both the physical and transitional impacts of climate change, and increased sustainability linked investor regulatory requirements may lead to an **inability to affordably and easily access debt capital and other financial products**, resulting in increased reliance on revenue streams over debt, increased operational costs, inability to reduce carbon usage and fund further adaptation, increased profit threshold required for project acceptance.	Finance and funding
6	Failure to adequately address climate change in authentic partnership with Mana Whenua and with consideration of key Mana Whenua priorities	Insufficient engagement with Mana Whenua on the impacts of climate change on their whenua (land), Marae and consenting decisions that iwi contribute to, lack of consideration of Māori outcomes in climate decision making and decarbonisation investments could lead to **Council Group failing to adequately address climate change in authentic partnership with Māori and with consideration of key outcomes for Māori in Kia Ora Tāmaki Makaurau** resulting in negative impacts on Māori wellbeing, exacerbation of existing inequities, inability to meet Te Tiriti obligations.	Key strategic relationships – government, group entities, communities

No.	Headline Risk Statement	Full Risk Statement	Mapping to Key Risk Themes
7	Increased prevalence of extreme seasonal variations in precipitation (drought or flood) drives increased water security and quality issues and reduced ability to manage waste and storm water	An increase in the prevalence of extreme seasonal variations in precipitation (through flood or drought) may drive **increased water security and quality issues (drinking water) and reduced ability to manage waste and storm water** resulting in service disruption and closure of key facilities, damage to lifeline/critical infrastructure/ assets/ facilities, and reduced desirability of Auckland.	Building for the future – assets and key infrastructure investment
8	Chronic changes in weather patterns such as increasing temperatures and sea level rise resulting in increased infrastructure, facilities and asset damage	Chronic changes in weather patterns, such as increasing temperatures and sea level rise may lead to increased damage to Council Group infrastructure, facilities, and assets, resulting in a **reduction in the group's ability to maintain and operate assets and infrastructure in addition to maintain key services**, resulting in increased maintenance costs and insurance premiums, increased remediation and rebuild of infrastructure, and stranding of assets.	Building for the future – assets and key infrastructure investment
9	Loss of natural capital, including indigenous vegetation natural ecosystems, and taonga for Māori as a result of physical effects of climate change	An increase in the frequency and severity of extreme weather events and chronic temperature increases and soil erosion may lead to a **loss of natural capital, including indigenous vegetation, natural ecosystems, and taonga for Māori,** resulting in public spaces becoming less desirable, reduced ability to generate value from natural capital, increased council expenditure to compensate for not meeting nature commitments.	Building for the future – assets and key infrastructure investment
10	Reduction in or increased cost of insurance to underwrite assets as a result of climate change	A lack of effective or efficient response to climate change mitigation and adaptation could lead to a **reduction in access or increased cost of insurance to underwrite Group assets**,	Finance and funding

No.	Headline Risk Statement	Full Risk Statement	Mapping to Key Risk Themes
		resulting in increased need to self insure, increased underwriting costs, increased stranded assets.	
11	Inability to maintain service delivery standards in a cost effective manner while transitioning to a low carbon organisation	Inability to access low carbon alternative substitutes may lead to an **inability to maintain service delivery standards in a cost effective manner while transitioning to a low carbon organisation**, resulting in reputational damage and inability to meet reduced revenue from revenue generating assets.	Climate change – transition and adaptation
12	Increase in the spread of diseases and other biosecurity issues as a result of increased warming/humidity and extreme weather events.	Increased frequency and severity of weather events and chronic warming/humidity could lead to **an increase in the spread of diseases and other biosecurity issues**, resulting in increased emergency response, loss or damage to natural capital, operational disruption, increased costs to mitigate/manage hazards.	People
13	Failure to adopt and demonstrate Manaakitanga (respect and care) to disadvantaged communities as part of climate response (transitional and physical events)	Limited capacity/capability around needs of disadvantaged communities disproportionally impacted by climate change, insufficient planning for those needs and response to the impacts of climate change could lead to **Council Group failing to adequately demonstrate Manaakitanga (respect and care) and provide active support to disadvantaged communities as part of the climate transition response and response to extreme weather events** leading to inability for Council Group to meet the objectives of their Ngā Hapori Momoho (Thriving Communities Strategy) 2022-2032. Not meeting this strategy will result in degradation on wellbeing of these communities,	Key strategic relationships – government, group entities, communities

No.	Headline Risk Statement	Full Risk Statement	Mapping to Key Risk Themes
		exacerbation of existing inequities and reputational damage.	
14	Increased frequency and severity of acute extreme weather events in NZ and overseas could lead to significant supply chain disruption and operational pressure at the Auckland Port and other key Auckland transport terminals	Increased frequency and severity of extreme weather events in NZ and in key international trading partners could lead to **significant supply chain disruptions and operational pressure at the Auckland Port and other key Auckland transport terminals,** resulting in an inability to maintain service delivery, inability to maintain key assets, reputation damage.	Building for the future – assets and key infrastructure investment
15	Inability for Auckland Council to deliver on key adaptation and mitigation climate-related targets and objectives	Lack of access to low carbon alternative technologies, inability to access or generate sufficient capital to fund the transition, lack of reliable emissions data could lead to **inability for Auckland Council to deliver on key emissions reduction targets and adaptation objectives** resulting in climate-related litigation, inability to comply with key regulatory requirements, a rapid and expensive transition to decarbonise, loss of social licence to operate.	Climate change – transition and adaptation
16	Inability for Auckland Council to meet health, safety and wellbeing obligations to staff and broader community as a result of increased prevalence of extreme weather events (storms, floods etc.)	Increased frequency and severity of extreme weather events may lead to an **inability for Auckland Council to meet health, safety and wellbeing obligations to staff and broader community,** resulting in increased strain and abuse of Council Group staff from broader	People

No.	Headline Risk Statement	Full Risk Statement	Mapping to Key Risk Themes
		communities, exacerbation of existing inequities, and increased strain on emergency response and services.	

2.2 Specific emissions reduction opportunities for Auckland Council Group

The Auckland Council Group (Auckland Council and it's CCOs, excluding Ports of Auckland) has committed to a 50 per cent reduction in operational GHG emissions (also referred as scope 1 and 2) by 2030 compared to those in 2019, and net-zero emissions by 2050. Ports of Auckland has also committed to net-zero emissions by 2050.

As part of the LTP development, a specific package was designed to meet the 50% reduction (scope 1 & 2) for AC group by 2030 and lay the path towards the net-zero emissions by 2050. This package was developed excluding POAL and Watercare.

This expenditure package supports the Emission Reduction Plan and mostly targets actions that provide a good return on investment.

This Emission Reduction Plan is expected to deliver significant cost savings, particularly in relation to reducing our energy use, by installing solar panels and transitioning to electric alternatives across our asset portfolio and activities.

Below are the actions identified, of which the GHG savings, CAPEX and OPEX expenditures and savings have been estimated. Such plan would need to be monitored and updated regularly to adjust to the changing environment and conditions under which AC operates, as well as to reflect any decisions taken after the consultation (e.g. reduction of our asset portfolio) or external factors (e.g. energy cost, …).

- Replace gas boiler from the Wintergardens with a biomass boiler (wood pellets) – *This action is already funded and underway*
- Reduce live stock across all Auckland Council farmland
- Plant an additional 200ha of unproductive farmland
- Apply regenerative farming on all Auckland Council farmland (1200ha) and seek to convert to organic farming
- Refrigerant Phase out from Auckland Council owned buildings
- Reduce the use of fertiliser and use alternative low carbon fertilizers and products in sports fields
- Aquatic Centres : Phase out gas boilers and implement energy efficiency improvement projects – *This action is partially funded and underway (for some aquatic centers only) and would cover 11 Aquatic Centers out of the 28 owned by AC*
- Installation of solar panels across several AC buildings and assets to reach around 20MW solar capacity by FY 2033/2034
- Corporate property Energy Efficiency Improvement Projects
- Te Wharau o Tamaki/ Auckland House - Energy Efficiency and Boiler Upgrade Projects
- Implement Energy savings through eco-advice across our community buildings and facilities
- Reduce travel by flight through a low carbon travel policy and a flight levy
- Fleet Decarbonisation (across Auckland Council Group) - *This action is already funded and underway*
- Implement a power purchase agreement to source 100% Renewable Energy for the remaining energy demand not produced by Auckland Council solar projects
- Mt Smart Stadium: Replace two natural gas boilers with one wood pellet boiler.

- North Harbour Stadium: Replace two 94kw natural gas boilers with hot water heat pumps. Replace 800kw natural gas boiler with one wood pellet boiler.
- AAG Café, Zoo Café and Aotea Centre: Replace gas stoves, ovens and fryers with electric stoves, ovens and fryers.
- Aotea Centre: Replace gas patio heaters with electric patio heaters.
- Implement Energy metering and Energy Management System to further track and reduce energy consumption.
- Implement actions to reduce travel and freight emissions
- Energy switch in Westhaven and Wynyard Quarter
- Extra resources to implement the actions across the organisation, monitor and report the results

The current Emission Reduction Plan would require a CAPEX investment (over 10 years) of around $76m (of which around $70m are currently unfunded) and would generate:

- Around $45m operational expenditures (OPEX) **savings** over the next 10 year period
- Around $5m to $8m per year operational expenditures (OPEX) **savings** beyond the 10 year period.

3 Monitoring, reporting and verification

3.1 Context and objectives

Indicators are essential for organisations to measure and improve their performance. By establishing meaningful indicators (or performance measures) that align with strategic goals, Auckland Council Group can track progress, identify areas for enhancement, and make data-driven decisions.

An appropriate monitoring and reporting framework also supports better climate accountability across the organisation.

3.2 Climate-related performance measures

The currently proposed performance measures around climate include:

- Greenhouse gas emissions Scope 1 and 2

Greenhouse gas emissions targets have not been included as performance measures as in the previous long-term plan as there is detailed mandatory reporting of greenhouse gas emissions in the group's climate statement in the annual report.

While the consideration of performance measures as part of the Long-term Plan 2024-2034 is a key aspect of the monitoring system, the wider council performance reporting landscape also includes (but is not limited to) strategic outcome reporting (via the three-yearly Auckland Plan monitoring report), CCO Statements of Intent (SOI), quarterly and monthly committee reporting and internal operational performance reporting and a climate statement within the annual report.

For more information please see information about the performance measure frameworks in Section 1.1.

4 Other considerations

This long-term plan, future budgets and decisions, should be guided by the following principles as per the Mayor's proposal:

- Incorporate climate change considerations (quantify and mitigate whole of life GHG emissions and improve resilience) into work programmes and decisions,
- Target operational and capital expenditure savings in areas where both cost and whole of life greenhouse gas emissions can be reduced without reducing well-performing emissions reduction projects or investments,
- Focus on lowest cost delivery of climate positive projects, such as aligning tactical transport improvements with renewals and using existing space to deliver priority lanes,

- Work towards reducing the impacts of climate-related risks, which also reduces long-term cost to council and communities by continuing to fund activities that reduce the likelihood of stranded assets, support community resilience and reviewing the climate mitigation and resilience components of the Auckland Unitary Plan,
- Ensure appropriate accountability for Auckland Council leadership (including CCOs) through the measurement and reporting on the climate performance of their decisions.

These principles need to inform the prioritisation and delivery of both capital and operational expenditure, particularly in the next 3 years, bringing forward those with positive climate outcomes and delaying, challenging and discontinuing those that are contributing to climate change (i.e. increasing emissions) and reduce our adaptative capacity.

The integration of climate mitigation and resilience in the Infrastructure Strategy, particularly through the asset management plans, investments and renewals, has been identified as a key lever to deliver climate outcomes for this LTP. Infrastructure (including transport infrastructure) has an essential role to play in the transition to net-zero emissions by 2050, particularly when we consider the whole-of-life GHG emissions of infrastructure assets. Infrastructure also needs to be adapted appropriately, so communities can continue to be supported by fit-for-purpose infrastructure services as we face changing climate conditions and an increase in natural hazards.

Auckland Council has been issuing green bonds since 2018 and expanded its sustainable finance programme in 2022 to include the use of sustainability-linked financial products.

As a growing part of debt capital markets, there is increasing demand for these financial products. The council should ensure that as many as possible of the assets we invest in align with the criteria set out in Auckland Council’s Sustainable Finance Framework 2023.

In doing so, the council will be able to continue offering sustainable finance products in our key financial markets, while building our capacity to access capital[2] and supporting our efforts to reduce emissions and increase resilience to climate change.

Many sustainable initiatives were also found to provide significant cost savings and additional revenues (for both short, medium and long term), while building on climate mitigation and resilience, compared to the business-as-usual approaches, demonstrating the value of embedding climate in decision making.

[2] Access to sustainable finance products is one of the ways council can reduce it’s climate risk - *Climate Risk 5: Inability to affordably and easily access capital and other financial products as a result of climate change*.

1.3 Auckland Council's 30-year Draft Infrastructure Strategy

Infrastructure Strategy Contents and Components	
Section 1	Tāmaki Makaurau and its infrastructure.
Section 2	Identification of significant, long-term, infrastructure issues for Tāmaki Makaurau. • Greenhouse gas emissions reduction • Resilience • Growth • Funding • Equity • Te Ao Māori • Environmental Degradation
Section 3	How the Auckland Council group intends to manage its infrastructure assets. Actions for ongoing improvement of how the council manages our infrastructure.
Section 4	The most likely scenario for each infrastructure portfolio's management of and investment in its assets. • Transport • Waste • Community • Cultural and economic infrastructure • Urban regeneration and non-service infrastructure • Closed landfills
Section 5	Significant decisions about capital expenditure that the council will be required to make beyond this Long-term Plan (LTP).

Section 1: Infrastructure Strategy scope and role

Infrastructure is Auckland Council's largest asset. We plan to invest $292 billion in infrastructure between 2024-2053 (representing 92 per cent of the council's budget to 2034). The management of Auckland Council's infrastructure is, therefore, a significant opportunity for and risk to the wellbeing of Aucklanders. The Infrastructure Strategy provides the long-term (30+ year) view of our infrastructure management to inform Long-term Plan (LTP) decision-making.

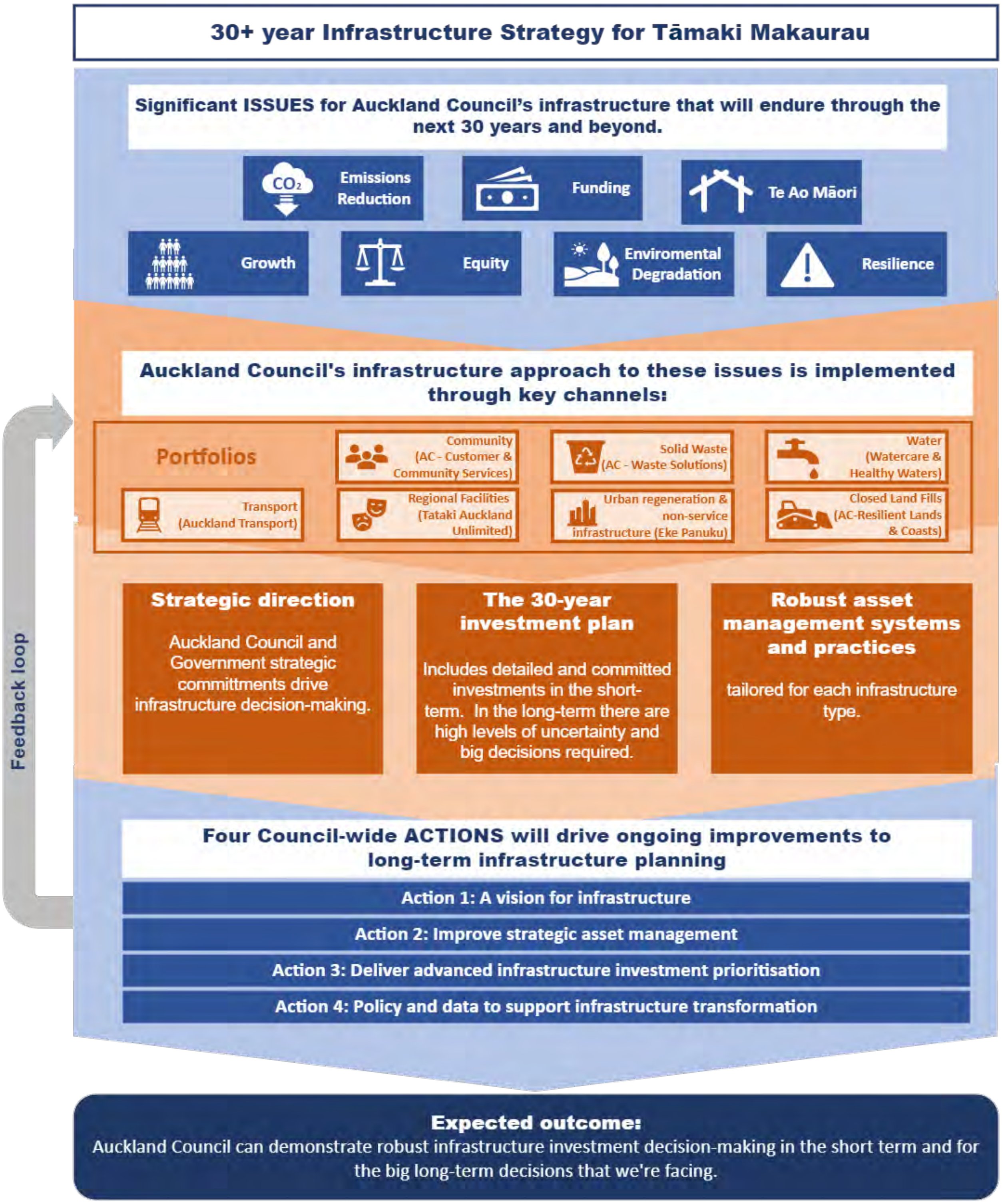


Figure 1: Overview of the key concepts covered in the Infrastructure Strategy

Role of the Strategy

Auckland Council (the council) is required by section 101B of the Local Government Act 2002 [1] to prepare and adopt the Infrastructure Strategy, as part of its Long-term Plan.

The 2024 Infrastructure Strategy (the Strategy) is an update of the 2021 strategy. The strategy includes:

- seven significant issues that impact Auckland Council's infrastructure
- the approach to managing those infrastructure issues and the council's 'most-likely scenario' for infrastructure investment
- significant infrastructure investment decisions that will be required beyond setting the 2024 Long-term Plan (LTP).

Planning for infrastructure in the long-term must respond to evolving issues and cope with uncertainty. Therefore, the outer years of the Strategy (years 11-30+) include a combination of investment planning and projections and provides an opportunity to communicate uncertainties. As new information becomes available and financial forecasts are updated over the coming decade, planned infrastructure investment will be reviewed.

Long-term planning and asset management

The council plays a number of concurrent and connected roles in relation to its infrastructure. It is an asset manager, direction-setter, regulator, and investor in existing and new infrastructure. The LTP is a point where these processes connect through the setting of a strategic and long-term budget (see Figure 2). Within the LTP, the strategic direction, financial planning and asset management planning form an investment package for the next three, 10, and 30 years.

The LTP's budget process provides a three-yearly opportunity for Auckland's community to provide input into the council's:

- planned investment
- approach to infrastructure
- strategic planning.

The LTP and the council's strategic direction are then actioned by the parts of the council group responsible for providing infrastructure. Both asset management and strategic direction (long-term planning) are iterative cycles and the quality of each is underpinned by the data used. Asset management plans (AMPs), and the AMP info presented in the infrastructure strategy, are the foundation for both cycles as they set out infrastructure risks, needs, and a plan for investment.

Council has systems for asset management that are tailored to the nuances and challenges of each infrastructure type. Continuous improvement of these systems are supported centrally by the recently adopted Asset Management Policy. AMPs also set out a plan for implementing the direction set through the LTP.

[1] Note that Section 2 of the Strategy responds to ss101B(2)(a)&(b), Section 3 responds to ss101B(3) and 101B(2)(b), Section 4 responds to ss101B(2)(b), 101B(4)(a), and 101B(4)(c)&(d), and Section 5 responds to s101B(4)(b).

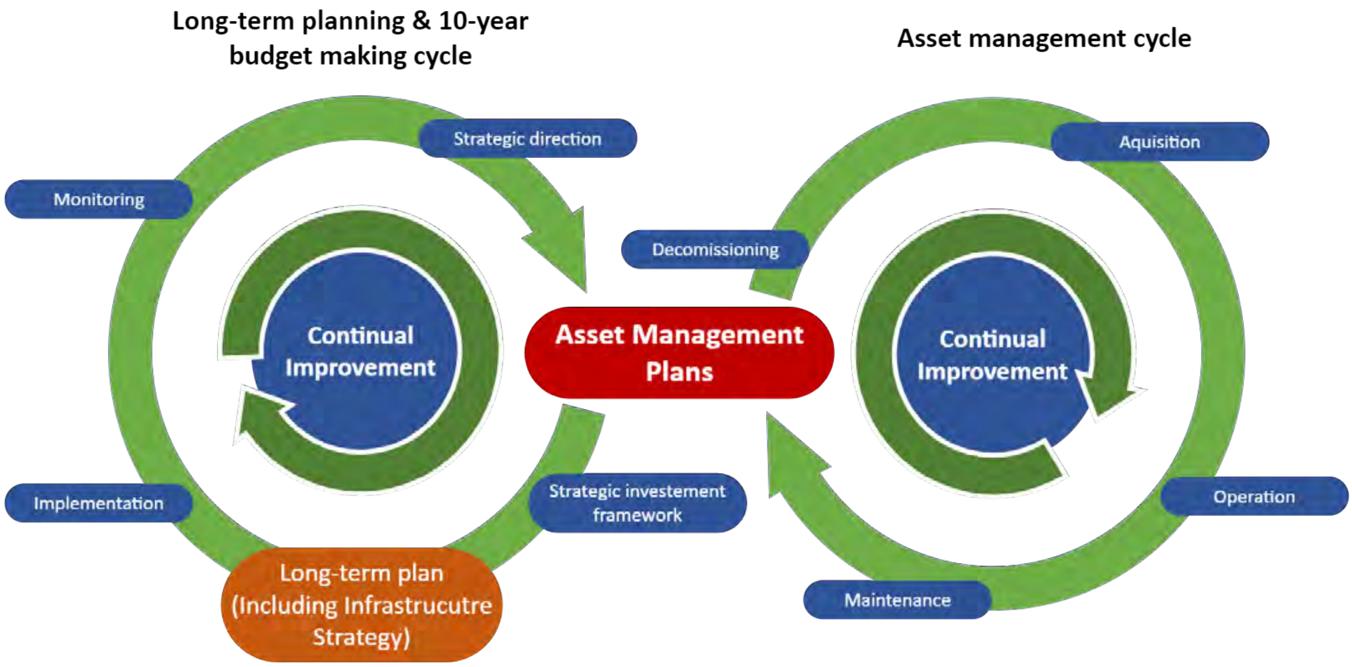


Figure 2 Connected cycles of long-term planning and asset management

Scope of the Strategy

Auckland Council's role in providing and operating Infrastructure

Much of the urban area in Tāmaki Makaurau is situated within a narrow isthmus, bound by multiple harbours, and this plays a role in dictating its urban form. Alongside the natural environment sits a complex urban environment made up of thriving centres, housing, commercial and industrial areas. Strong population growth is likely to continue over the next 30 years. We need significant infrastructure to support our daily activities, and we ask a lot from that infrastructure to keep our region functioning well. Further information on the context that is influencing this LTP can be found in the Financial Strategy (see LTP Supporting Information, 1.4 Financial Strategy)

The council provides a significant amount of infrastructure in Tāmaki Makaurau. It seeks to provide infrastructure that delivers a public good, supports the four well beings (social, economic, cultural and environmental) and generates outcomes desired by the Auckland Plan (see Section 1.1 of the LTP Supporting information, Strategic Overview). Though the council is only part of the infrastructure story in Tāmaki Makaurau, it is a leader in our region's infrastructure.

The council's roles include:

- planning and delivering council-controlled infrastructure and services. Infrastructure is delivered by the council group, supported by a range of contracts for services such as public transport provision, asset maintenance and waste services
- coordinating land use and infrastructure planning, including delivering and funding infrastructure
- coordinating with other infrastructure providers to enable infrastructure development and management.
- working closely with other infrastructure providers to manage risks and dependencies through groups like Auckland Engineering Lifelines

- civil defence and emergency management
- regulation, through designating, consenting, monitoring, and developing rules and policy for infrastructure.

Infrastructure included in the Infrastructure Strategy

Figure 3 shows the infrastructure portfolios addressed in this strategy. These portfolios cover the mandatory classes of infrastructure assets[2], other assets with a high level of investment, and/or those that make a significant contribution to achieving Auckland's strategic outcomes.

The assets and investment included in this strategy are set out in Figure 3 and are referred to throughout the strategy as 'the council's infrastructure providers'.

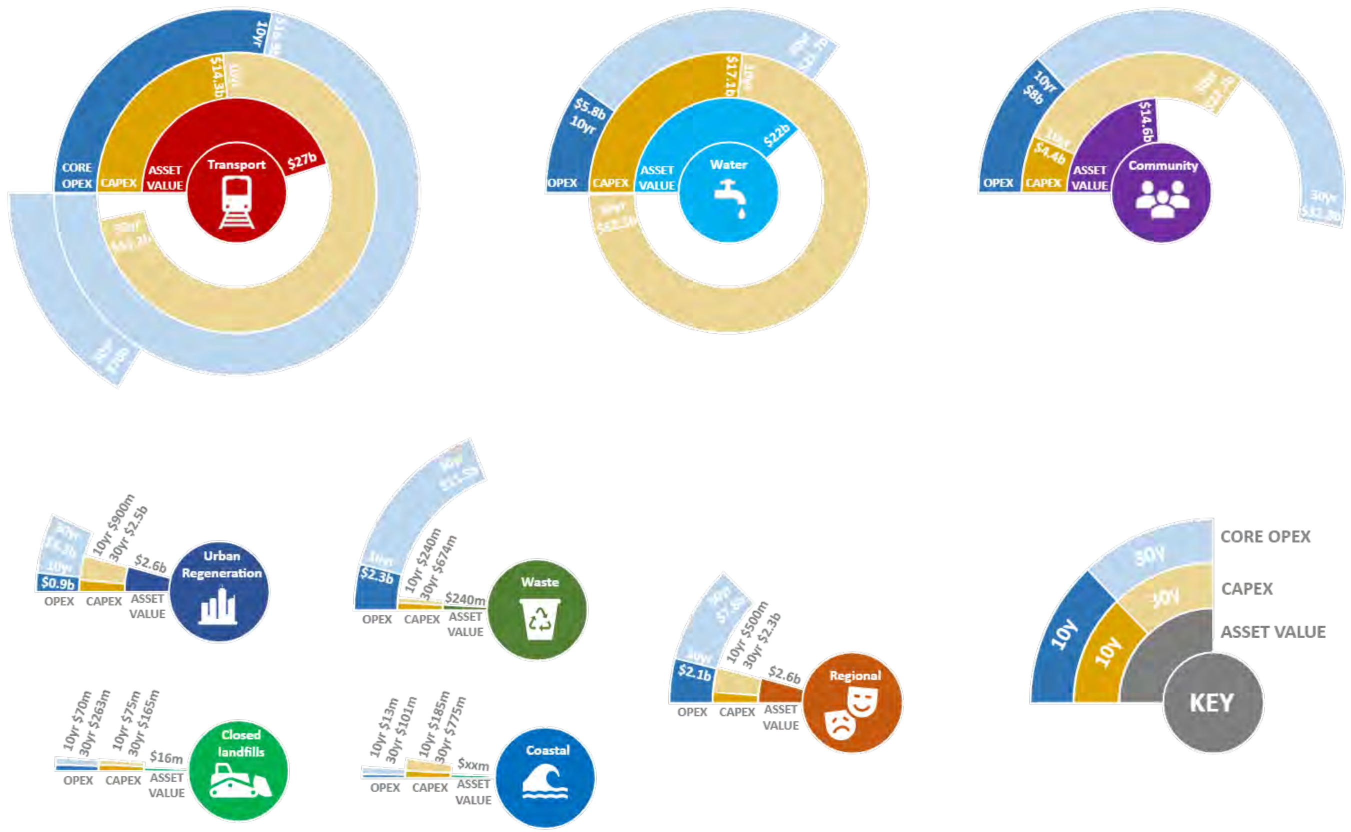


Figure 3: Infrastructure Strategy portfolios, asset value and planned investment (excluding CRL)

While the focus of this Strategy is council-specific infrastructure, many other groups provide infrastructure to Tāmaki Makaurau such as Port of Auckland, Auckland Airport, Waka Kotahi, telecom network providers, electricity, gas and petroleum suppliers, health and education providers. Many of these infrastructure

[2] The mandatory asset classes under s 101B(6)(a) of the Local Government Act 2002 are water supply, sewerage and the treatment and disposal of sewage, stormwater drainage, flood protection and control works, and the provision of roads and footpaths. At Auckland Council, flood protection and control works assets sit within the stormwater group of activities, which is part of the 3 waters portfolio (along with water supply and wastewater). the Transport portfolio covers roads and footpaths and stormwater where it is related to the transport network.

systems also extend beyond Tāmaki Makaurau, reflecting our need to import resources such as energy, water and fuel.

Inter-relationships across Infrastructure portfolio, relative to asset value.

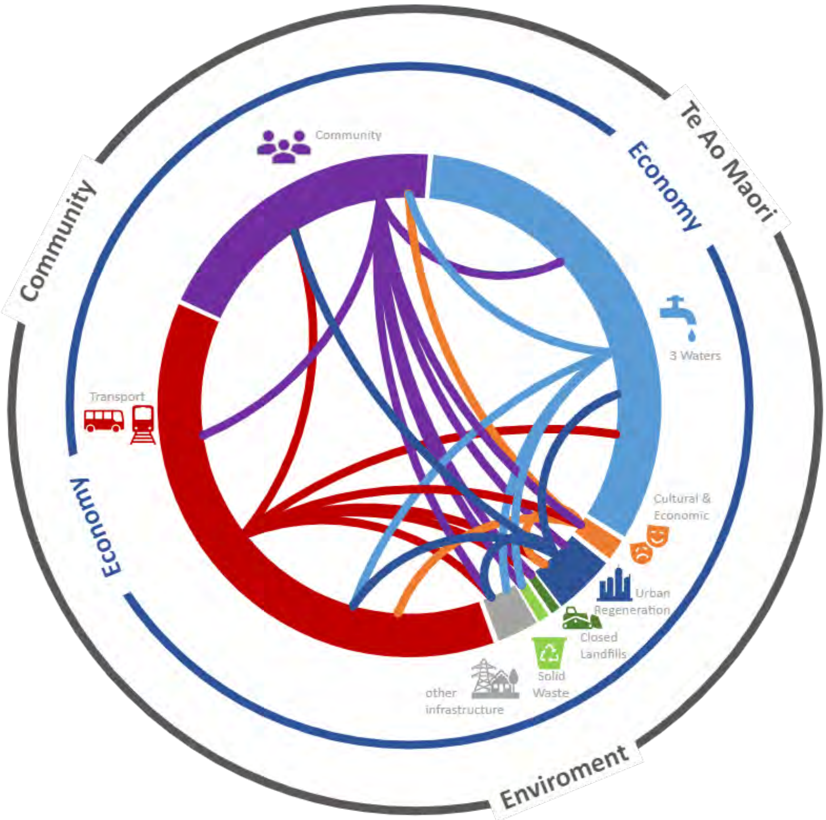


Figure 4: A connected system of infrastructure communities, Te Ao Māori and the environment

This strategy recognises that infrastructure is much more than just roads and pipes. It is a complex and interconnected system of built assets, natural assets, and services. Infrastructure systems exist within, and to serve, other related systems, like communities and the environment (see Figure 4). Applying a Te Ao Māori lens, and recognising connections and interdependencies, allows us to improve our understanding of how infrastructure can evolve, where its vulnerabilities lie, and what we can do to make it resilient.

Section 2: Significant issues facing Auckland Council's infrastructure.

Section 2 of the Strategy identifies seven significant issues for the council's infrastructure these are:

Figure 5: Significant issues facing Auckland Council's infrastructure

These are the issues that our infrastructure needs to respond to in the long-term. They provide a framework for considering how the council manages and invests in infrastructure. Many of the challenges we face in our environment, as a community, and as a region, relate to our infrastructure. The seven issues identified are currently the most significant for long-term infrastructure planning in Tāmaki Makaurau and are consistent with the council's previous infrastructure strategies. The issues were identified based on the maturity of the council's existing infrastructure response. The maturity of our infrastructure response to these issues ranges from 'emerging' to 'established' maturity.

The maturity of the seven issues that inform this strategy and LTP are shown in the central bubble in Figure 6. This indicates that the issues are at a stage of maturity where the council understands them (has a policy position on the issues) and is therefore making decisions about how to embed them in its infrastructure investment response. The further the issue is towards the right-hand side of the spectrum, the more that issue is a driver of both capital and/or operational expenditure.

This section focuses on the challenges that our infrastructure faces in relation to these issues. Sections 3 and 4 of the strategy focus on the actions and responses to these issues required both by the council, and within each infrastructure portfolio.

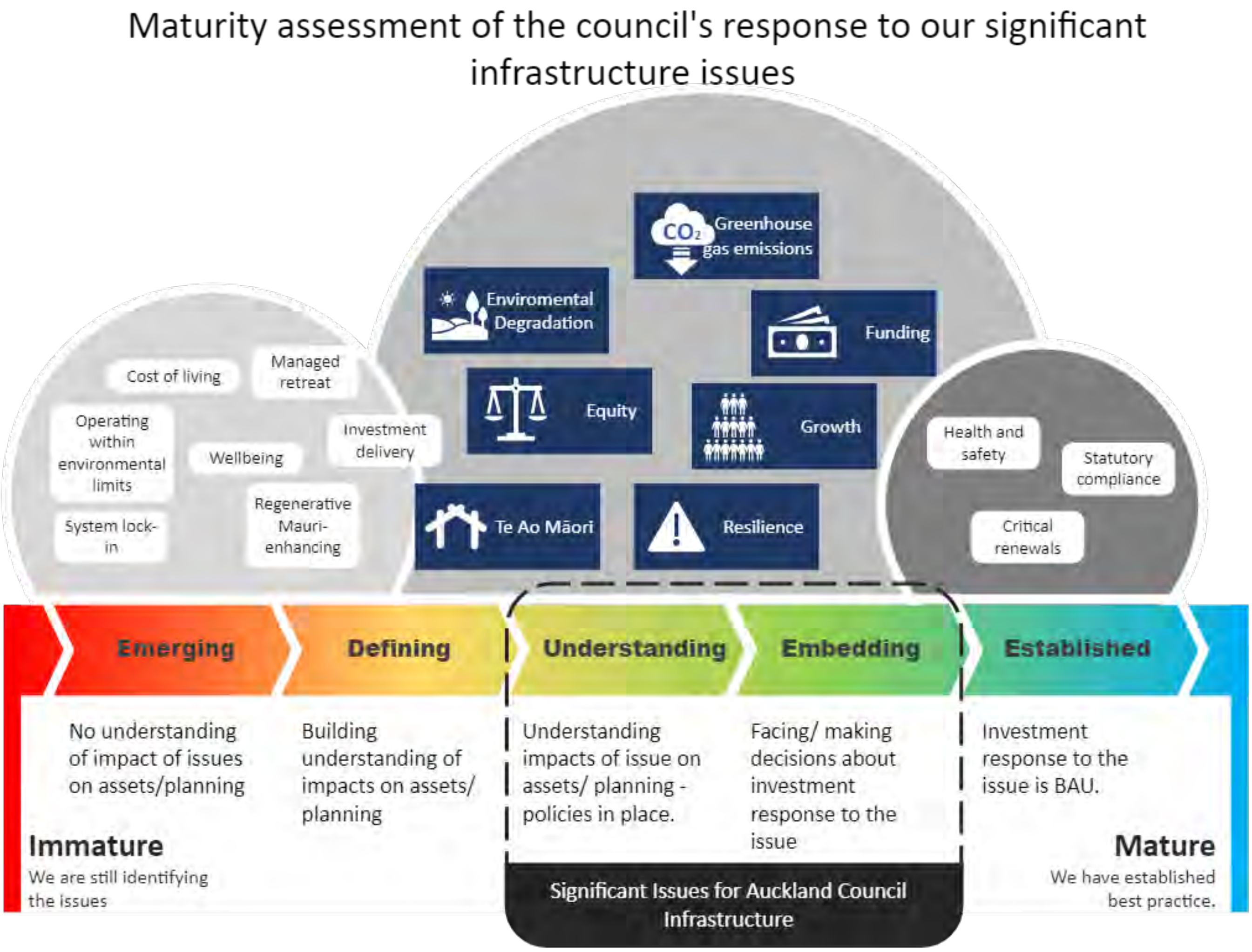


Figure 6: Relative maturity of our response to the issues facing the council's infrastructure

Emissions Reduction

Significance for infrastructure: Throughout its lifecycle, infrastructure is a significant contributor to greenhouse gas (GHG) emissions in Tāmaki Makaurau. Infrastructure has an important role to play in the transition to net-zero emissions by 2050, particularly when we consider the whole-of-life GHG emissions of infrastructure assets.

Auckland Council's adopted commitments include:

- Reducing regional greenhouse gas emissions by 50 per cent by 2030 and achieving net zero emissions by 2050.[3]
- Reducing transport emissions by 64 per cent by 2030 through significant transport mode shift as well as through the change to a more compact urban form (that also reduces the need for other ancillary infrastructures such as water or stormwater).[4]
- Reducing vehicle kilometres travelled (VKT) by 50 per cent by 2030 through improved urban form and providing better travel options.[5]

Current state of Auckland Council's infrastructure response

Figure 7: Maturity of the council's infrastructure response to Emissions Reduction, using the framework set out in Figure 6

The council has an established policy response for greenhouse gas emissions reduction. This response supports initial investment and interventions, with a particular focus on transport infrastructure. Further work is required to embed emissions reduction in asset management processes and decision-making. Figure 7 indicates the maturity of this infrastructure response, see Section 3 for further details on our response and the council's planned actions.

The challenges for infrastructure

Reducing infrastructure emissions is a key priority for the council but also presents a significant challenge. A comprehensive approach must be taken that considers all infrastructure and their contribution to meeting council emission reduction targets. Ensuring an equitable transition needs to be prioritised as the council invests in and implements options to reduce emissions. There is also variability across the council group in terms of the skills and resources available to enable low emissions practices, such as improved emissions accounting and implementing low carbon solutions.

Measuring and planning for emissions reduction

Emissions reduction targets have been set in Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan. To align

[3] Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan.
[4] Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan.
[5] Te Ara Whakaheke Tukuwaro Ikiiki: Transport Emissions Reduction Pathway (TERP).

overall infrastructure investments with emissions reduction targets a consistent methodology for accounting embodied and operational emissions will be required for all infrastructure projects, across the council group. This is important as high-quality accounting and reporting of Scope 1, 2 and 3 greenhouse gas emissions[6] is required for our mandatory climate-related disclosures.

Greenhouse gas emissions reduction need to inform investment decisions more strongly
The consideration of greenhouse gas avoidance and reduction in investment decisions has started but needs to be built into more of the council's systems before it becomes business as usual. Making better investment decisions will mean that the council will have to understand both whole-of-life emissions as well as whole-of-life costs and benefits and use these to inform decision-making.

Whole-of-life emissions is where council takes embodied and operational greenhouse gas emissions into account over the life of the asset, including all indirect greenhouse gas emissions. Whole-of-life costs and benefits are where the council recognises the ongoing cost savings and other non-financial benefits over the life of the asset.

Equitable Transition
Currently the council has not defined its approach to ensure an equitable transition to reduce emissions. We need to work with communities to make sure our actions towards a low-carbon future reflect their needs. The transition presents opportunities to support equitable outcomes across Tāmaki Makaurau, such as making public transport and high-quality green space more accessible.

Resilience

Significance for infrastructure: Infrastructure needs to be future-proofed and resilient, so it can continue to serve people as we face changing climate conditions and an increase in natural hazards.

Actions to prepare for climate change and natural hazards are vital to the asset management cycle of infrastructure.

Auckland Council's adopted commitments include:

Delivering flexible and adaptable infrastructure:

- Building flexibility and adaptability into infrastructure design to ensure it is easier to modify and respond to changing needs.[7]
- Taking a precautionary approach to plan for the continued and catastrophic increase in the impacts and risks of climate change and natural hazards, considering the potential of a 3.5 degrees or warmer world by 2110.[8]
- The council's approach to flexible planning and adaptation in the face of uncertainty and changing conditions follows dynamic adaptive policy pathways (DAPP).[9]

Understanding resilience and vulnerabilities of infrastructure systems:

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[6] Scope 1 emissions are direct emissions from owned and controlled combustion sources, such as diesel, coal, LPG and refrigerant leakage and release. Scope 2 emissions are indirect emissions purchased or acquired electricity, steam, heat and cooling. Scope 3 emissions are indirect emissions that are not covered in Scope 2 that occur in the value chain. (see Homepage | GHG Protocol for more information)
[7] Auckland Plan 2050, Culture and Heritage, Direction 4.
[8] Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan, Our approach to adaptation and Action B3.
[9] Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan, Our approach to adaptation and Action B3.

- Develop a consistent understanding of vulnerability, criticality, and interdependencies of 'built' assets, and in particular, critical infrastructure, which may be vulnerable to natural hazards and climate change.[10]

Current state of Auckland Council's infrastructure response

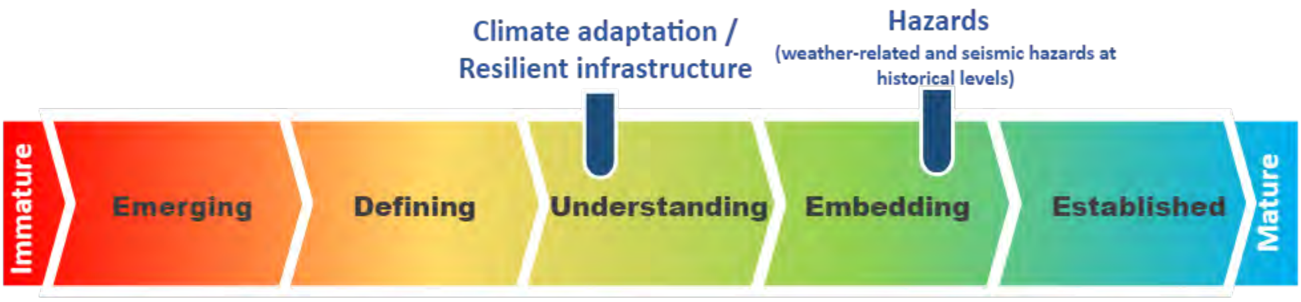

Figure 8: Maturity of the council's infrastructure response to Resilience, using the framework set out in Figure 6

The council has a programme of investment (supported by policy and standards) in managing natural hazards, for example, through ongoing investment in flood management and infrastructure standards. However, in relation to these hazards as exacerbated by climate change, we are less mature. The council is developing a consistent approach to direct our investment in adaptability and resilience to climate change. We have started to plan and fund investment to increase resilience across our infrastructure. However, to date, investment has not adequately matched the real and potential risk presented by hazards. A fundamental change in our investment would be required for our assets to be more resilient to natural hazards and climate change.

The damage caused to assets during the storm events in 2023 shows the impacts of severe natural hazards which are occurring more frequently as a result of climate change. This has increased the council's focus on resilience direction and investment, and significant effort is being invested in improving our infrastructure resilience. Figure 7 indicates the maturity of this infrastructure response, see Section 3 for further details on our response and the council's planned actions.

The challenges of resilience for infrastructure

Building resilience in our infrastructure is a system-wide issue that requires a range of responses. To improve resilience throughout Tāmaki Makaurau, the council cannot just focus on one area or use the same technical solution everywhere. To transition towards resilient infrastructure, the council must consider how it will take a coordinated and proactive approach with asset owners and our communities.

Prioritising resilience

While existing strategy supports increasing resilience and adaptability, the scale of investment does not align with the magnitude of this issue. Investment into resilient infrastructure will require funding of flexible and agile solutions, this is currently constrained by council's infrastructure investment methodology.

Resilience is more likely to be deprioritised or neglected as it is currently difficult to quantify and communicate the return on investment (ROI) beyond the engineering and financial components. For example, investing in green infrastructure provides multiple benefits for infrastructure resilience and the community, but may cost more in capital investment or implementation time than a more traditional

[10] Natural Hazards Risk Management Action Plan, Section 2 & 4.4.

solution. More consistent measurement and valuation of the wider benefits of resilience is needed. This would allow a better understanding of trade-offs when making infrastructure investment decisions.

Transforming the infrastructure system
Making infrastructure more resilient is hindered by lock-in effects that can occur from the initial planning stage. Setting trigger points that direct infrastructure (and communities) to relocate or change the level of service early in the planning process, can help to manage expectations and reduce long-term lock-in of infrastructure.

A framework is required to establish trigger points during the adaptation planning process. This framework will help to guide the council to decide whether to strengthen and/or renew existing infrastructure, or work with the community to adapt including possible relocation, away from hazard-prone areas.

Taking a coordinated and proactive approach
The council must continue to build a shared definition of infrastructure resilience that takes a broad view of asset, network, and community resilience, and apply this consistently across its infrastructure portfolios. This definition will require analysis of how hazards relate to infrastructure, the interdependence of infrastructure, and the potential impacts of hazards on wider networks.

The council will also need to build its social, technical, and organisational ability to respond to weather events, particularly as they occur more often as climate change continues to accelerate. As the resilience of infrastructure across Tāmaki Makaurau is a nationally significant issue, this coordinated and proactive approach should focus on clarifying liabilities and responsibilities between central government and council.

Growth

Significance for infrastructure: The projected population growth for Tāmaki Makaurau is significant. Supporting growth requires us to work together and ensure we have a clear understanding of where and when investment in planning and infrastructure should be made.

Auckland Council's adopted commitments include:

Growth assumptions (coordination)

- Commitment to the Tāmaki – Whenua Taurikura, Auckland Future Development Strategy and the Auckland growth scenario as the basis of investment planning around growth.[11]

Quality compact growth

- Infrastructure investment in growth is guided by Tāmaki – Whenua Taurikura, Auckland Future Development Strategy to focus on spatial priority areas (an approach established in the Development Strategy 2018 and the Long term Plan 2021).[12]
- Tāmaki – Whenua Taurikura, Auckland Future Development Strategy defines a desired state of our infrastructure system (including taking a whole of life cycle approach, with nature based, low-emission infrastructure that is well integrated with land use and infrastructure decision making)[13].
- Auckland Unitary Plan (operative 2016) – Enables development across the region that is based on the quality compact city approach.

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[11] *Tāmaki – Whenua Taurikura, Auckland Future Development Strategy 2023-2053*
[12] *Tāmaki – Whenua Taurikura, Auckland Future Development Strategy 2023-2053*
[13] *Tāmaki – Whenua Taurikura, Auckland Future Development Strategy 2023-2053*

Current state of Auckland Council's infrastructure response

Figure 9: Maturity of the council's infrastructure response to Growth, using the framework set out in Figure 6

The council has policy and processes to guide our infrastructure support for growth, and providing for growth is a consistent area of infrastructure investment. However, the council's financial ability to respond to growth is limited and unexpected changes to growth locations, for example as a result of private plan changes, make it harder for the council to proactively plan and invest in growth. More sophisticated forecasting and prioritisation, supported by changes at a statutory level is needed to improve infrastructure investment for growth in the right places. Figure 9 indicates the maturity of this infrastructure response. See Section 3 for further details on our response and the council's planned actions.

The challenges for infrastructure

As the population of Tāmaki Makaurau continues to grow, the council must consider the need to deliver new infrastructure, both within the existing urban area (where there is high latent demand and where some infrastructure already exists) and at the urban periphery (which has larger lots of land for large-scale development but requires an extension of bulk infrastructure networks). The council faces significant challenges due to the need to keep pace with growth.

Responding to growth, market pressures and changing policy

Population growth, new national land use requirements, and private plan changes pose challenges for both planning and servicing of infrastructure.

Through the Auckland Unitary Plan, the council has enabled greater intensification across the existing urban area to respond to growth. More than 80 per cent of building consents in the last five years have been inside the existing urban area.[14] This is because of the enabled housing intensification which is a trend that is likely to continue and increase. New legislative requirements will change the location and timing of development across the existing urban area.[15] This is likely to mean an increase in the need for new and upgraded infrastructure.

Unexpected changes to existing growth priorities through new Central Government policy and out-of-sequence plan changes, make it harder for council to proactively plan for growth. These changes also create more uncertainty for the development community about where the council will invest. The council's growth strategy, (Tāmaki – Whenua Taurikura, Auckland Future Development Strategy) is required to

[14] Auckland Plan 2050: Development Strategy Monitoring Report 2022 - Existing Urban Areas (aucklandcouncil.govt.nz)
[15] Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021

provide certainty for infrastructure providers, while providing the flexibility to respond to changes in future land-use patterns.

The council therefore needs to better understand changes in land-use patterns using more sophisticated and integrated tools than it currently has. These tools need to provide a more informed view on infrastructure capacity in high demand locations, and consider the potential return on investing, to add capacity in those locations.

Prioritisation in a constrained financial environment

Most of the infrastructure that will support Tāmaki Makaurau over the longer term already exists. Infrastructure is costly, and the council's financial capacity to provide, maintain and operate infrastructure is limited. The council must balance its investment with maintaining existing assets, many of which have been in place for a long time, while ensuring these remain fit-for-purpose for changing communities.

Infrastructure will also be exposed to more natural hazard impacts, further challenging the council's financial capacity. With limited financial resources the council must decide how and where to invest to maintain infrastructure services, while ensuring that growth, and growth-related infrastructure deliver better outcomes for both communities and the environment.

Funding infrastructure to respond to growth

The challenge of funding growth is a combination of understanding what is required, who will pay, and how to get the best value from investments made.

It is important to understand the ability of existing infrastructure to accommodate growth when identifying areas of council's investments. This needs to be matched with the underpinning demand to live in those areas, so that a good understanding on the anticipated return on the council's investment gets achieved.

Who benefits from the provision of bulk and wider infrastructure is complex, but it is important that those who primarily benefit from it (which include the existing landowners and developers) pay an appropriate share of the cost of new infrastructure. The current funding tools available to council, particularly development contributions, have limitations and should be reviewed, modified, or supplemented.

New funding tools are needed. For example, the council currently cannot capture increases in land values that are generated through the councils investment in infrastructure, nor does the council have tools (such as time of use charging) to manage demand to help reduce investment requirements. To improve its funding and financing capability, the council has recently approved a move from a 10-year Development Contribution Policy to applying a 30-year timeframe, across some parts of the region[16]. However, the council is considering using other tools like targeted rates and infrastructure funding and financing levies under the Infrastructure Funding and Financing Act 2020 to raise the funds required to deliver across its Spatial Priority Areas.

[16] Auckland Council Development Contributions Policy 2022 – Variation A

Funding infrastructure

Significance for infrastructure: There continues to be a gap between the funding available through existing mechanisms, and funding required to deal with the issues facing our infrastructure. It is essential that the council makes decisions for current and future communities to ensure efficient infrastructure investment that maximises every infrastructure dollar spent.

Auckland Council's adopted commitments include:

- When making decisions and managing finances, a local authority should take account of and promote the interests of future as well as current communities.[17]
- Promoting the social, economic, environmental and cultural wellbeing of communities in the present and for the future.[18]
- Spatial priority areas identified for targeted investment over the next 30 years to service expected growth across Tāmaki Makaurau the existing urban areas.[19]
- Raising most of our debt through sustainable finance mechanisms such as green bonds and diversifying the use of these mechanisms with tools such as sustainability linked loans and bonds.[20]

Current state of Auckland Council's infrastructure response

Figure 10: Maturity of the council's infrastructure response to Funding, using the framework set out in ***Figure 6***

The council has funding and financing policies and tools to guide infrastructure investment, including annual and long-term plans. It can also apply specific growth charges such as development contributions and infrastructure growth charges to fund growth infrastructure. The council's infrastructure providers have a good and improving understanding of the condition and renewal/maintenance requirements of their assets. Full funding of renewals is not yet standard practice, as non-critical renewals are sometimes deprioritised through budgeting processes. Renewals funding will, however, be better informed as asset data is improved.

The process for using these tools to fund existing commitments is well established and applied cyclically to respond to the changing economic environment and population growth. However, the council needs more

[17] Local Government Act 2002, s14 (1)(c)(ii) and 101(1)
[18] Local Government Act 2002, s10(1)(b)
[19] Tāmaki – Whenua Taurikura, Auckland Future Development Strategy 2023-2053
[20] Auckland Council Sustainable Finance Framework, Sept 2023.

sophisticated forecasting and data to make well-informed decisions on prioritising investment in a constrained funding environment.

Figure 10 indicates the maturity of this infrastructure response, see Section 3 for further details on our response and the council's planned actions.

The challenges for infrastructure

Funding infrastructure is challenging for the council. The council needs sufficient information and the right processes to make well-informed decisions about what to fund and how to prioritise in order to meet our financial sustainability commitments within a constrained funding environment. The council also needs to have the right funding tools available to ensure those who benefit the most from the council's investments pay their fair share.

Understanding funding requirements and making informed trade-offs

Our decision-makers need to have confidence that the council has a robust understanding of our infrastructure funding needs. This means ensuring that elected members are presented with transparent, consistent information about our existing infrastructure, including its performance, condition and maintenance needs. We also need to ensure that decision-makers have access to an evidence-based understanding of the infrastructure costs associated with responding to our long-term infrastructure issues (as described in this strategy).

The council needs to further refine its decision-making processes to ensure that infrastructure investment trade-offs and priorities are clearly identified and considered. Progress has been made through the establishment of the Investment Impact Assessment Tool, and focused approach to growth (used in budget processes since the 2021 Long-term Plan). A Strategic Investment Framework for Infrastructure and an investment hierarchy[21] have also been introduced but are not yet embedded in the development of infrastructure investment.

The current funding system

New Zealand's local government funding system does not provide an adequate, fit-for-purpose range of funding tools the council needs to fund the infrastructure required in Tāmaki Makaurau. Even at the targeted rate level, rates are a blunt funding tool and can be a political challenge to impose. The council uses growth-based funding mechanisms such as development contributions or infrastructure growth charges to deliver growth infrastructure, but these rarely cover the full cost of the infrastructure, particularly when considering the whole of life costs (as opposed to just the initial capital investment). Additionally, the transport funding system is broken and is not fit-for-purpose for the region's needs. The local government funding tools are not adequate for the 21st century.

Critically, funding systems do not yet respond to emerging challenges. The council has not yet established how it will fund a proactive approach to emerging issues such as coastal retreat, climate adaptation, and transitioning to zero-carbon infrastructure. Additionally, much of the infrastructure for highly urbanised areas across Tāmaki Makaurau already exists, and the costs associated with these systems are increasingly operational. The ongoing increase of operational costs is also challenging as rates are a significant source of funding.

[21] Both delivered in response to the 2021 Infrastructure Strategy and the Group Asset Management Policy (2023)

Equity

Significance for infrastructure: Infrastructure plays a central role in community wellbeing and investment provides an opportunity to address inequity and reduce the disparity of outcomes currently experienced by some communities. For Tāmaki Makaurau to be a place where people continue to want to live and work, all Aucklanders must have the opportunity to succeed and to share prosperity.

Auckland Council's adopted commitments include:

- Focusing investment to address disparities and serve communities of greatest need.[22]
- Making decisions based on 'evidence of need' and the voices of Aucklanders.[23]
- Enabling a more regenerative and inclusive economy for the people and wellbeing of Tāmaki Makaurau.[24]
- Supporting communities (whānau, hapū, iwi, people) to lead their own responses. And enable them to define, deliver and monitor the things that enable help them to thrive.[25]

Current state of Auckland Council's infrastructure response

Figure 11: Maturity of the council's infrastructure response to Equity, using the framework set out in Figure 6

The Auckland Plan 2050 recognises growing inequity as one of the three biggest challenges for Tāmaki Makaurau. The council has policy in place to address equity (for example, through the Auckland Plan and Ngā Hapori Momoho). However, a clear relationship between this policy and infrastructure investment is generally weak. A small number of investments have clear equity drivers, but this is not yet business as usual. Figure 11 indicates the maturity of this infrastructure response, see Section 3 for further details on our response and the council's planned actions.

The challenges for infrastructure

Infrastructure represents our biggest investment, and therefore a significant opportunity to improve equity by providing all Aucklanders with a fair opportunity to access jobs, education and quality wellbeing support. The key challenges we face in leveraging infrastructure investment are conceptualising, measuring and investing in equity.

Defining and measuring equity

Currently the council lacks a shared definition of what equity is, including how infrastructure investment impacts on communities with the greatest needs. Improving our understanding through better data

22 Auckland Plan 2050, Belonging and Participation, Focus area 6
23 Nga Hapori Momoho: Thriving Communities 2022, Investment Principles
24 Te Mahere Whanake Ōhanga: Economic Development Action Plan 2021-2024
25 Nga Hapori Momoho: Thriving Communities 2022, Key Shift 3

collection and establishing a shared definition of equitable infrastructure will support better infrastructure investment to produce multiple benefits for our communities.

Prioritising investment in addressing equity

Infrastructure has a significant role to play in reducing disparities and sharing prosperity with all Aucklanders. Work is underway to reduce inequity and support communities of greatest need, but, if and how equity outcomes are considered by infrastructure asset managers and planners varies.

Currently, equity is not used consistently as a criterion when we manage assets, define demand, or design solutions. Our lack of understanding and measurement of equity means that we do not make the most of our infrastructure investments to provide multiple benefits.

A key challenge is to consider broad return from our investment. This includes considering improvements which are not typically valued when assessing our infrastructure spend, such as improvements to health and wellbeing, and supporting social connections.

Te Ao Māori Infrastructure

Significance for infrastructure: There is no clear vision for infrastructure that is built from a foundation of mātauranga Māori, and the council does not have a clear understanding of what Māori infrastructure is. A desired state of infrastructure systems, including mana-enhancing and mauri-enhancing, should be developed so that infrastructure can contribute to Māori aspirations.

Auckland Council's adopted commitments include:

Te Tiriti partnership approach, Mātauranga as a foundation

- Mana whenua and Māori are active partners, decision-makers and participants alongside Auckland Council Group.[26]
- Embracing the council group's commitment to a treaty-based partnership with Māori.[27]
- Resourcing mana whenua to enable meaningful partnership relationships with the council.[28]
- Reflecting mana whenua mātauranga and Māori design principles throughout Auckland.[29]

Enabling Kaitiakitanga, Māori relationship with the environment [30]

- Mana whenua are supported as kaitiaki of te taiao in Tāmaki Makaurau.
- Incorporating a Māori world view to treasure and protect our natural environment (taonga tuku iho).

Marae Development[31]

- Investing in marae to be self-sustaining and prosperous.

Te Mauri o Te Wai, the life sustaining capacity of Auckland's Water, is protected and enhanced[32]

- Regenerative and mauri enhancing infrastructure.

[26] Kia ora Tāmaki Makaurau, Kia Ora Te Hononga Outcome
[27] Auckland Council Organisational Charter, We honour Te Tiriti o Waitangi
[28] Auckland Water Strategy, Strategic Shift 4
[29] Auckland Plan 2050, Māori Identity and Wellbeing, Focus area 7
[30] Auckland Plan 2050, Environment and Cultural Heritage, Direction 2
[31] Auckland Plan 2050, Māori Identity and Wellbeing, Focus area 2
[32] Auckland Water Strategy, Strategic Shift 4

- Assessing existing and new water infrastructure for its impacts on mauri.
- After 2030, only building water infrastructure that is regenerative and mauri enhancing.

Current state of Auckland Council's infrastructure response

Figure 12: Maturity of the council's infrastructure response to Te Ao Māori, using the framework set out in Figure 6

The council has policy on delivering Māori outcomes. The council's proposed LTP 2024-2034 includes $171 million towards the achievement of the Māori outcomes. There is currently little integration of Māori outcomes or consideration of how infrastructure components and characteristics can align with a Te Ao Māori view, in the remainder of the council's infrastructure investment. Achieving better outcomes for Māori can be delivered through the everyday budgets and activities of council and council-controlled organisations (CCOs), a significant portion of which is through infrastructure investment. Figure 12 indicates the maturity of this infrastructure response, see Section 3 for further details on our response and the council's planned actions.

The challenges for infrastructure

Our existing approach to infrastructure has been one that is not regenerative, nor mauri and mana enhancing.[33] As a result, a significant proportion of Māori are not best served by our infrastructure. Future infrastructure needs to have different components and characteristics to our existing infrastructure to align with a Te Ao Māori view and support better outcomes for Māori.

Key challenges for the council include:

- developing better partnerships with Mana Whenua
- aligning infrastructure decision making with Te Ao Māori principles
- understanding Māori infrastructure systems.

Partnership with Mana Whenua

The council has made progress towards an organisational shift to partner with mana whenua, but at the infrastructure decision-making level we do not consistently work in partnership with mana whenua. Currently, where partnership occurs, it is mainly at a project level and there are projects which demonstrate the positive results achieved. Engagement processes which support ongoing and enduring partnerships between mana whenua and the council are still being developed. The current council process and a lack of prioritisation have placed mana whenua under pressure to engage across a range of topics.

[33] Auckland Water Strategy, Strategic Shift 4

The council needs to partner with mana whenua at a strategic level to better address some of the long-term issues for Tāmaki Makaurau and influence infrastructure planning. The current approach also means that 'by-Māori, for-Māori' is generally not enabled or delivered, though initial efforts to embed this approach are included in recent work such as the Storm Fund for resilience.

Incorporating Te Ao Māori into infrastructure decision-making

Te Ao Māori has not been a common consideration in the development of infrastructure in Tāmaki Makaurau. Due to historical and sometimes current practices, mana and mauri are diminished by existing infrastructure. Council needs to partner with mana whenua to embed Te Ao Māori principles that will identify how the infrastructure system might be provided differently. Consistently applying an intergenerational view to infrastructure planning and investment, prioritising mātauranga for defining problems and designing solutions, enabling mana whenua to exercise kaitiakitanga, and recognising that one collective group/decision may not work for mana whenua, will contribute to better infrastructure decision-making.

Understanding Māori infrastructure

The council does not yet have a common and clear understanding of Māori infrastructure systems. Building this understanding in partnership with mana whenua and mataawaka would enable the council to better understand its role and how the council's investment plans impact Māori. This might include building an understanding of interdependencies, for example: between roads and marae, the use of the council's facilities by Māori, and vulnerability and resilience in Māori infrastructure.

Environmental Degradation

Significance for infrastructure: Construction and operation of infrastructure puts pressure on the environment. It is our responsibility to ensure that we reduce negative impacts.

Infrastructure investment can contribute to enhancing the environment and regenerating environmental systems to ensure that the natural environment is preserved, protected and cared for, both for its intrinsic value and to sustain life for future generations.

Auckland Council's adopted commitments include:

Regenerating natural systems

- Regenerating natural systems by increasing uptake and integration of connected, nature-based solutions in development planning.[34]
- Increasing the average tree canopy cover across Auckland's urban area, protect mature trees through no net loss of tree canopy.[35]
- Te Mauri o Te Wai, the life sustaining capacity of Auckland's Water, is protected and enhanced.[36]
- Establishing the necessary guidance and tools then, from 2030, only building water infrastructure that is regenerative and mauri enhancing.[37]

[34] Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan, Action N3, Indigenous Biodiversity Strategy, Objective 3; Parks and Open Space Strategic Action Plan, p24.
[35] Auckland's Urban Ngahere (Forest) Strategy, Section 5
[36] Auckland Water Strategy
[37] Auckland Water Strategy

- Infrastructure in Auckland captures, uses and recycles water efficiently so that everyone has access to enough water of the appropriate quality to meet their needs.[38]
- Raising most of our debt through sustainable finance mechanisms such as green bonds and diversifying its use of these mechanisms with tools such as sustainability linked loans and bonds.[39]

Reducing Waste

- Auckland aspires to be Zero Waste by 2040 and turning waste into resources.[40]

Current state of Auckland Council's infrastructure response

Figure 13: Maturity of the council's infrastructure response to Environmental Degradation, using the framework set out in Figure 6

There are a number of components to the issue of environmental degradation caused by infrastructure. The council's responses to these issues are at different stages of maturity. The council has policy to support and protect our environment, though the council is still defining expectations and boundaries for managing the impacts infrastructure can have. While the council strategy strongly supports reducing environmental degradation, to date, the scale of investment response has not aligned with its strategic goals, or the magnitude of this issue. Figure 13 indicates the maturity of this infrastructure response, see Section 3 for further details on our response and the council's planned actions.

The challenges for infrastructure

Historically, infrastructure has often resulted in damage to the environment. Managing the impacts of past decisions and evolving our business-as-usual approach is a key challenge that the council faces. As the council repairs and renews its existing infrastructure system, there are also opportunities to protect and regenerate our natural environment. Challenges to active restoration of the environment include inconsistent analysis and prioritisation of environmental impacts, and we lack clear boundaries for the impacts infrastructure has on the environment.

Evaluating the environmental impacts of infrastructure investments

Infrastructure investments are not systematically or consistently evaluating potential environmental impacts. For example, it is a challenge to include 'whole of life' cost and environmental cost benefits analysis into infrastructure planning and investment, which has traditionally been narrowly defined. This has resulted in a limited use of green infrastructure or incorporation of Te Ao Māori perspective and leadership in infrastructure design. Current renewal processes are also a challenge as infrastructure renewals are primarily planned as 'like for like' and are not developed or prioritised using other potential outcomes (such as environmental).

[38] Auckland Water Strategy
[39] Auckland Council Sustainable Finance Framework, Sept 2023.
[40] Auckland Waste Management and Minimisation Plan 2018, Section 1&3.

Strategies and regulations don't set and enforce environmental expectations.
Another challenge for infrastructure to respond to the environment is that the council's strategies and regulations do not consistently set and enforce expectations or boundaries on infrastructure impacts. The implementation of the National Policy Statement on Freshwater Management and the ongoing resource management reforms present an opportunity for addressing this policy gap.

We are not prioritising investment in the environment (including green infrastructure). Infrastructure investment mostly focuses on a limited range of values, such as prioritising land-use activity and economic benefits. This can come at the expense of communities and the environment. As part of improving our response, we are working to prioritise investing in green infrastructure (nature-based solutions) and to incorporate a Te Ao Māori perspective in infrastructure design.

The council needs to raise debt to fund the infrastructure needs of our growing region. To meet growing demand for green and sustainable debt products, it is desirable to ensure that as many as possible of the assets we invest in meet our green bond and loan eligibility criteria set out in Auckland Council's Sustainable Finance Framework 2023 [41]. Currently we do not have enough assets on our books that meet the applicable criteria to enable council to raise all of our debt in a green format. This creates a risk that access to the financial markets becomes more restrictive and expensive and we suffer reputationally. See the LTP Supporting information, 1.4 Financial Strategy, s5.5 for further detail on sustainable finance.

Other Issues

Our infrastructure faces many other issues that already have well-established responses but still require significant investment over the next 30 years. They are well understood as issues, and we know we need to invest in them, now and into the future, and potentially beyond the 30-year scope of this infrastructure strategy. Ultimately, for our investment strategy, if we do not spend money on these issues now, there is a detriment to the overall system. Action on these issues is happening at a national, regional, and local levels.

Public health and safety

Much of our infrastructure exists to support public health and safety, and the construction and operation of infrastructure systems presents health and safety risks for both staff and our communities. Health and safety policy and legislative drivers are well established across the whole council group, and individual infrastructure portfolio level.

Requirements for infrastructure investment are generally understood and embedded in investment decision-making (ie. safety considerations in transport design, building safety requirements). Health and safety is therefore an ongoing driver of both capital and operational expenditure.

All seven significant issues for infrastructure (identified above) have an overlap with public health, safety, well-being and prosperity in Auckland. For example, further investment in infrastructure and better partnership with communities is required to address health inequities and provide greater access to wider kaupapa Māori services for Māori communities.

Technology and innovation

Technology and innovation are playing an increasingly significant role in the infrastructure system. Technologies to improve productivity, increase performance and reduce long-term costs are constantly

[41] Auckland Council Sustainable Finance Framework, September 2023

emerging. Technology can also support our infrastructure providers in their response to each of the significant infrastructure issues already mentioned.

The council's infrastructure providers have an ongoing financial and logistical challenge to identify-which tools to adopt and when. It is important that the council takes a 'whole-of-life' view of our technology platforms to understand where we can invest to provide better services and enable savings or get a better return.

Central government is currently reviewing the approach to critical infrastructure resilience at a national level[42]. This work recognises rapid technological changes as offering efficiencies and opportunities for how we deliver infrastructure, but also amplifying risks such as cyber-attacks. Central government will develop an approach to this risk and may include a regulatory approach. Any centralised approach will need to be applied to the management of the council's infrastructure.

Asset management maturity

There is scope across the council group to increase the strategic alignment of our asset management, including around building resilience, managing risk and evolving our infrastructure.

Progress has been made in recent years through the establishment of an Asset Management Policy (2023), a process for annual reviews of asset management data, and a Strategic Investment Framework for Infrastructure. These set us on a path towards more fit-for-purpose asset management consistent with international standards ISO 55000. Improvement is required in areas such as data quality, demand management, and the full costing of infrastructure. Delivery of these improvements will require focus on and resourcing for asset management planning.

Compliance with regulation

Auckland Council holds a large number of consents, ranging from very small and temporary, to those that influence a whole network – such as the stormwater network discharge consent. Close monitoring and forward planning is required to comply with the large number of consents held and meet changing standards. The requirements of our existing consents, new consents and changing standards are a trigger for infrastructure investment.

Section 3: Auckland Council's approach to managing our infrastructure

Section 3 sets out the Auckland Council's approach to managing infrastructure and includes a plan of action for the progress and improvement of the council's infrastructure management over the next two LTP cycles.

This section is split into two sub-sections:

- Sub-section 3A presents our approach to asset management
- Sub-section 3B presents our response to the significant long-term issues for infrastructure that were identified in Section 2.

[42] Critical Infrastructure Phase 1 Consultation - Department of the Prime Minister and Cabinet - Citizen Space (dpmc.govt.nz)

Section 3A: Approach to asset management

Figure 14 and Table 1 set out actions to improve the council's asset management maturity. These actions were initially presented in the 2021 LTP and have since been updated based on the progress of the last three years. Further detail about the council's approach to asset management follows the table.

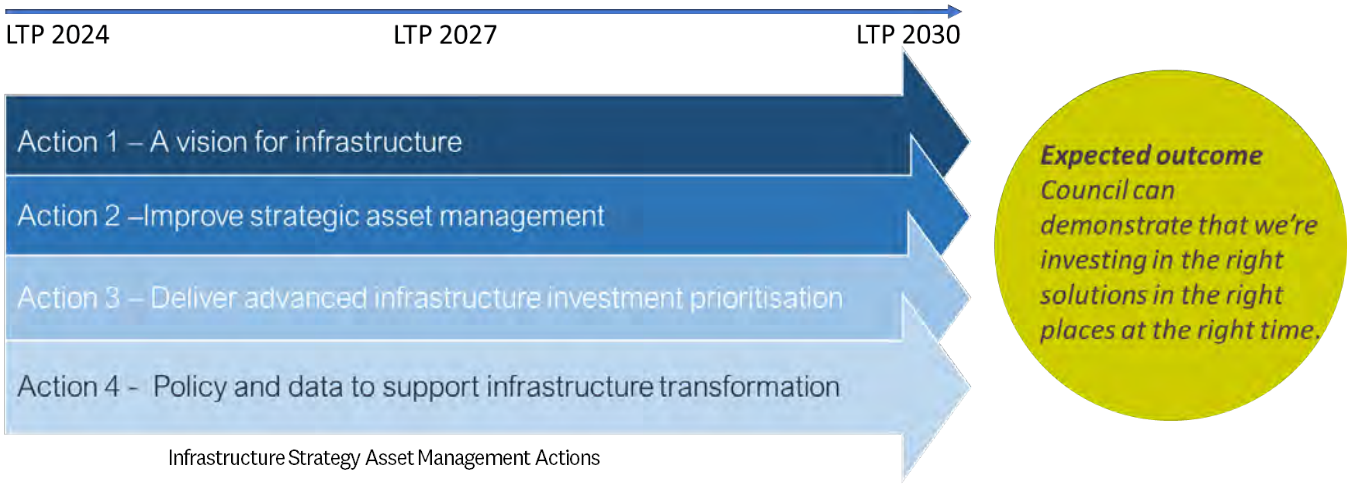


Figure 14: 2024 Asset Management Actions

Table 1: 2024 Asset Management Actions

Asset Management Action	Action Detail
Action 1: A vision for infrastructure	Building a vision for infrastructure in partnership with mana whenua and based on Te Tiriti.
	Continuing to provide regular updates of the long-term expectations of Auckland Council's infrastructure system (via the Strategic Investment Framework for Infrastructure).
	Supporting new and revised Auckland Council direction to provide simplified and specific direction for council infrastructure responses.
Action 2: Improve strategic asset management	Undertaking annual monitoring of Council Group asset management data, including reporting of asset data, strategic alignment (including with the Asset Management Policy), asset management maturity, and improvement plans. Report the results of this monitoring to elected members, the Independent Māori Statutory Board, iwi, and CCO (Council Controlled Organisations) Boards.
	Asset Management Plans (AMP) reporting against the expectations set out in the Strategic Investment Framework for Infrastructure.
	Demonstrating continuous improvement of asset management practices through the adoption and implementation of the Group Asset Management Policy. Focus areas for improvement will include strategic alignment, criticality and data improvement planning, demand management, implications of acquisitions and divestments, and visibility of risk management.
	Embedding consistent use of the infrastructure investment hierarchy (see *Figure 18*) across the council-group AMPs and business case processes. Includes development of guidance and financial reporting expectations.
	Reviewing the use of Asset Management Plans (AMPs) in the development of the council's budgets. Review will include consideration of the relative timing of AMPs and budget-making, the role of AMPs investment demands as a basis for budget-making, the role of levels of service in budget processes and the role of the community in the AMP/budget-making process.
Action 3: Deliver advanced infrastructure	Iteratively improving the quality and efficiency of the assessments presented through the IIA (Investment Impact Assessment). For example, through review of criteria, further granularity, and embedding the assessment in business planning processes (data management automation).

investment prioritisation	Improving the quality and strategic alignment of Levels of Service so that elected members are presented with a clearer link between investment and the services/outcomes provided.
	Embedding the Investment Impact Assessment further in the council's budget-making processes as a framework for understanding/making trade-off decisions.
Action 4: Policy and data to support infrastructure transformation	Establishing a consistent methodology for reporting of uncertainties related to long-term infrastructure decisions and investments.
	Adopting a consistent council approach to the full costing of infrastructure. This will address whole-of-life costing and broad accounting for costs and benefits (both financial and non-financial factors, like climate mitigation, resilience, etc.).
	Establishing a consistent council approach for prioritising and delivering multiple benefits (such as equity and increased resilience) from renewals investment. Includes review of funding and financial reporting requirements for renewals.
	Developing a council-group view of council infrastructure criticality and interdependencies, including any improvements to the data quality that are needed.

Approach to asset management

Asset Management Maturity

Since 2021, the council has made progress in its asset management maturity at a group level (see Table 2). This supports, and is supported by, work across the organisation to improve infrastructure management.

The maturity and strategic alignment of infrastructure planning currently varies across the council group (see indicative maturity in Figure 6). It is not necessary for all infrastructure portfolios to reach an advanced level of maturity, but it is important that the level of asset management maturity is appropriate for the assets and risks that are being managed.

Generally, the infrastructure portfolios that manage the largest asset bases and greatest levels or risk, are more mature in their asset management practices. We are working to improve our asset management maturity to ensure it is fit-for-purpose for the scale and significance of our infrastructure systems. This requires us to focus on, and resource, asset management across the council group.

The council's infrastructure providers track their asset management maturity using a variety of frameworks, assessors, and at different times. To illustrate the relative maturity of our asset management, we have carried out a high-level validation exercise using the Treasury's Asset Management Maturity framework.

Figure 15 provides an indicative view of the asset management maturity of our infrastructure providers. The recently adopted Group Asset Management Policy commits to undertaking annual performance reviews and external audits at least every three years, to measure and report on the effectiveness of asset management systems in supporting the delivery of Council Group priorities.

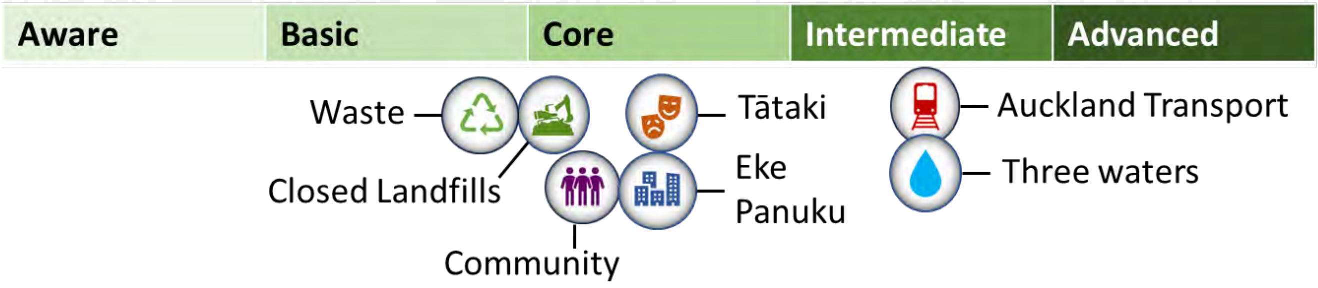


Figure 15: Indicative asset management maturity of Auckland Council infrastructure providers using the Treasury's Asset Management Maturity Framework

Indicators of maturity across the group include:

- **Asset condition** – All of our portfolios hold information on the condition of their assets. Particularly for our most significant portfolios (transport and community), this data is accessible, regularly updated, actively tracked and has data improvement plans in place. Other infrastructure portfolios are in the process of updating their asset data information systems and will then start the data improvement processes. Work is required to ensure that this data is clearly linked to investment decision-making.
- **Asset data quality** - good asset and investment data underpins long-term planning. Our asset managers work continuously to optimise their asset management planning processes, such as improving data confidence, more sophisticated asset data and deterioration modelling, a particular focus for improvements is our most critical assets. The improvement of infrastructure information is a focus across Auckland Council group, with all its asset management plans requiring improvement plans[43].
- **Understanding need** – the council is progressing towards a 30-year view, particularly in relation to growth. This will be an ongoing process, as long-term forecasting requires detailed understanding of asset requirements (expenditure needed for growth, renewals, levels of service and operations) and an ability to explain the associated uncertainties. The costs of elements of this need, such as the cost to adapt our infrastructure to climate change, are not yet included in our financial forecasting.

Asset Renewals

[*The following view of renewals v depreciation at a group level is a placeholder. Data and commentary will be available at an infrastructure portfolio level for the final LTP*]

Over the next 10 years we plan to invest more than $15 billion renewing infrastructure assets. Over the same period, our assets will depreciate by around $17 billion, as shown in Figure 15. Renewal investment levels are impacted by the amount of funding available and the timing that assets are due for renewal. For example, the City Rail Link is due to become operational, and start depreciating, in the early years of the LTP, but as a new asset significant renewals are not planned prior to FY34. Renewals programmes for key infrastructure portfolios have been planned to manage the condition of the assets, and are described in

[43] Auckland Council Asset Management Policy

more detail in Section 4 of this Strategy.

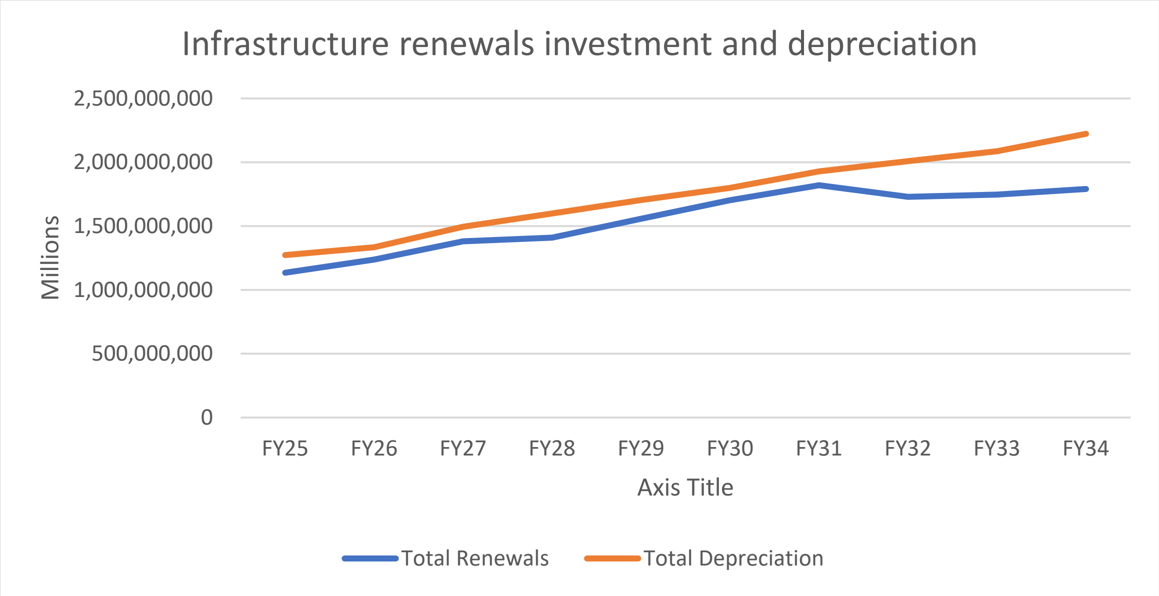


Figure 16 Infrastructure renewals investment and depreciation

Maintaining the services of our existing infrastructure requires ongoing investment in renewing our assets. The council's Revenue and Financing Policy sets out our approach to funding depreciation and informs how we fund asset renewal. Implementation of this policy requires an understanding of the condition of our assets to plan for each infrastructure portfolio's renewal requirements.

Full funding of renewals is not standard practise, as non-critical renewals are not all provided for through budgeting processes. However, better renewals funding decisions are likely to be supported by asset data improvements and work towards full funding of depreciation. Currently renewals are prioritised based on the condition and criticality of the assets. The Investment Impact Assessment (IIA) for the LTP shows that all critical renewals are included in the budget and that $3.8b (17.1%) of the council's renewals investment is dedicated to addressing critical renewals.

Risk Management

Each of the infrastructure issues described in Section Two present significant risks and uncertainties for the council's infrastructure systems. Therefore, risk management and informed risk-taking will continue to be central to our infrastructure management. We must recognise those risks that could potentially become obstacles in delivering outcomes for Tāmaki Makaurau.

The council has an established approach to risk management which includes:

- an enterprise risk management framework (aligned with ISO 31000) which provides a common platform for all risk management activities.
- an integrated and strategic approach to risk transfer (insurance) with a key objective of ensuring that the council group has the financial resource to recover from catastrophic and other events. The proposed Auckland Future Fund will also assist with self-insurance, with provision to fund significant expenditure to urgently respond to the impacts of climate change and other major environmental challenges.
- clear oversight of risk, including through the risk and assurance disciplines, governance oversight such as the council's Audit and Risk Committee, a solid financial planning process incorporating the LTP and Annual Plan, and external oversight by Audit NZ and the Office of the Auditor General.

This risk management approach provides a solid foundation for informed infrastructure decision-making, for example through better and more consistent communication of the ties associated with asset management planning. A basis of quality risk information will also support the council to make good decisions and enables the council to take advantage of opportunities and innovation to deliver necessary change in our infrastructure systems.

Risk management is also built into the way that we manage our assets, particularly through our focus on critical parts of our infrastructure systems where failure poses significant risk. As a key member of the Auckland Engineering Lifelines Group, understanding the consequences and likelihood of failure, and the changing demands on our infrastructure systems, allows us to better manage risks to these networks. Critical parts of our infrastructure systems are prioritised in investment programmes and in emergency contingency planning, as they are essential for Tāmaki Makaurau to function. Further detail on our approach to managing our critical assets is contained in section 4 of the Strategy.

Asset Management Actions

We require some systematic changes to our asset management approach to improve the ability of our infrastructure systems to respond to long-term challenges. The 2021 Infrastructure Strategy included a set of these 'asset management actions' for delivery over the next two LTP cycles (to 2027). The 2021 actions were intended to work together to improve our asset management maturity so that the council can better demonstrate that we are investing in the right solutions in the right places at the right time (see Figure 17).

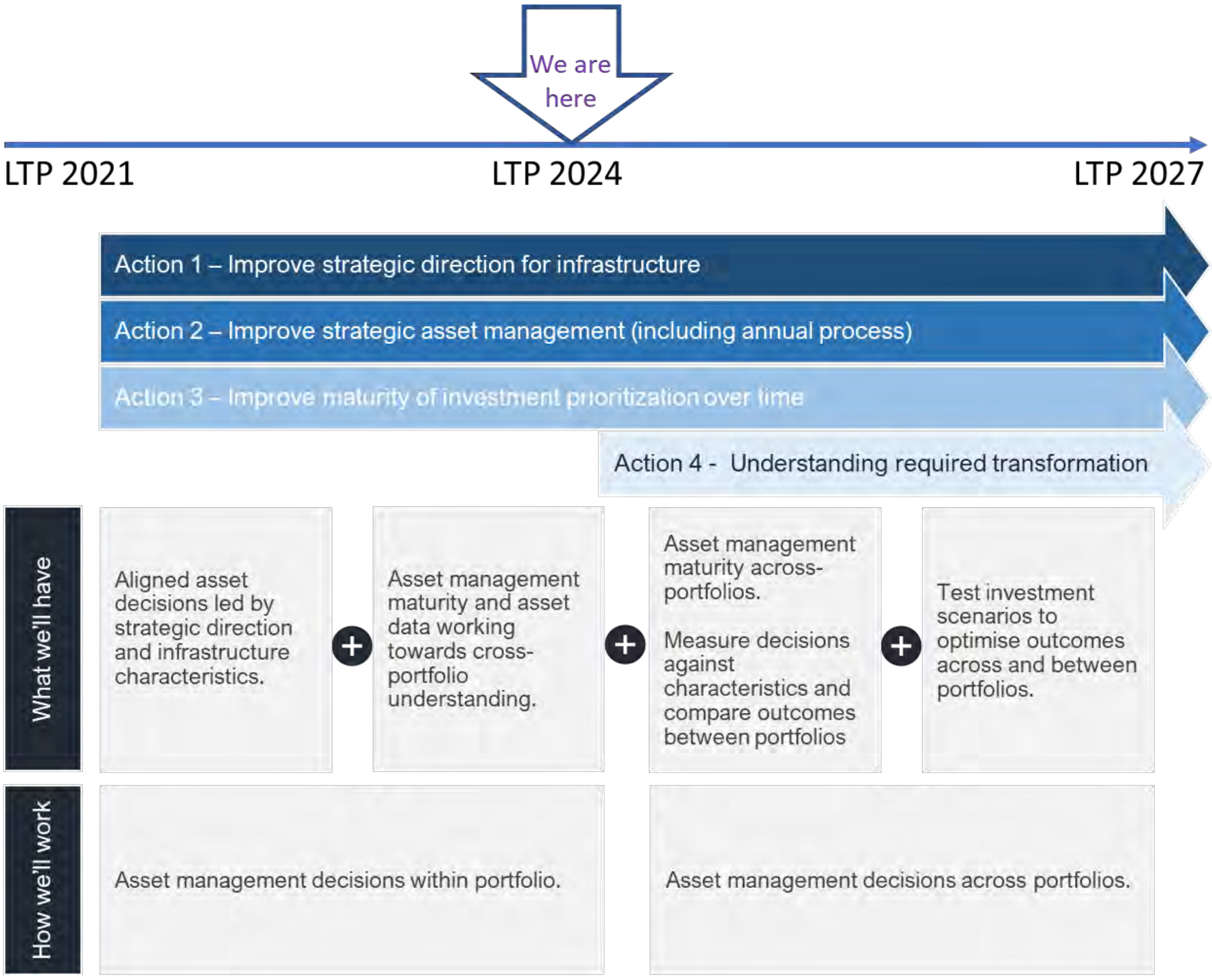


Figure 17: 2021 Infrastructure Strategy Actions

Three years on, the 2024 Infrastructure Strategy reports progress against those actions, and sets out a refreshed action-set to take the council forward to the 2027 and 2030 Long-term Plans.

Progress since our last Strategy

The council group has been busy implementing the actions of the 2021 Infrastructure Strategy. Table 2 summarises key areas of progress in each action, but in many cases the work contributed to more than one action.

Table 2: Progress on the 2021 Infrastructure Strategy Actions

Action	Complete	Underway	Planned
Action 1: Improve Strategic direction for infrastructure *Develop strategic direction for Auckland's infrastructure, including defining the characteristics that we want of our infrastructure systems.*	The Strategic Investment Framework for Infrastructure sets out the expectations of the infrastructure investment response to council's adopted strategic direction. The framework was issued to the group in 2022 with expectation to be updated annually.	Work is underway to define and measure the characteristics of resilient infrastructure, and infrastructure that supports equitable outcomes.	Work is planned to partner with mana whenua to apply a Te Ao Māori view to infrastructure planning.

Action 2: Improve strategic asset management, including establishing an annual strategic asset management process.	Group-wide annual review of Asset Management Planning was established in 2022. Includes updates on asset data, and a focused set of strategic issues to enable high-level tracking of asset management maturity. Group-wide asset management policy, setting out expectations and commitment to asset management practice was endorsed in 2023.	Work is underway to embed a set of key principles for asset management including the development of 30+ year AMPs, presentation of full (as practical) investment needs, whole-of-life costing, and use of the investment hierarchy (see *Figure 18*).	Work is planned to coordinate approaches to key asset management functions, for example – criticality and data improvement planning, demand management and risk management.
Action 3: Improve maturity of investment prioritisation over time.	A whole of council-group prioritisation process (Investment Impact Assessment) was established in 2021 and is now used every year for capital prioritisation.	The 2024 LTP is the first time operational expenditure was included in the whole-of-group prioritisation process.	This process is ongoing and the assessment is reviewed and improved annually.
Action 4: Understanding required transformation. *Scope and develop policy that removes barriers to, and supports, the transformation of our infrastructure systems.*		Work is underway to improve communication of uncertainties related to long-term decisions and investments. Work is underway to develop guidelines for embedding DAPP (dynamic adaptive planning pathways) in infrastructure planning and consistent, quality GHG (greenhouse gas) accounting.	

In response to Actions 1, 2 & 3, three ongoing processes (annual AMP reviews, Strategic Framework for Infrastructure Investment, and the Investment Impact Assessment) have been established to support the council in making evidence-based infrastructure investment decisions. Each of these processes requires ongoing work to run and embed deeply in the way that we approach asset management and budget-setting. Some of this work is already underway or planned. We need to continuously work on improvements to the processes and the quality of the data that feeds into them, to ensure that we have fit-for-purpose processes and information. That will support shaping council's response to the long-term infrastructure challenges.

Action 4 was planned for a later start, and as a result, less progress has been made on this action. This challenge/action remains relevant and further work is required to respond.

The progress recorded in Table 2 shows that the 2021 IS action framework (Figure 17) remains relevant and has been used as a basis for refreshed actions in the 2024 Infrastructure Strategy. The 2021 Actions have been refreshed for 2024 to reflect:

- progress to date
- learnings from the challenges of operating the three-processes (annual AMP reviews, Strategic Framework for Infrastructure Investment, and the Investment Impact Assessment)

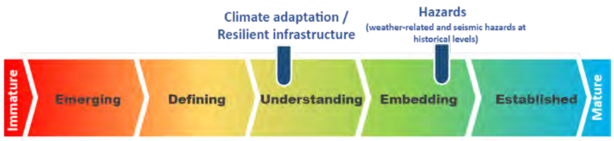
- learnings from the council's asset management practitioners
- actions that would support change in relation to multiple significant issues for infrastructure
- the updated Auckland Council Development Contributions Policy, and
- Te Waihanga/the New Zealand Infrastructure Commission's Infrastructure Strategy.

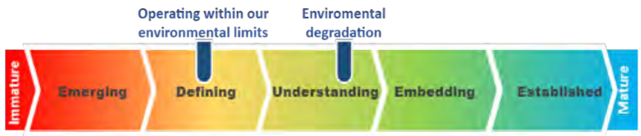
The refreshed set of asset management actions are summarised in Figure 14 and detailed in Table 1 above.

Section 3B: response to the significant long-term issues for infrastructure

Table 3 shows our plan of actions to the significant infrastructure issues (identified in Section 2), followed by further details about our approach.

Table 3: 2024 Infrastructure Issue Actions

Issue and current level of maturity	Actions
Greenhouse gas emissions  	Standardise and implement emissions accounting to measure lifecycle emissions across the Auckland Council group. Standards adopted for the Auckland Council group may draw on existing standards, such as PAS:2080:2023 'Carbon Management in Buildings and Infrastructure'.
	All Auckland Council asset management plans will demonstrate how planned investment avoids and reduces whole-of-life greenhouse gas emissions. The initial focus will be on the most emissions-intensive and highest value assets/investments within these plans.
Resilience  	Identify those areas where natural hazards make it necessary to change the assumptions used for infrastructure planning. Define these areas spatially and establish levels of service (or triggers) based on consistent underlying hazard data sets and align with any setting of natural hazard risk levels following the proposed National Policy Statement: Natural Hazard Decision-making.
	Infrastructure providers will respond to the requirements of Emergency Management Legislation in a coordinated and consistent manner across the Auckland Council group. Alignment will include use of consistent objectives, outcomes and risk appetite.
Growth  	Coordinate infrastructure investment and planning in the spatial priority areas to make the most of our infrastructure investment and drive regenerative, climate-positive~~,~~ and innovative solutions. This could include the establishment of spatial priority area specific levels of service (if required).
	Develop consistent practices across the Auckland Council group for inputting into and using the results of growth and land-use modelling in infrastructure planning processes.

Funding 	Use the investment hierarchy (*Figure 17*) as a basis for prioritising infrastructure funding, including understanding and testing the impacts of this on operational expenditure.
	Provide Auckland-based input to central government reform and improvement of infrastructure funding tools, including to advocate for a wider range of funding tools to generate funding and allow more efficient use of infrastructure.
Equity 	Further develop the Auckland Council group definition of equity. This should identify the characteristics of infrastructure and types of infrastructure investment that support~~s~~ equitable outcomes and includes the consideration of Māori outcomes.
	Embed consideration of equity in infrastructure prioritisation processes, programmes and projects through the development of a decision-support tool.
Te Ao Māori 	Partner with Māori in direction-setting for Auckland Council's infrastructure, initially through the development of a vision for infrastructure that is based on mātauranga (knowledge).
	Develop an Auckland Council-group understanding of 'Te Ao Māori infrastructure' in partnership with Māori.
Environmental degradation 	Develop a consistent approach to assessing and incorporating environmental impacts within Auckland Council-group infrastructure decision-making.
	Embed the consideration of green infrastructure within the options analysis in Auckland Council business case processes, including making checks against green bond and loan eligibility criteria.

Approach to the significant issues for infrastructure

Greenhouse Gas Emissions

Auckland Council's infrastructure approach to reducing greenhouse gas emissions in this LTP

The council's strategic direction in relation to greenhouse gas emissions is described in Section 2. The approach taken to actioning this direction through this LTP is presented in the Consultation Document. This directs the council to deliver on our emissions reduction goals and to achieve this through:

- incorporating whole of life GHG emissions into work programmes and decisions

- focussing on the most efficient ways to deliver significant emissions impacts. Prioritising areas with the greatest opportunity for impact (such as transport) and the lowest cost delivery of climate positive projects
- coordinating the achievement of savings targets with emissions reduction (so that savings reduce both cost and emissions)
- measurement and reporting on climate performance across the council group to ensure accountability
- considering how our assets can be leveraged to generate electricity (including solar) and reduce our emissions and energy costs.

Greenhouse gas emissions reduction in the council's infrastructure planning

The council's commitments around emissions reduction are beginning to influence all our infrastructure investment decisions. For example, reducing greenhouse gas emissions is a criterion in the Investment Impact Assessment (IIA) process that informs the development of the LTP and annual budgets. Emission reduction also has been weighted highly in the investment scenarios that have informed the council budget decisions since 2022 and is becoming a priority within the council business case development. It is also part of the sustainable procurement framework[44], and the procurement policies of council-controlled organisations, and should be considered as part of all of the council procurement decisions.

The council's approach to emissions reduction is resulting in deliberate planning to reduce emissions within our infrastructure portfolios. The council's infrastructure providers are at various stages in their planning for emissions reduction. Some are focussed on planning for the emissions that they directly control, or some of their assets classes. Others are working to extend this planning to cover all asset classes and the whole-of-life impact of their infrastructure on emissions reduction. Further work is needed to fully embed this planning in infrastructure management and investment.

All of the council's infrastructure providers are developing their reporting of greenhouse gas emissions, and are at varying stages in their carbon reduction journey. Some infrastructure portfolios have begun by focusing their reports on key programmes and projects. Several infrastructure providers have established systems for collecting and reporting on Scope 1 and 2 emissions.

No council infrastructure provider is currently reporting comprehensively on embodied emissions. Further work is needed to achieve consistent and comprehensive emissions reporting and to connect this reporting to asset management systems.

Investment in greenhouse gas emissions reduction

The Investment Impact Assessment for the LTP identifies investment that provides value relating to reducing greenhouse gas emissions.

$4.6b (20.5%) of the council's 10-year capex was identified as delivering investment that is in line with the emissions reduction commitments under Te Tāruke-ā-Tāwhiri Auckland's Climate Plan, and avoiding or minimising embodied and operational emissions as much as practicable[45].

[44] Our Sustainable Procurement Framework and objectives (aucklandcouncil.govt.nz)
[45] Note that investment that delivers outcomes against a criteria in the IIA may also deliver value against multiple other criteria. Therefore, this investment should be understood as indicated of the council's investment in this criteria and will overlap with the council's investment in other outcomes.

Investment in reduction of greenhouse gas emissions includes:

- A focus on reducing transport emissions by promoting greater use of public transport. The Climate Action Transport Targeted Rate provides $1.056 billion investment over 10 years from 2022 in buses, ferries, walking, cycling and our urban ngāhere (forest). This investment is already delivering outcomes for Aucklanders, such as new frequent bus routes, electric ferries, and tree planting services.
- A solid waste programme of $125m of capital expenditure over 10 years that focusses on diverting waste from landfill.
- Community investment of $13.77m over 10 years is ring-fenced for delivering outcomes around key GHG emitters (such as pools and leisure centres and farms) and switching to alternative energy sources.
- Decarbonisation projects at the Auckland Art Gallery and Stadiums includes $1.6m of investment.
- Investigation of options for renewable energy generation on our assets (*advice available for final LTP decision making*)

Actions

The council's infrastructure response to the greenhouse gas emissions is set out earlier in this section. This response confirms the greenhouse gas emissions challenges for infrastructure outlined in Section 2, these are:

- measuring and planning for emissions reduction
- greenhouse gas emissions reduction need to underpin investment decisions
- an equitable transition.

More work is needed to ensure that our infrastructure makes a positive contribution to meeting our emissions reduction targets.

Overcoming these challenges would enable us to take the next steps towards an established infrastructure response to emissions.

We have planned two key actions across all council's infrastructure over the next LTP cycle:

1. Standardise and implement emissions accounting to measure lifecycle emissions across the council. Standards adopted for the Auckland Council group may draw on existing standards such as PAS:2080:2023 'Carbon Management in Buildings and Infrastructure'.
2. All of the council asset management plans will demonstrate how planned investment avoids and reduces whole-of-life greenhouse gas emissions. The initial focus will be on the most emissions intensive assets/investments within these plans.

Resilience

Auckland Council's infrastructure approach to resilience in this LTP

The council's strategic direction in relation to resilience is described in Section 2. The approach taken to actioning this direction through this LTP is presented in the Consultation Document. This directs the council to fix infrastructure, with an emphasis on appropriately renewing and maintaining our assets so that they are resilient to shocks. The proposed LTP also has a focus on strengthening the council's physical resilience through:

- the Making Space for Water programme (detailed below under 'investment in resilience'). This includes cost sharing with central government in relation to Category 3 buyouts.
- the establishment of the Auckland Future Fund, which will assist with self-insurance, with provision to fund significant expenditure to urgently respond to the impacts of climate change and other major environmental challenges.
- continuing to fund activities that reduce the likelihood of stranded assets, support community resilience and reviewing the Unitary Plan, which also reduces long-term cost to council and community.
- Managing the seismic strengthening of assets through a contestable prioritised fund.

Resilience in the council's infrastructure planning

Across the council, we are investing significant effort in increasing the resilience of Tāmaki Makaurau. Our infrastructure portfolios have a key role to play in embedding this focus in their asset management planning. There is significant work occurring around the council group to deliver resilient infrastructure. For example, work is underway to develop a flexible approach for our infrastructure response based on Dynamic Adaptive Policy Pathways (DAPP).

In accordance with the Aotearoa Climate Standards, the council group has identified group-wide climate-related risks that are likely to impact the group at both a business and financial level (see LTP Consultation document, Part 8, Strategic setting). Most of the council's infrastructure providers have a good understanding of the key hazards they face and are working to improve the detail of their understanding of risks to their assets.

Specific planning for resilience is in progress and varies in relation to hazards and infrastructure portfolios. We have invested significant planning effort in some hazards such as flood/stormwater management. Work has also been done in relation to other hazards such as land instability, coastal erosion and heat related hazards. Some infrastructure providers have started using Dynamic Adaptive Policy Pathways (DAPP) in their planning.

Many of the council's infrastructure providers have an enhanced understanding of natural hazards and of how vulnerable their infrastructures are to flooding and land instability following the storm events of 2023. Many providers have also faced larger-than-expected renewal programmes because of the storms. They are considering how they can use the renewals programme to increase the resilience and adaptive capacity of their existing infrastructure. Currently, there is not a consistent approach to this, though coordination is being provided in some instances such as with Shoreline Adaptation Plans. Further work is needed to amend existing funding policy that favours like-for-like renewals. The experience of the 2023 storm events has also resulted in increased operational readiness to respond to future shocks.

Investment in resilience

The Investment Impact Assessment for the LTP identifies investment that is providing value in relation to climate resilience and adaptation. $5.7b (25.1%) of the council's 10-year capex was identified as increasing the resilience of the surrounding existing community and/or ecosystems to natural hazards and climate change in the long-term (30+ years).

The Planned and proposed investment in infrastructure resilience includes:

- the Storm Response Fund that provides $20m per year of operating funding to increase proactive infrastructure maintenance and monitoring, infrastructure resilience design standards, and spatial assessment of priority risk areas, including regional and location-specific guidance to increase resilience
- Auckland Transport intends to invest $2.4b over 30 years in a programme of network resilience and adaptation
- Tātaki Auckland Unlimited's $4m fund (over 10 years) for proactive infrastructure resilience
- Making Space for Water programme with $728m of capital investment over 10 years. Comprised of nine initiatives, including blue-green networks in critical flood-risk areas, management of high-risk properties, overland flow path management, and flood intelligence
- the Shoreline Adaption Plan Programme will provide $34m of funding (over the next 10 years) to implement coordinated adaptation planning for council-owned land and assets, increasing resilience and adaptive capacity.

Actions

The council's response to the resilience issue is set out earlier in this section. This response sets out important resilience building activities, but also confirms the challenges for infrastructure set out in Section 2, these are:

- prioritising resilience
- transforming the infrastructure system and taking a coordinated and proactive approach.

There is much more work required for our infrastructure resilience to match the scale of the hazards that it faces and the scale and frequency of damage to assets and infrastructure. We have identified two key actions for the next LTP cycle to help overcome these challenges.

1. Identify those areas where natural hazards make it necessary to change the assumptions used for infrastructure planning. Define these areas spatially and establish levels of service (or triggers) based on consistent underlying hazard data sets and align with any setting of natural hazard risk levels following the proposed National Policy Statement: Natural Hazard Decision-making.
2. Infrastructure providers will respond to the requirements of Emergency Management Legislation in a coordinated and consistent manner across the council. Alignment will include use of consistent objectives, outcomes and risk appetite.

Growth

Auckland Council's infrastructure approach to growth in this LTP

The council's strategic direction in relation to growth is described in Section 2. The approach taken to actioning this direction through this LTP is presented in the Consultation Document. This directs the council to

- Continue to advocate for better coordination, funding tools and support from central government.
- Support the Kāinga Ora brownfield growth programme (Auckland Housing Programme), where projects are supported by central government funding. Renegotiation of funding agreements with the new government is likely to be required.

- Focus spending on communities with growth.
- Prioritise growth investment in the spatial priority areas identified in the Future Development Strategy.

Growth in the council's infrastructure planning

The council's growth assumptions link the Tāmaki – Whenua Taurikura, Auckland Future Development Strategy to asset management planning. Current growth assumptions are outlined in the Auckland Growth Model scenario i11v6. The council will update this scenario to reflect the direction set in the Future Development Strategy. We are also investing in strategic spatial modelling, including scoping out a new land use and growth model that should be developed in time to inform the 2027 LTP. This new model will significantly improve our capability to make regional land use and growth projections.

Responding to growth is well embedded in infrastructure providers' asset management planning. Population growth is a key assumption used in asset management plans. All of the council infrastructure providers use i11v6 as the baseline growth assumption, however, there is some variability about how infrastructure planning uses and inputs into growth projections. In addition to population growth, changes in the location and make-up of population and land use are also used in the council's asset management planning.

All infrastructure providers face the increasing expenses associated with growth programmes. The approaches that the council infrastructure providers use to prioritise and manage these expenses often align with the Tāmaki – Whenua Taurikura, Auckland Future Development Strategy, investment hierarchy shown in Figure 18. This hierarchy prioritises integrated planning and demand management as efficient investments. Demand management strategies vary for our different infrastructure portfolios, for example, the transport focus on mode shift to manage demand on roading assets, or the setting of water use targets to manage the need for new water supply sources.

Efficient delivery is also a driving factor for coordination activities between infrastructure portfolios. This coordination is particularly useful for managing complex areas that are undergoing rapid development. However, we need to apply this level of coordination across more of the investment programme including in existing urban areas, Spatial Priority Areas (SPAs), and including renewals and level of service projects.

Figure 18: Infrastructure Investment Hierarchy (Tāmaki – Whenua Taurikura, Auckland Future Development Strategy 2023-2053, adapted from Rautaki Hanganga o Aotearoa 2022 – 2052 New Zealand Infrastructure Strategy)

Investment in growth

The Investment Impact Assessment for the LTP identifies investment that is aligned with the approach set out in the Future Development Strategy. $1.9b (8.5%) of the council's 10-year capex was identified as providing infrastructure that supports development planned in Spatial Priority Areas in the next 10 years, or is of regional benefit (servicing live-zoned land).

Key growth investments planned for years 1-10 of the budget are identified in the Future Development Strategy, and shown in Figure 19 [*this figure will be updated to reflect LTP commitments, prior to the final LTP adoption*]. This shows the general location of the corridors and sites of required infrastructure. The projects identified were either committed and funded or signalled for likely investment at the time of FDS adoption. The timing of these key projects helps to inform a broad understanding of when and where growth at scale is likely to occur. There is uncertainty around the timing and delivery of medium and long-term projects due to the constrained financial environment and planning in progress. Waka Kotahi (New Zealand Transport Agency) and Kiwi Rail projects are also subject to funding by Central Government.

All infrastructure portfolios also report the growth component of their investment, which is presented in Section 4 of this Strategy.

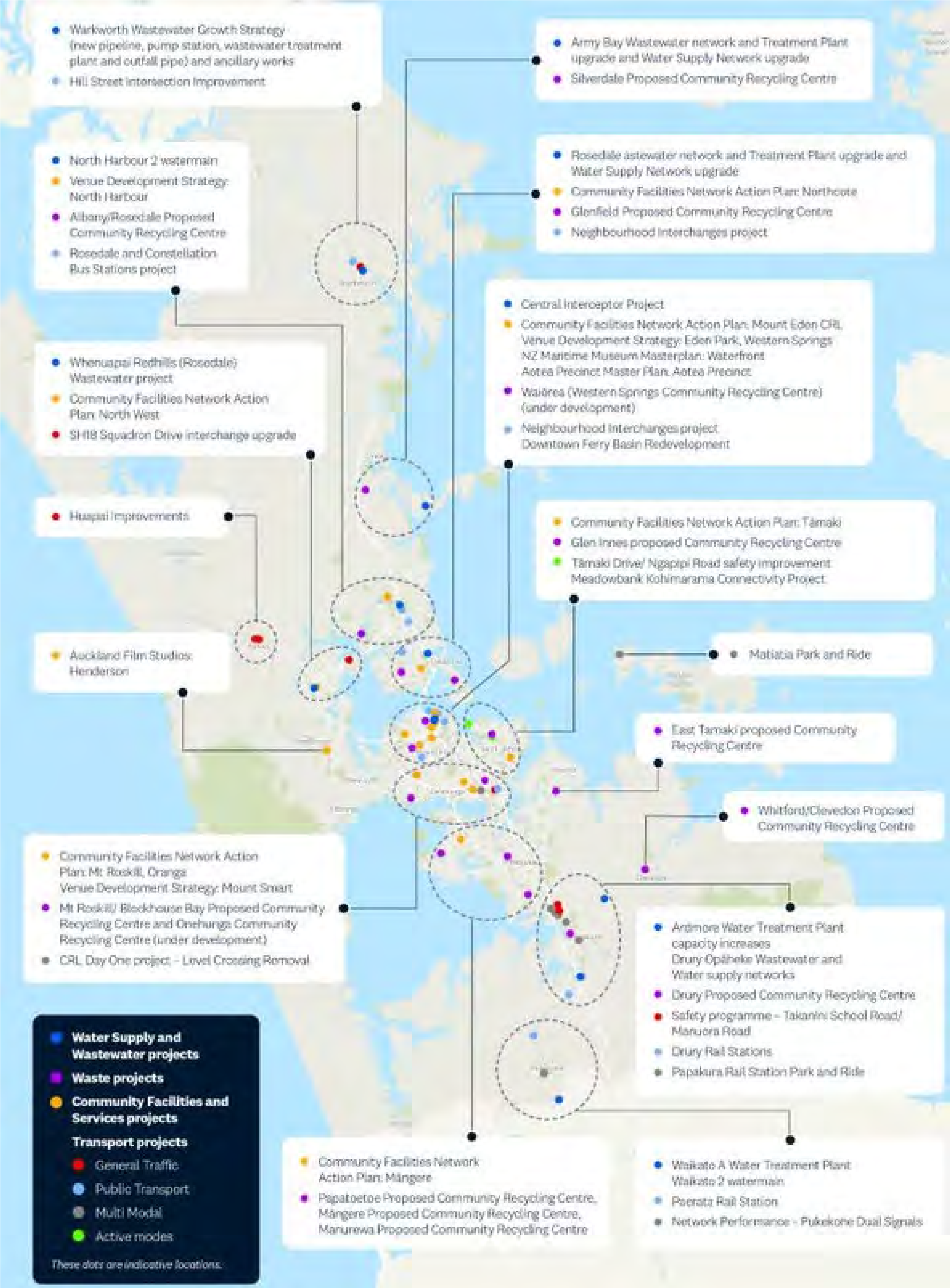


Figure 19 Key infrastructure growth projects to support development capacity (Years 1-10)

Actions

The council's infrastructure response to growth is set out earlier in this section. This response confirms that the council's infrastructure providers have a robust response to growth and that there are still challenges around achieving a coordinated and efficient growth programme across the council. These challenges were set out in Section 2 as:

- responding to growth, market pressures and changing policy
- prioritisation in a constrained financial environment
- funding infrastructure to respond to growth in Tāmaki Makaurau.

We have identified two key actions for the next two LTP cycles to support the council in approaching growth in a more coordinated and consistent way.

1. Coordinate infrastructure investment and planning in the spatial priority areas to make the most of our infrastructure investment and drive regenerative, climate-positive, and innovative solutions. This could include the establishment of spatial priority area specific levels of service (if required).
2. Develop consistent practices across the council, for inputting into and using the results of growth and land-use modelling in infrastructure planning processes.

In addition to these actions, note that the funding actions below, and work proposed under asset management Action 3 (embedding the investment hierarchy), are intended to support an efficient infrastructure response to growth.

Funding infrastructure

Auckland Council's approach to funding the infrastructure that Tāmaki Makaurau needs in this LTP

The council's strategic direction in relation to funding the infrastructure that Tāmaki Makaurau needs is described in Section 2. The approach taken to actioning this direction through this LTP is presented in the Consultation Document. This directs the council to:

- Prioritise investment, including a general rule that investment decisions should be informed by analysis of costs and benefits and that the council should not invest where the costs exceed the benefits.
- Work with central government on funding arrangements. This includes in relation to funding transport renewals, securing the regional fuel tax, cost-sharing on property buy-backs following the 2023 storms, water investment, and the Auckland Housing programme.
- Progress time of use pricing, working with central government to confirm details around the ownership and operation of the scheme.
- Partner with community groups and other organisations to deliver investment required to transform the community portfolio.
- Prioritise capital and operational efficiency across the wider LTP.

Prioritising funding in the council's infrastructure planning

Infrastructure providers across the council understand the need to prioritise limited resources. They all take part in the Investment Impact Assessment (IIA) to inform budget-envelope setting. However, at a more detailed level, prioritisation is not applied systematically across the group because there are a variety of prioritisation frameworks being used. Prioritisation is also influenced by a range of broader considerations such as the sequencing and deliverability of investments, and the direction received from elected members and CCO boards. Multiple funding sources, such as funding from central government, also come with multiple conditions that are not always aligned and can make prioritisation difficult.

All of the council's infrastructure providers are committed to making efficient investments. This is demonstrated through investment in demand management and making the most of existing assets (aligned with the investment hierarchy shown in Figure 18).

The council makes use of a range of the available tools to fund its infrastructure services. These include general and targeted rates, fees and charges, and development contributions. The council recently decided in principle to include in the Development Contributions Policy projects planned for delivery beyond 2031, starting with Drury.46 By including these longer-term investments in the Contributions Policy, the cost will be spread over development occurring now and in the future. Implementing longer term (11-30 year and beyond) development contributions in parts of Tāmaki Makaurau will require detailed costing of and planning for long-term infrastructure investments. Long-term planning recognises the uncertainty around the scale and pace of growth and changes to the associated infrastructure requirements. As new information becomes available and financial forecasts are updated the council will review and update its infrastructure investment as part of future LTP cycles. Further, the council sees a need for different and more flexible funding tools for infrastructure that are more fit-for-purpose and easier to administer and enable fuller funding from infrastructure users and beneficiaries.

Actions

The council's infrastructure response to funding is set out earlier in this section. This response confirms that we have established processes to make informed funding decisions and effectively use the funding tools that are currently available. This also confirms that the challenges set out in Section 2 remain as areas where further maturity provides additional assurance in relation to funding the council's infrastructure. These challenges are:

- understanding funding requirements
- making informed trade-offs.

We have identified two key actions for the next LTP cycle to support the council develop a more mature response to issues related to funding infrastructure.

1. Use the investment hierarchy (Figure 18) as a basis for prioritising infrastructure funding, including understanding and testing the impacts of this on operational expenditure.
2. Provide Auckland-based input to central government reform and improvement of infrastructure funding tools, including to advocate for a wider range of funding tools to generate funding and allow more efficient use of infrastructure.

Additionally, the Infrastructure Strategy asset management actions include action 3 which is about improving the sophistication of investment prioritisation.

[46] Auckland Council Development Contributions Policy 2022 - Variation A

Equity

Auckland Council's infrastructure approach to equity in this LTP

The council's strategic direction in relation to equity is described in Section 2. The approach taken to actioning this direction through this LTP is presented in the Consultation Document. This directs the council to:

- Establish fairer funding for local boards – more equitable funding through a combination of reallocation of funding between local boards and some new funding in the first three years of the LTP.
- Greater community-led decision making through local boards, with funding to provide advice to support this decision-making.
- Community-led flood resilience (part of Making Space for Water – see resilience, above), including advice for property owners in high-risk areas, industry-specific advice, public events, and awareness campaigns.

Equity in the council's infrastructure planning

The council uses sustainable procurement and local board funding to embed equity in its infrastructure investment. Across the council there are several frameworks to enable sustainable and social procurement. These frameworks emphasise the potential of our investment to deliver:

- multiple well beings in Tāmaki Makaurau
- set targets including for contracting services from Māori and Pasifika businesses
- enable local employment opportunities.

Local boards receive funding from the Governing Body based on a range of weightings as set out in the Local Boards Funding Policy, including the level of local social deprivation. This funding then flows into local infrastructure investment like community facilities. The recent Auckland Council Governance Framework Review increased local board decision-making in relation to community services. Local boards are also provided with information about deprivation and demographics to assist their decision-making on local infrastructure investment.

A number of the council's infrastructure providers are taking steps to embed equity in investment decision-making. The approaches taken are varied and include:

- using equity as a factor in funding decisions
- managing individual infrastructure facilities together with local communities
- prioritising investment
- developing a framework to identify, respond to and monitor equity outcomes within the transport system.

Though the council understands that infrastructure can deliver equity outcomes, the development of a common definition for the equitable provision of infrastructure services is yet to be finalised. Work is also underway to develop guidance on:

- prioritising communities of greatest need at an infrastructure programme level
- prioritising communities of greatest needs at a project level
- considering the role of levels of service in addressing equity.

Investment in equity

Equity considerations are not sufficiently embedded in infrastructure providers' asset management systems for the council to easily and consistently identify how much investment it takes to improve equity. However, the Investment Impact Assessment for the LTP provides two useful perspectives of the council's investment in equity. $1.9b (8.5%) of the 10-year capex was identified as investment targeted to address disparities and serve the wellbeing of communities of greatest need and involving communities. $5.5b (24.3%) of investment is also providing multiple community outcomes, defined as three or more of the following:[47]:

- community connection and resilience
- physical and mental health
- affordability of access to services for all Aucklanders
- skills for the future (e.g. workforce transition)
- business transformation for resilience and growth
- nature in the city (like urban forests~~,~~ and parks that are locally accessible communities).

Actions

The council's infrastructure response to equity is set out earlier in this section. This response confirms the challenges for embedding equity in asset management as set out in section 2, these are:

- defining and measuring equity
- prioritising investment in addressing equity.

We have identified two key actions for the next two LTP cycles to support the council to develop a more mature response to equity.

1. Further develop the council group definition of equity. This should identify the characteristics of infrastructure and types of infrastructure investment that supports equitable outcomes and includes the consideration of Māori outcomes.
2. Embed consideration of equity in infrastructure prioritisation processes, programmes and projects through the development of a decision-support tool.

Te Ao Māori Infrastructure

Auckland Council's infrastructure approach to Te Ao Māori in this LTP

The council's strategic direction in relation to Te Ao Māori is described in Section 2. The approach taken to actioning this direction through this LTP is presented in the Consultation Document. This directs the council to:

- Invest the Māori outcomes fund in partnership with Māori, iwi, mataawaka and mana whenua.
- Leverage existing work that is underway to better outcomes for Māori.
- Use procurement to improve Māori outcomes.

[47] Note that investments may meet both equity and community outcomes criteria.

Te Ao Māori in the council's infrastructure planning

The council's strategies include commitments that can apply directly to infrastructure, such as investing in Māori-led and co-designed initiatives that tautoko kaitiakitanga (support stewardship).

These initiatives can deliver regenerative and mauri-enhancing infrastructure, and support marae with safe and compliant physical infrastructure. However, we need to do more work to understand the role of Te Ao Māori and Māori infrastructure in the council's asset management planning.

The council is proposing to increase the centralised Māori outcomes fund (first introduced in the 2021 Long-term Plan) to $171m over 10 years. In addition to the central fund, delivering on Māori outcomes commitments also requires integration across the council's asset management planning. Te Ao Māori is not clearly or consistently included in the council's asset management planning and infrastructure investment, however, all infrastructure providers are taking steps to better include Te Ao Māori in their infrastructure planning.

Infrastructure providers primarily approach the role of Te Ao Māori in their infrastructure through mana whenua participation at a project level. A small number of projects have stepped further than participation, towards partnership. Some infrastructure providers are involving Māori more deeply in their approach to asset management planning by:

- working with mana whenua in the development of service levels
- direct investment in Māori infrastructure
- adopting a Te Ao Māori view in long-term planning through alignment with multi-generational timescales.

Investment in Te Ao Māori

The Investment Impact Assessment (IIA) for the LTP included an assessment of projects that deliver Māori outcomes. The IIA identified $2.9 (13.2%) of capex investment over 10 years that has been developed with Māori partnership or participation and delivers on at least three Māori outcomes as described in Kia Ora Tāmaki Makaurau.

Examples of investment in Māori outcomes include:

- Māori outcomes funding of $171m over 10 years.
- Auckland Transport's targeted investments in safety improvements for marae and papakāinga.
- the community portfolio provides opportunities for service co-design with Māori such as through the development of Te Paataka Koorero o Takaanini community hub, which has set the direction for establishing more local community hubs with a focus on the wellbeing of Māori whānau (family) across Tāmaki Makaurau within the next five years.

Actions

The council's infrastructure response to Te Ao Māori is set out earlier in this section. This response confirms the challenges to embed Te Ao Māori in asset management as set out in section 2. These challenges are:

- forming partnership with mana whenua~~;~~
- incorporating Te Ao Māori into infrastructure decision-making
- understanding Māori infrastructure.

We have identified two key actions for the next LTP cycle to support the council to embed Te Ao Māori in infrastructure decision-making:

1. Partner with Māori in direction-setting for the council's infrastructure, initially through the development of a vision for infrastructure that is based on mātauranga (knowledge).
2. Develop a council wide understanding of 'Te Ao Māori infrastructure'.

Environmental Degradation

Auckland Council's infrastructure approach to environmental degradation in this LTP

The council's strategic direction in relation to environmental degradation is described in Section 2. The approach taken to actioning this direction through this LTP is presented in the Consultation Document. This directs the council to:

- Deliver on the Mayor's promise of making the most of our harbours and environment.
- Continue to deliver on the targeted rates established for water quality, the natural environment and climate action.
- Deliver the Making Space for Water programme, which includes the development of blue-green networks and stream rehabilitation.

Environmental degradation in the council's infrastructure planning

Application of environmental direction in asset management planning is varied across the council and is generally not deeply embedded in this planning.

The council monitors and reports on the state of the environment, providing several consistent, longitudinal data sets that can inform infrastructure planning. State of the environment reporting recognises the role of infrastructure in degrading and supporting the environment. However, infrastructure providers generally have limited understanding of the impacts of specific assets or systems beyond resource consent requirements. Many infrastructure providers capture information about their use of resources like water and energy. Work is underway to improve what infrastructure providers understand about their environmental impacts, but until the infrastructure providers have a quality and consistent understanding of the impact of infrastructure on the environment, it will be difficult to embed environmental considerations into infrastructure investment decision-making.

Several infrastructure providers have policies and plans for reducing environmental degradation. These plans often establish higher standards for the most significant investments or set expectations around waste reduction and planning in infrastructure projects.

As a C40 signatory[48], the council is committed to raising most of its debt through sustainable finance mechanisms such as green bonds and sustainability-linked loans and bonds. Delivery on this commitment is dependent on having enough eligible assets that meet the applicable criteria. While green infrastructure forms part of the council's investment, it is not yet widespread enough to produce a sufficient pipeline of green infrastructure development to support the council's sustainable finance commitments.

[48] C40 is a global network of Mayors of nearly 100 leading cities taking urgent climate action.

Investment in the environment

The Investment Impact Assessment (IIA) for the Long-term Plan (LTP) included the identification of investment in green infrastructure. Over 10 years, $3.9b (17.3%) of the council's capex investment is in green infrastructure.

Additionally, the IIA identified $2.6b (11.5%) of investment that has significant or moderate positive impacts on the environment[49].

Actions

The council's infrastructure response to environmental degradation is set out earlier in this section. This response confirms the challenges to embed environmental considerations in asset management as set out in section 2. They are:

- evaluating the environmental impacts of infrastructure investments,
- strategies and regulations do not set and enforce environmental expectations
- we are not prioritising investment in the environment.

We have identified two key actions for the next two LTP cycles to support the council to embed environmental degradation considerations in infrastructure decision-making:

1. Develop a consistent approach to assessing and incorporating environmental impacts within the council infrastructure decision-making.
2. Embed the consideration of green infrastructure within the options analysis in the council business case processes, including making checks against green bond and loan eligibility criteria.

Additionally, a number of asset management actions captured in Section 3A are relevant to environmental degradation, such as 'whole-of-life' costing.

Other Issues

Public Health and safety

To a significant degree, an infrastructure response to public health is directed at a national level. Examples of a nationally coordinated response include:

- transport safety policies and actions
- sanitary conveniences requirements under the Health Act
- requirements for earthquake-prone buildings.

The council has shown commitment to infrastructure investment that prioritises the health and safety of our communities and complies with national direction.

The Investment Impact Assessment (IIA) for the LTP included an assessment of projects that are necessary to mitigate health and safety risks. The IIA identified $2.5b (11.1%) of capex investment over 10 years that is needed to avoid considerable harm, illness, or fatality that may occur once in three years.

[49] Note that investments may be both green infrastructure and be identified as providing environmental benefits.

Approach to technology/innovation

The council's use of technology within its infrastructure systems is constantly evolving. Increasing use of digital systems within our infrastructure can produce efficiencies. Ongoing work is also required to manage a technological shift without increasing the divide between accessibility.

Infrastructure providers look for opportunities to innovate and adopt new technologies where they would deliver a high return on investment. However, the cost of testing and adopting new solutions and the risk of failure is a barrier to innovation.

Compliance with regulation

Our infrastructure providers have systems in place for monitoring compliance and planning for consent renewals. These systems feed into our asset management planning. Significant legislative reform is underway, resulting in changing standards and approval requirements. Ongoing work is required to ensure that our infrastructure investment complies with and responds to regulation.

Section 4: Infrastructure Portfolio responses to infrastructure issues

The most likely scenario for capex and opex investment across the council's infrastructure portfolios is summarised in Table 4, Figure 20 and Figure 21. This scenario represents our investment response to the issues discussed in section two of this Infrastructure Strategy.

Over the next 10 years this Infrastructure Strategy covers approximately 97 per cent and 81 per cent of Auckland Council group's total capital investment and total operating expenditure, respectively. Operating expenditure therefore represents a significant proportion of our total infrastructure investment over this period (see Figure 20 for a more detailed breakdown by year). By year 10, the planned investment required to operate our infrastructure assets grows from 42 per cent in year 1, to 56 per cent of Auckland Council group's total investment due to Auckland Council servicing new growth through using existing assets more intensively and reducing investment in new assets. Further work is required to understand the longer-term funding and financial implications of this shift.

Table 4: Planned Auckland Council infrastructure investment over 10 and 30 years (includes CRL)

		10-year capex ($b)	10-year core opex ($b)	30-year capex ($b)	30-year core opex ($b)
Transport	Roads and footpaths	$9.0b	$2.4b	$53.7b	70.0b
	Public transport	$5.7b	$14.5b		
Community (including coastal)		$4.4b	$8.0b	$22.7b	$32.8b
Solid Waste		$0.2b	$2.3b	$0.6b	$11.5b

Cultural and economic infrastructure (Tātaki Auckland Unlimited)		$0.6b	$2.1b	$2.3b	$7.8b
Urban regeneration (Eke Panuku)		$0.9b	$0.9b	$2.5b	3.2b
Closed landfills		$0.07b	$0.07b	$0.1b	$0.2b
Three Waters	Wastewater	$6.6b	$2.7b	$26.5b	$10.5b
	Water Supply	$7.2b	$1.8b	$27.0b	$6.8b
	Stormwater	$3.3b	$1.3b	$9.0b	$4.4b
Infrastructure Strategy total		$38.1b	$36.4b	$145.0b	$147.4b
Other investment and services		$1.2b	$8.4b		
Financial Strategy total		$39.3b	$44.8b		

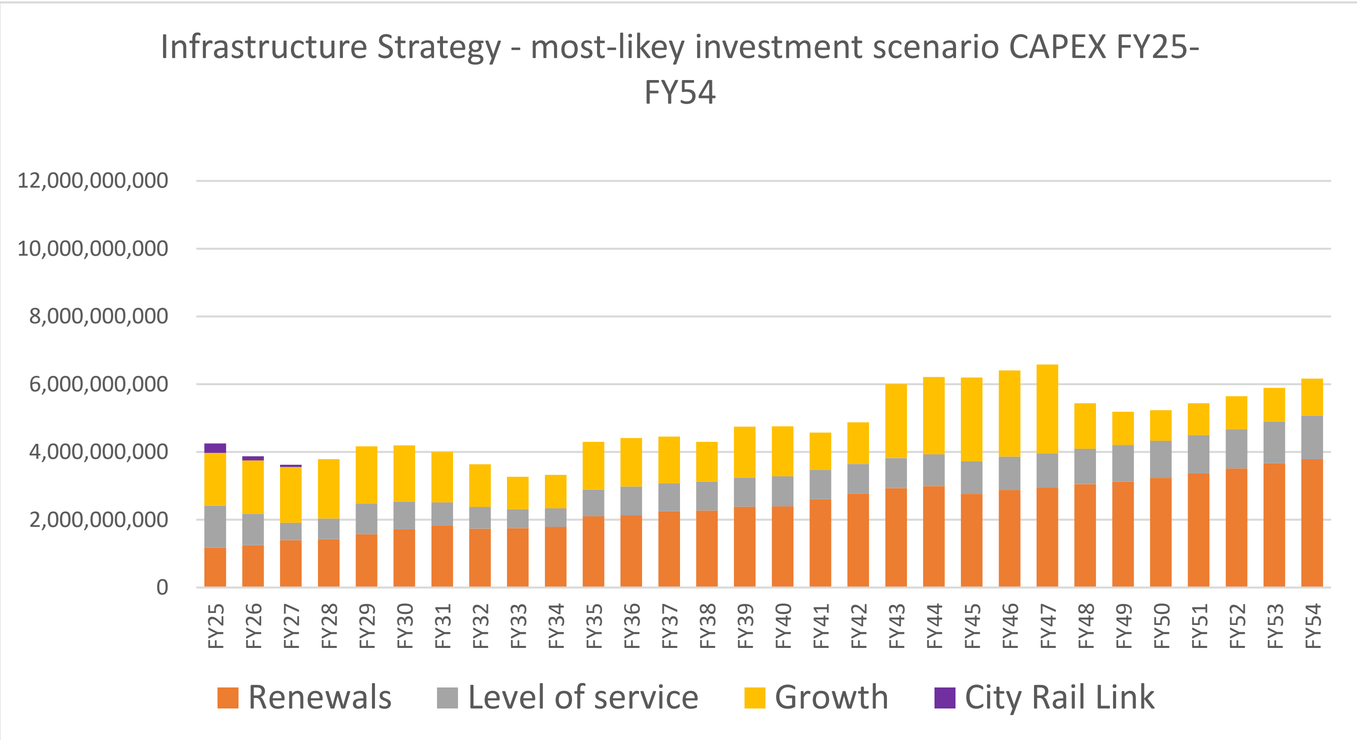


Figure 20: Auckland Council Infrastructure - most likely investment scenario CAPEX FY25-54 (20/02/2024 including CRL)

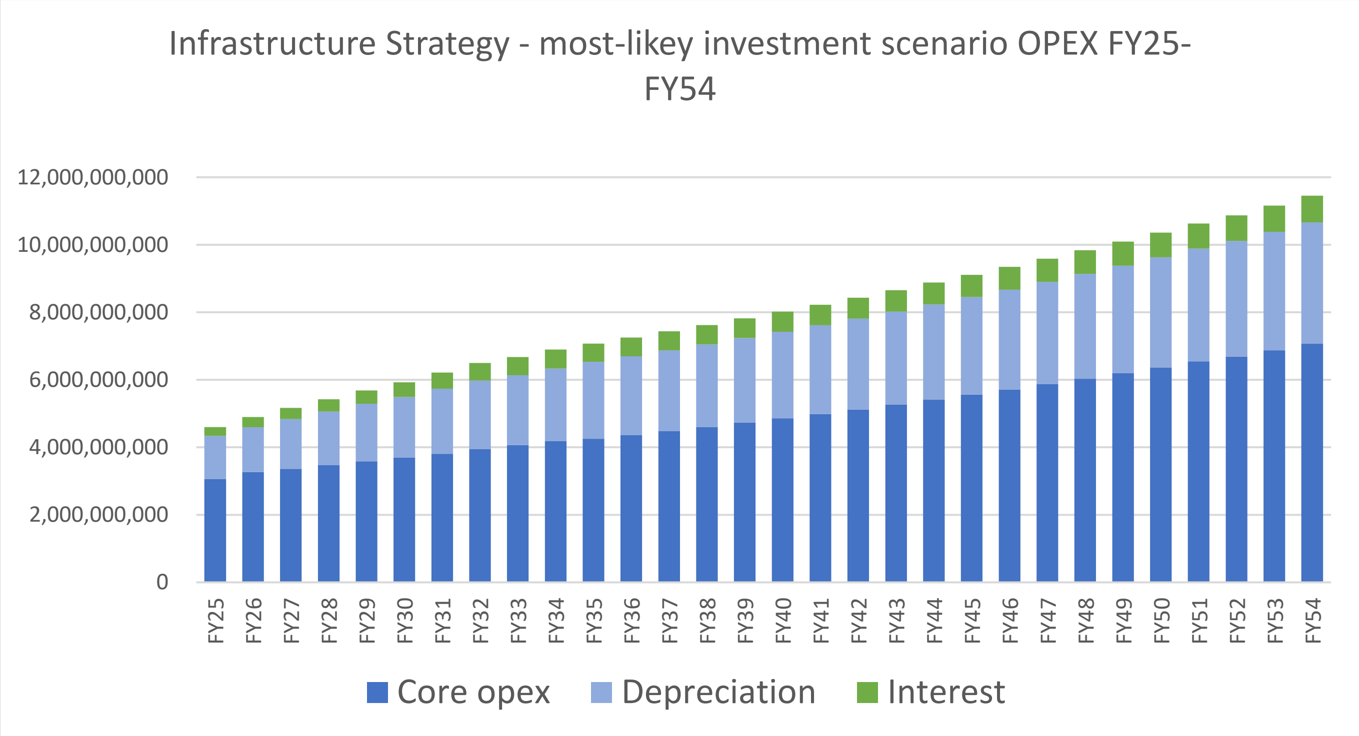


Figure 21: Auckland Council Infrastructure - most likely investment scenario OPEX – FY 25-54 (15/02/2024)

Financial forecasts in the Infrastructure Strategy are in nominal dollars and account for inflation in capital and operating costs. Group financial assumptions, including significant forecasting assumptions such as inflation, can be found in Section 2.2 of the LTP Supporting information, Prospective financial statements.

You can find more detail on the planned investment for each infrastructure portfolio (Transport, Waters, Community, Solid Waste, Cultural and economic infrastructure, Urban regeneration & non-service infrastructure and Closed landfills) over both the 1-10 year and 11-30 year timeframes in the following sub-sections.

Forecasting confidence and assumptions

Confidence in investment forecasts is higher in the short-term where many projects have detailed costings and have been awarded contracts. In the medium-long term there is less certainty of project costs as these are generally based on an 'order-of-magnitude' estimate.

In the longer-term, we also have less certainty around the assumptions that underpin the most-likely scenario. Specific sources of forecasting confidence for each infrastructure portfolio are addressed in the portfolio sub-sections below, and the overall impact of any uncertainties on infrastructure planning is summarised as follows.

Growth in demand for infrastructure services

The key growth assumptions that impact infrastructure planning are:

- projected growth – how much, when and where (common assumptions set out in the Auckland Growth Model scenario i11v6)
- priority locations for growth (identified in Tāmaki – Whenua Taurikura, Auckland Future Development Strategy)
- funding for growth (as agreed through long-term and annual planning).

Each of these assumptions are made with greater certainty in the first years of this strategy compared with the outer years. Confidence in these assumptions increases our ability to address the growth and funding challenges described in Section 2 of this strategy.

Confidence in our growth assumptions is managed at an acceptable level when we can produce defensible growth projections and have agreed to prioritise growth through Tāmaki – Whenua Taurikura, Auckland Future Development Strategy. Where infrastructure portfolio growth assumptions differ from the council group assumptions, these are noted in the portfolio sections below.

Levels of service

Levels of service, performance measures and targets for each of our infrastructure in years 1-10 are set out in Section 3 of the LTP Supporting Information, Our Activities. The most likely scenario for investment in each of our infrastructure portfolios assumes the delivery of these targets.

Clarity and confidence around delivery of, or changes to, levels of service is highest in the short term (first 3 years) of this strategy compared to later years. The pressures that the issues will assert on our infrastructure (described in section two) are easier to predict in the first decade of the Long-term Plan, and we cannot easily predict the types of solutions that will be developed by year 30.

We consider that the assumptions we make around levels of service have high levels of uncertainty at the 30-year time horizon, particularly around issues like climate change. This uncertainty could impact the cost, priorities and very nature of our infrastructure systems. As a result, we are adopting more flexible and adaptive approaches to planning for our infrastructure.

The levels of service specific to each infrastructure portfolio and the assumptions around the delivery of, or changes to, are reported in their relevant sections which follow below. A group-wide set of performance measures for financial performance, climate mitigation and adaptation, and Māori outcomes are not currently reported but will also be included in the final LTP. These will be applicable for all of the council's infrastructure providers and will include measures and targets for:

- Greenhouse gas emissions Scope 1 and 2

The long-term assumptions and trends associated with each of these measures will be reported accordingly. See Supporting Information 1.2 Summary of climate findings for further detail on climate.

Asset life

The useful life of the relevant asset classes is defined in the summary of significant accounting policies (Section 2.2 of the LTP Supporting information, Prospective financial statements).

The assumptions made around asset lifespan evolve slowly as pressures and technologies change. These changes can influence our infrastructure planning but are not a source of high uncertainty as our infrastructure renewals are generally managed using an optimised approach (rather than being replaced based on asset life) as described in each of the infrastructure portfolio sections below.

Asset life is one factor used in the council's renewals and maintenance planning. Other factors are also considered in deterioration modelling as described in the portfolios below). However, the current asset deterioration models generally only consider historical rates of deterioration. This means that the council may be underestimating the amount of funding required for asset renewals and recovery in future years and, in some cases, parts of the network may become economically unsustainable to maintain.

Investment prioritisation

For every Long-term Plan, Auckland Council is required to make difficult decisions about the level of investment appropriate to manage risks and deliver positive outcomes.

An investment prioritisation exercise, the Investment Impact Assessment (IIA), has been undertaken to test proposed group investment against 18 criteria to assess the impact of group capital and operational expenditure budgets for the 2024 Long-term Plan against council priorities. The purpose of the IIA is to provide information to support decision-making with a centralised "apples with apples" comparison between investments across the group. The IIA also supports council departments and Council Controlled Organisations (CCOs) to demonstrate relative alignment of planned investments with key council risk areas, strategic direction and Long-term Plan priorities.

The investment prioritisation exercise has built on the process used for the 2021 Long-term Plan, the 2022/2023 Annual Budget and the 2023/2024 Annual Budget. The development of the 2024 Long-term Plan has been the first time that operational expenditure has been included in this prioritisation exercise. The level of granularity for operational expenditure data was a lot lower than for the capital expenditure. The investment prioritisation exercise will continue to improve the detail around capital and operational expenditure be in future budget rounds.

To support the development of the 2024 Long-term Plan the IIA assessed to what extent our investment demands across the group deliver on the following four categories of criteria:

- Service delivery criteria including those associated with health and safety, legal, contractual, maintaining existing levels of service and critical asset maintenance and renewals.
- Financial criteria test revenue generation, funding arrangements and cost escalation of our investments.
- Well-managed local government criteria that reflect governance and efficiency requirements.
- Strategic alignment criteria associated with meeting commitments and/or targets associated with the Auckland Plan, equity, Māori outcomes, climate mitigation and adaptation, environment, Te Mauri o Te Wai and Auckland's spatial growth patterns.

To understand the trade-offs between investments (capital and operational) in two important ways:

- The extent to which programmes, projects and service areas that perform well would be impacted by a reduction in expenditure.
- The types of programmes, projects and service areas that would be considered "lower priority" against the mayor's priorities.

The IIA analysis indicated that the majority of planned investments across the group perform well against the 18 criteria and mayor's priorities. Only a very small amount of investment was considered to be lower priority. This means any reduction in capital and operational investment would start to impact delivery of our most important strategically aligned investments and result in significant reductions in level of service across the council group.

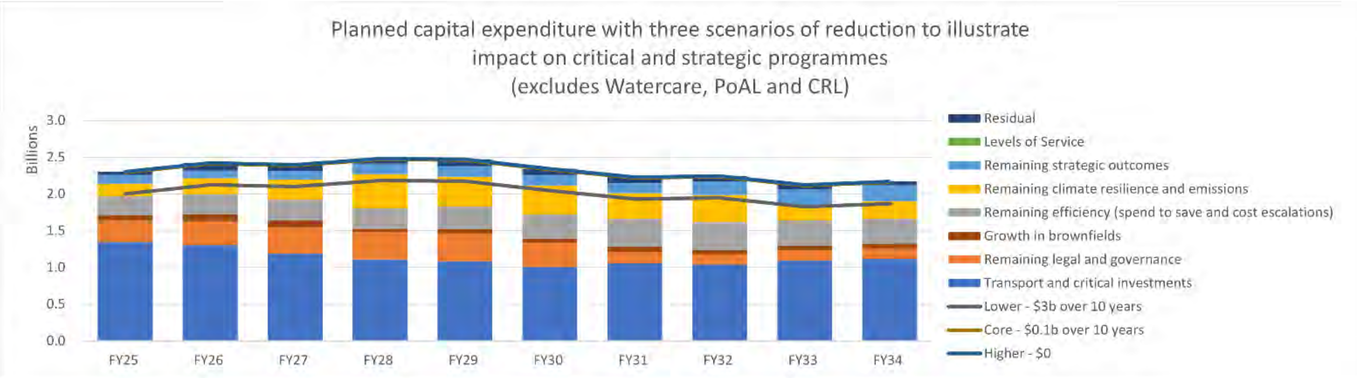


Figure 22: Planned Capital expenditure with three scenarios of reduction to illustrate impact on critical and strategic programmes.[50]

[[Placeholder for summary of findings following consultation, this may include comment on:

- *renewals*
- *growth*
- *Climate (emissions and resilience)*
- *Transport]*

The council's investment prioritisation work will be built on in the coming annual asset management cycles to ensure we have better information about the trade-offs between our investments, and better strategic alignment of our investment (see Asset Management Action 2 in Figure 14).

More detail about our plan to improve strategic alignment in our asset management processes, is contained in section three of this Infrastructure Strategy: Planned response across the Council group.

TRANSPORT

connects people, places, goods and services by providing access through an integrated transport system.

Portfolio Overview

Road Pavement	**$16.05b**	**Streets** (including pathways, stormwater, traffic signals, streetlights and signs, major culverts, and street furniture/features)	**$5.16b**	**Transport Infrastructure Portfolio Assets are worth $27 billion** **Depreciated by $544m in 2023**
Structures (Including bridges, walls, and gantries)	**$0.93b**			

[50] Figures based on the information that informed the Mayoral Proposal December 2023. An update to the Investment Impact Assessment will be undertaken to inform final LTP decision making.

Parking and other (including parking, airfields, harbour master, and other plant and equipment	**$3.11b**	**Public Transport** (including bus, ferry, and rail facilities, rail rolling stock, some wharves, and ferries)	**1.76b**	

Operating context unique to this portfolio

Transport infrastructure and services are planned, funded, and built by a mix of central and local government agencies. Auckland Transport, New Zealand Transport Agency (NZTA / Waka Kotahi) and KiwiRail provide the bulk of planning and delivery of land transport assets and services in Tāmaki Makaurau, with Auckland Council and the NZTA administered National Land Transport Fund being the primary providers of funding.

Efforts to align central government and Auckland Council priorities around an Auckland Integrated Transport Plan (AITP) are expected to inform decisions made in the 2024 LTP and Regional Land Transport Plan (RLTP). Effective asset management for Auckland's transport services forms the basis for strategic planning to support the LTP and RLTP statutory decision-making responsibilities of Auckland Council, the Regional Transport Committee, and the Auckland Transport Board of Directors.

Auckland Transport must deliver its programmes in line with the direction set by the Council and central government (via the Government Policy Statement on land transport). These directions identify priorities for investment such as:

- preventing death or serious injury across the transport network in Tāmaki Makaurau, including as outlined in the Vision Zero Strategy
- supporting a shift to public transport and the uptake of active modes (walking and cycling) through balanced investment
- reducing greenhouse gas emissions in line with the target to reach net zero by 2050[51]
- improving resilience and maintaining existing assets.

Auckland Transport has multiple stakeholders, investment priorities, funding sources, and planning requirements and constraints that are not always fully nor easily aligned. This can make decision-making and investment prioritisation, and delivery of services challenging. A systematic approach to asset management is critical to enable investment planning that balances risk, cost, and benefits (performance objectives) over the short, medium and long-term.

Regional Fuel Tax

The government has announced the cancellation of one of the council's funding sources, the regional fuel tax (RFT). The council had initially budgeted for two more years of the RFT to support investment in specified transport infrastructure and services, but this funding is no longer available for this LTP. As a result, the core proposal in the LTP has been updated with proposed RFT funding removed and a corresponding reduction in the level of investment in transport projects. The specific projects that would be affected have not yet been determined.

[51] The transport pathway to support this target is outlined in the Transport Emissions Reduction Pathway (TERP)

Asset Data

Asset condition and criticality

The following graphs show the condition of the AT portfolio, this is presented by major asset classes and the criticality of asset components.

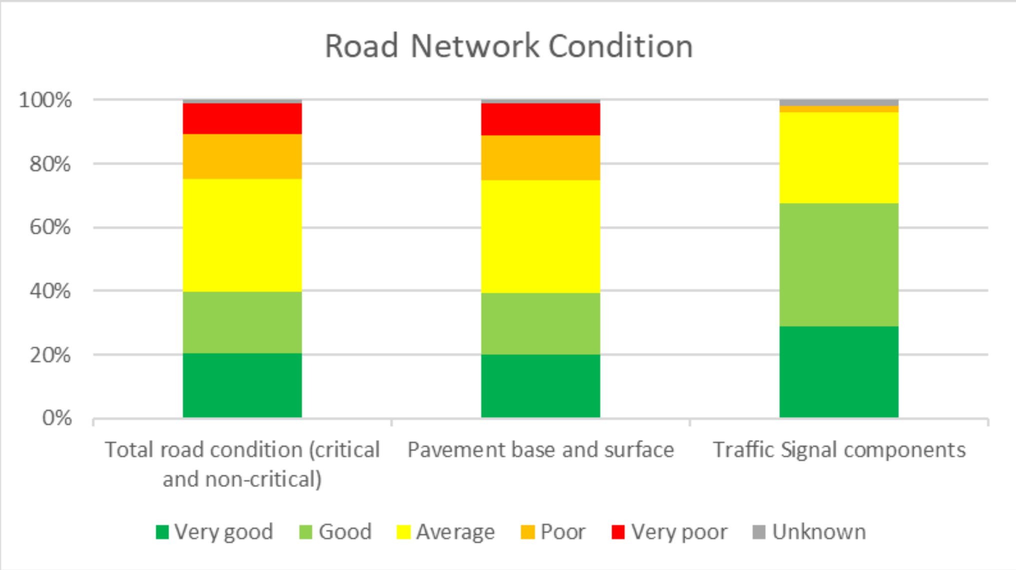


Figure 23: Road Network Condition (total and critical asset sub-classes), data at Sept 2023

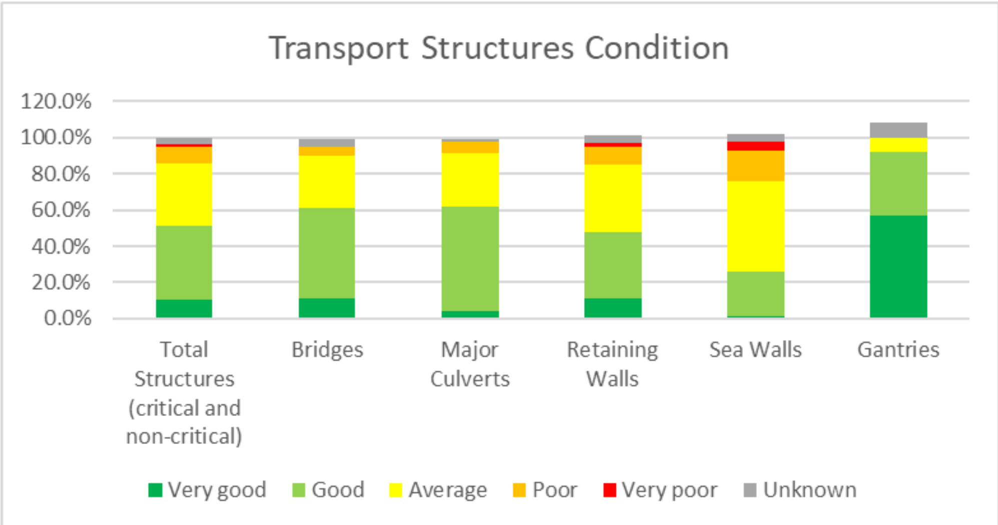


Figure 24: Transport Structures Condition (total and critical asset sub-classes), data at Sept 2023

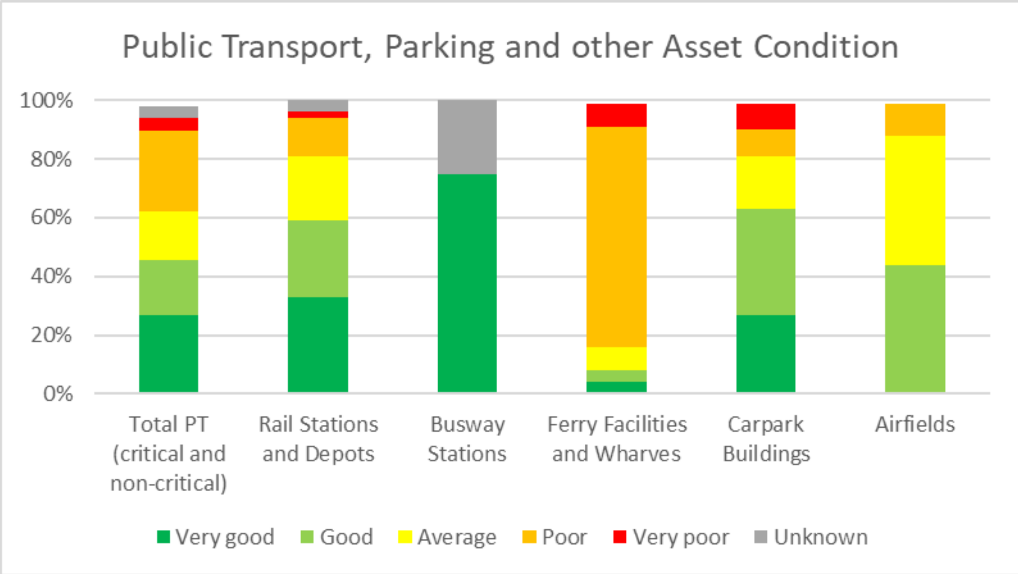


Figure 25: Public Transport Condition (total and critical asset sub-classes), data at Sept 2023

The condition data presented in the graph show that Auckland Transport (AT) assets are mostly in average or better condition.

Auckland Transport has reported a trend of deteriorating condition of both road pavements and public transport structures over recent years (this excludes KiwiRail assets and roads in Auckland operated by NZTA). Assets in poor condition are particularly notable for ferry facilities and wharves (Figure *24*). This state of condition reflects wharves that are not associated with scheduled public transport services. Regardless of overall condition, all assets are maintained to be in safe working condition.

Managing asset condition is critical for managing safety and service risks and enabling the transport system to deliver the required safety, productivity, and carbon emissions outcomes. Despite recent increases in funding for renewals, further increases in investment levels may be required to keep up with the increasing rate of asset deterioration across the transport system. Increased services, cost escalations and weather events have brought further focus to this increasing investment need. Roads are now experiencing an increasing rate of deterioration due to a trend of heavier vehicles, especially from increasing levels of construction traffic, and heavy commercial vehicle usage (including heavier electric buses).

The charts above also identify a portion of AT assets for which the condition is unknown. Work to improve asset data quality is ongoing.

Asset management maturity

Auckland Transport is continuously improving its asset management maturity to improve efficiency and transparency in its decision making and management of transport assets. In December 2023, an indicative assessment of maturity was carried out across the council infrastructure providers (see Figure 15). This assessment indicated that AT are at a ‘mid-intermediate’ zone. NZTA and independent consultants have also completed several audits to assess asset management plans and related business processes. A 2023 external assessment noted that although AT “has observed improvement in its approach to asset management… greater maturity is required to enable AT asset management to respond to the challenges it faces”.

AT seeks to align its asset management practices with industry best practice and the International Asset Management Standards. AT has progressively and systematically built its maturity over the past four years in these practices to best support the management of the long-life nature of land transport assets. Reviews have identified focus areas for improvement, these include evidence / information, decision making and resourcing delivery. Auckland Transport is developing an asset management improvement programme which aligns with the focus areas for improvement and will further enhance the maturity of Auckland Transport's processes and responses.

Data confidence

Auckland Transport is continuing to improve its data quality and has developed an asset management technology roadmap to support this outcome. Data quality is actively monitored and assessed through regular internal and external (NZTA) audits. The quality of asset data is linked to the criticality of assets; therefore, data quality standards are higher for data sets associated with more critical assets or components of assets. Asset deterioration modelling follows standard industry best practice and AT is working to align its data quality systems in line with the NZTA national asset management data standard (AMDS) initiatives. Improvements to condition data will commence from July 2024. Auckland Transport's data quality is sufficiently robust to support investment planning, assumptions and approaches that underpin the most likely scenario for investment are outlined further below.

Most likely scenario for investment

The most-likely scenario presented in this section reflects the Mayoral Proposal, alternative scenarios are also included in the consultation document. This scenario will be updated based on consultation feedback.

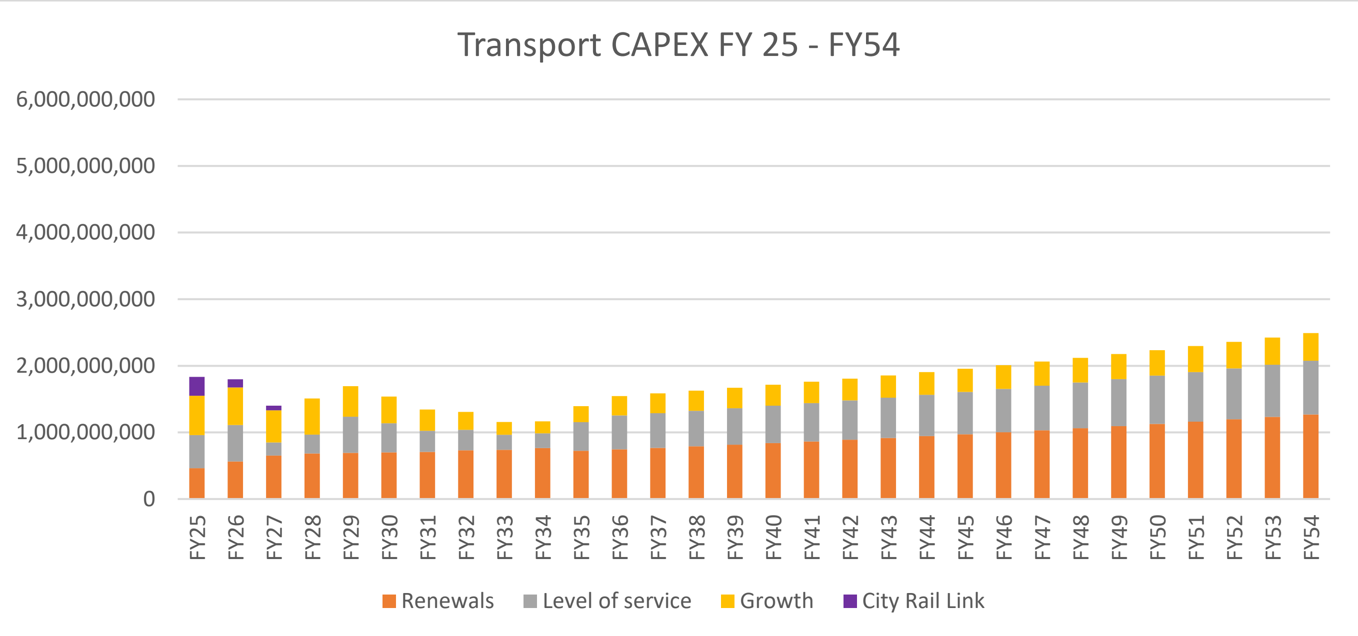


Figure 26: Auckland Transport - most likely CAPEX investment scenario FY25-FY54 (including CRL)

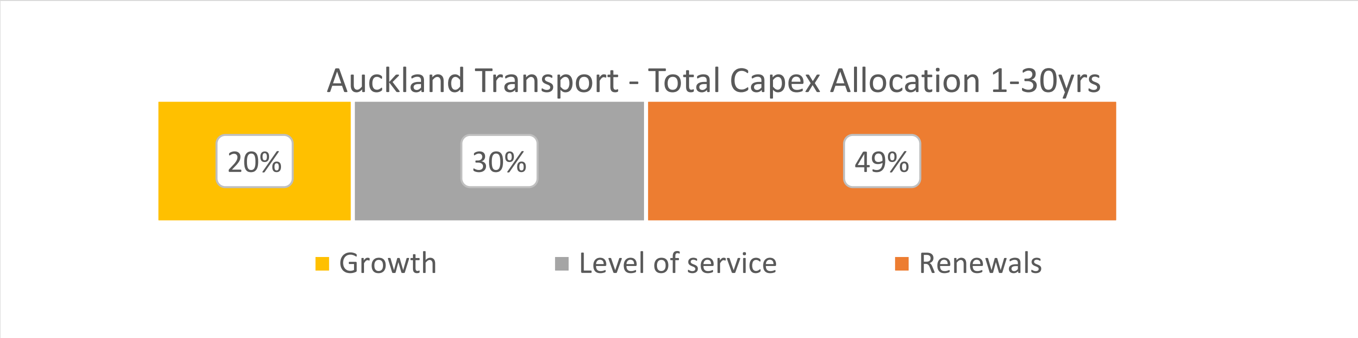


Figure 27: Auckland Transport – total Capex allocation 1-30years (FY25-FY54 excluding CRL)

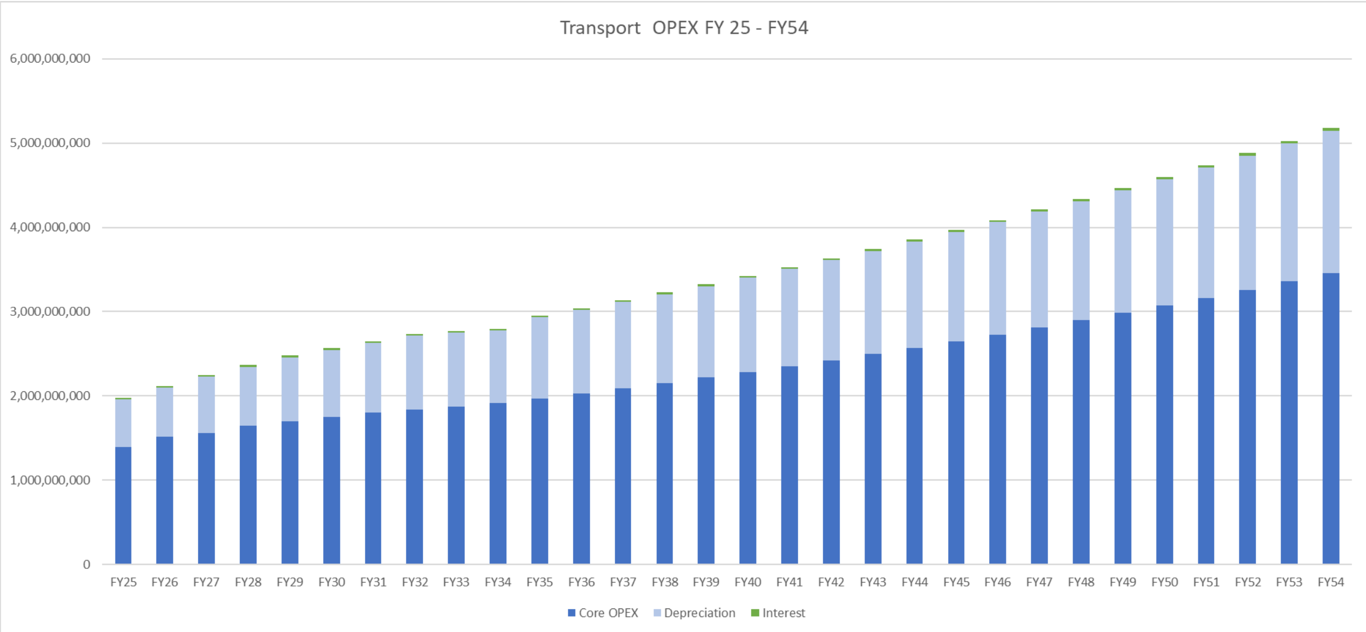


Figure 28: Auckland Transport - most likely OPEX investment scenario FY25-FY54

The most likely investment scenario presented in Figure 26 and Figure 28 shows that:

- Renewal of existing assets are planned to increase over the first decade of the plan, to reach approximately 60% of the total Auckland Transport CAPEX budget, then estimated to reduce to approximately 40% of the total CAPEX budget in subsequent decades
- Operations are a significant expense for Auckland Transport. Key drivers of this budget include the operations of the public transport system (train, bus and ferry services), and the maintenance of the road network (including the costs of public safety measures and traffic management)
- The transport portfolio includes an indicative package of $866 million of infrastructure investment to access a Housing Acceleration Fund. This investment is subject to separate decision-making as the council is working with the Ministry of Housing and Urban Development and Kāinga Ora – Homes and Communities to support the intensification of priority areas with significant Kāinga Ora landholdings.
- Growth is expected to continue to increase from FY35 onwards reflecting increases in population, urban densification and expansion.
- The funding gap presented by the cancellation of the Regional Fuel Tax (RFT) is identified below in Table 6, and the investment programme presented in Figure 26 has been reduced. Reductions have

been made to the Level of Service portion of the budget in the interim and will be reprioritised to account for the cancellation of the RFT for the final LTP.

Key projects and programmes within the most-likely investment scenario are listed in Table 6

Table 5: Auckland Transport major projects and programmes

Major projects/programmes (Years 1-10)		Major projects/programmes (Years 11-30)
	$millions	
Asset Renewals programmes	5,766	Asset Renewals programme
Rapid Transit Network: Eastern Busway	1,074	Network Optimisation/safety
Priority Growth areas	856	Rapid Transit Access
Network Optimisation	798	Rail Infrastructure *passenger infrastructure only, excludes rail corridors and crossings.
Road Safety	649	Bus/Ferry infrastructure
Rapid Transit Network: Stations	608	Priority growth areas
Bus Projects	567	Cycleways / active modes
Customer-Public Transport Systems	528	Network resilience/adaptation
Resilience/Adaptation	509	
Cycleway network	477	
Community response	455	
Ferry Projects	417	
CRL	474	
Rapid Transit Network: CRL	385	
Additional investment for Auckland Housing Programme areas	866	
Regional Fuel Tax removal	-600	

Assumptions and approaches that underpin the most-likely scenario for investment

The following assumptions and approaches support the development of the transport investment plans set out above. These assumptions include any changes in levels of service, growth projections (and the subsequent impacts on demand for services), and the management of the asset lifecycle through the Transport portfolio’s approach to renewals.

Levels of service

The LTP 2024-2054 performance measures are included below. Full reporting of targets over the first 10 years of the LTP can be found in Section 3 of the LTP Supporting Information, Our Activities. Levels of services have been assessed to determine the most likely trends over years 11-30 of the LTP (2035-2053) and are shown as likely improving (↑), remaining the same (→), or reducing (↓). Reasons for changes in level of service are noted in the table below.

The long-term assumptions in relation to levels of service for Auckland Transport are signalled in Table 7. There are a number of measures that contribute to the levels of service. The proposed investment in the next 10 years aims to meet the targets set against these levels of service. The removal of RFT funding may have implications for the ability to meet these targets, this will be confirmed for the final LTP. The long-term trends for years 11-30 show that AT assume that measures relating to network operation will remain. Congestion is expected to decrease slightly as new initiatives planned to manage demand come into effect from around 2026.

Over the long-term measures relate to the condition of the roading portfolio are assumed to maintain. Currently the roading portfolio is showing ongoing deterioration and there is rising customer dissatisfaction with the quality and condition of roads. Over the past decade investment in renewals has increased but since 2018 funding for the repairs to roads has not met the rate at which they are being worn out. The current cost increases and funding constraints create a significant challenge to maintaining asset condition and being able to withstand the impacts of recent weather events. Climate change will further exacerbate road deterioration and may impact maintenance activities over the short and long term. Asset management practices continue to mature and will best enable improved transparency and prioritising of the region’s transport assets across the council’s investment plans.

The measures that are assumed to improve include safety and the uptake of public transport and active modes. These measures are assumed to improve as AT delivers programmes that align with strategic commitments and the anticipated uptake of mode shift occurs. For public transport provision and services there are a range of cost increases associated with providing better services and operating the existing and planned new infrastructure. Significant funding prioritisation decisions will be required on this issue to ensure public transport services are safe, frequent, and dependable and support the required reductions in carbon emissions from Auckland’s transport system over the next two decades and beyond.

The long-term trends on levels of service are highly uncertain. There are several factors outside of the council’s direct control, such as changing central government directives and investment priorities, rates and locations of population change and customer driven step-changes in mode shift. Uncertainties in long-term targets and investment have implications for achievement of strategic commitments such as Vision Zero and the Transport Emission Reduction Pathways. However, by taking a longer-term view, coupled with maturing asset management practices will support us to identify and adapt to uncertainty.

Table 6: Auckland Transport levels of service statements and performance measures

Performance measures	Targets FY 2027- FY2034	Assumed trend to 2054
Level of service: Provide local roads, footpaths and cycle ways for pedestrians, cyclists, public transport users and drivers		
Deaths and serious injuries on the road network	542	↑ (ongoing reduction towards vision zero)

The change from the previous financial year in the number of deaths and serious injuries on the local road network, expressed as a number	Reduce by 25	↑ (ongoing reduction towards vision zero)
Average AM peak period lane productivity across 32 monitored arterial routes	32,000	↑
Proportion of the level 1A and 1B freight network operating at Level of Service C or better during the inter-peak	85%	↑ (services align with ATIP vision)
Number of cycle movements past 26 selected count sites	3.44 million	↑
Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all sealed rural roads	92%	→
Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all sealed urban roads	81%	→
Percentage of the sealed local road network that is resurfaced	7.50%	→
Percentage of footpaths in acceptable condition	95%	→
Percentage of customer service requests relating to roads and footpaths which receive a response within specific timeframes *Specified time frames are defined in Auckland Transport's customer service standards: one hour for emergencies, two days for incident investigation as a high priority, and three days for an incident investigation as a normal priority.*	85%	→
Proportion of road assets in acceptable condition	95%	→
Level of service: Provide public transport services and infrastructure		
Total public transport boardings	123.8m	↑ (ongoing increase in total boardings)
The percentage of public transport trips that are punctual	90%	→
The percentage of passengers satisfied with public transport services	85%	→
The percentage of the total public transport operating cost recovered through fares	To be confirmed for final LTP	↑

Growth

Transport asset growth projections are consistent with the council group assumptions as outlined in Section 4 of the Infrastructure Strategy. In addition, AT also factor in other assumptions including the future development of areas beyond 30-years when planning and designing future infrastructure.

AT also considers updates to the timing of large transport projects and investment in the council spatial priority areas. As outlined in section 3 it also plans on the basis that supporting forecast population growth is not something that should be managed by the expansion of the road network but will require a primary focus on mode shift into public transport and active modes.

Management of asset lifecycle through approach to renewals

Auckland Transport has asset life assumptions set out in its corporate policies for each asset class. Examples of these assumptions are a lifespan of 7-20 years for road surfaces, 5-15 years for traffic signals, 50 years for pathways, and up to 110 years for bridges. In addition to understanding asset lifecycles, AT also regularly monitors asset condition and captures performance data on its assets. This data is used to inform renewals planning and programmes.

The condition of transport assets is assessed through regular inspections specific to the asset type. Each asset type has an intervention level based on applying the fit-for-purpose level of service methodology. For example, Auckland Transport manages bridges and major culverts that have both critical transport and stormwater functions. These major culverts and bridges are subject to preventive inspections every two years, and mechanisms are in place to prevent deterioration beyond levels that would have unacceptable impacts on their levels of service. AT follows national guidelines from Waka Kotahi on the requirements and frequencies of inspection processes.

It is critical to invest adequately in transport asset renewals to manage safety and other risks, and to maintain levels of service. Auckland Transport seeks to prioritise the maintenance and renewal of its critical assets~~,~~ across its network and has set a low risk tolerance for loss of service from critical assets. Asset renewals costs continue to rise due to increasing market costs, higher rates of asset wear often resulting from use of our roads by heavier vehicles, and Auckland's increasing public asset base. It is generally accepted that to preserve the overall performance of long-life assets, the rates of asset deprecation over time should be equal to the value of asset renewal investment programmes. Total investment in asset renewals in recent years has not been matched to the average rate of asset depreciation. The most likely scenario proposes sufficient renewals investment to manage assets back to ensure that the rate of asset deterioration does not continue to accelerate, and that assets are being appropriately renewed by year 10 of the LTP. Asset renewals will continue to be prioritised based on criticality which aligns with risk tolerances set by the Auckland Transport Board of Directors.

In general, critical transport assets are not allowed to deteriorate to a very poor condition because of the risks to safety and network disruption, and costs of consequential damage and public confidence should critical assets be out of service. The cost of these outages often exceeds any potential cost generated from postponing asset renewals. AT plans to replace critical transport assets before they fail, based on monitoring and proactive investment in asset renewals. Non-critical assets may be managed most efficiently by replacing them at the end of their useful life (or when they become unserviceable). Where appropriate, renewal of non-critical assets is generally planned to occur at the same time as other roading renewals investment, to reduce overall delivery costs.

THREE WATERS	Water Supply	An interconnected system of customer meters, built water network, treatment plants, natural environments and sources that delivers public health, safety, well-being and prosperity to Auckland.
	Wastewater	A system of customer connections, built wastewater network and treatment plants and that delivers public health, safety, well-

			being, prosperity, and environmental outcomes to Auckland.
		Stormwater	An interconnected system of built stormwater network, natural waterways, and overland flow paths that treats and conveys rainwater to the coastal receiving environments to deliver public health and safety, property and infrastructure protection and environmental outcomes.

Portfolio Overview[52]

Water supply (includes: Water pipes, Dams, Water treatment plants, Pump stations, Reservoirs and Abstraction points) [53]	**$6.6 billion (2023 valuation)**	**Water Infrastructure Portfolio Assets are worth $22.2 billion**
Wastewater (includes: Wastewater pipes, Pump stations and Wastewater treatment plants)	**$9.0 billion (2023 valuation)**	
Stormwater (includes: Stormwater pipes, Channels, Pump Stations and Treatment and detention facilities and water quality devices)	**$6.6 billion (2022 valuation)**	

Operating context unique to this portfolio

The period since the adoption of the 2021 LTP has been dominated by water services reforms. These reforms are currently in the process of being repealed, and therefore, three waters services are included in this LTP. Alternative reform of the water sector prior to the 2027 LTP has been signalled by the incoming government and would impact on the management and funding of water services. The impact of potential reforms is excluded from our infrastructure planning as they are not yet known.

The integrated management of our water resource is essential to facing the issues identified in section two of this Infrastructure Strategy. The council is a Te Tiriti partner, environmental and land-use regulator and infrastructure provider. Te Rautaki Wai ki Tāmaki Makaurau; The Auckland Water Strategy was adopted in 2022. The Strategy provides eight strategic shifts required by the council to increase Te Mauri o Te Wai (the wellbeing of water) including targets and reporting requirements for the council group to guide decision-making. This includes guidance relevant for the production of asset management plans, which need to show how they prioritise Te Mauri o Te Wai.

Our drinking water and wastewater services are largely provided through the council's delivery agency Watercare. Watercare is a Council Controlled Organisation and is a limited liability company with an independent board of directors. Watercare is funded through its own charges (growth and volumetric charges). These charges are set by the Watercare board. Watercare owns, operates and maintains all assets associated with these services.

Some small-scale water and wastewater services, for instance those associated with regional parks, are provided by Auckland Council's Healthy Waters department and funded by the council's general rates. Additionally, the council's rural customers manage their own water and wastewater needs.

[53] The Watercare asset management plan (AMP) for contains more detail on Auckland's major water and wastewater assets. LINK TO AMP

Auckland's stormwater systems are a connected network of built structures, natural waterways, overland flow paths, and coastal receiving environments. The system is managed by both Healthy Waters department (the network collecting and treating stormwater runoff from properties, roads, parks and reserves) and by Auckland Transport (the network collecting and treating stormwater from road corridors). Much of the network is also located on private property. Healthy Waters is our stormwater department delivering water quality, stormwater collection and conveyance, and flood management. Stormwater is funded through general rates and a Water Quality Targeted Rate introduced in 2018. For information on the Auckland Transport-managed stormwater assets, see the Transport section above.

Asset data

Asset condition and criticality

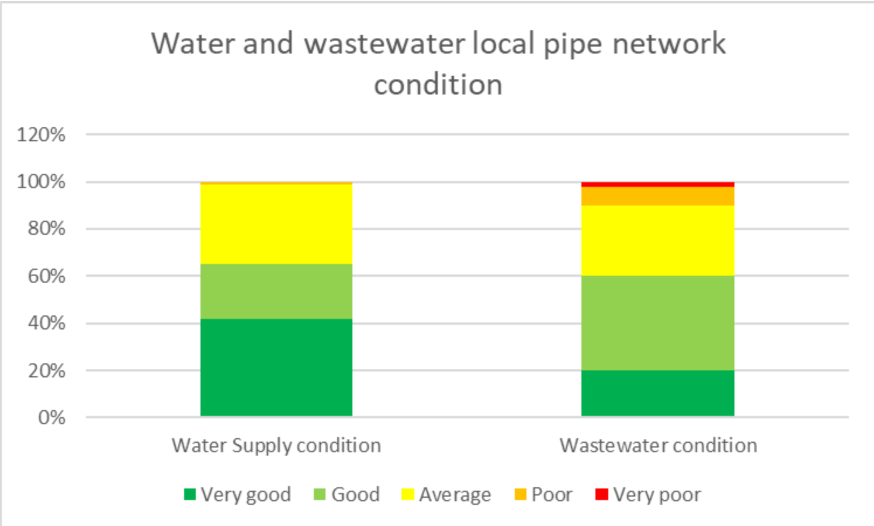


Figure 29: Water and wastewater local pipe network condition (representing approximately 93% of the piped network)[54]

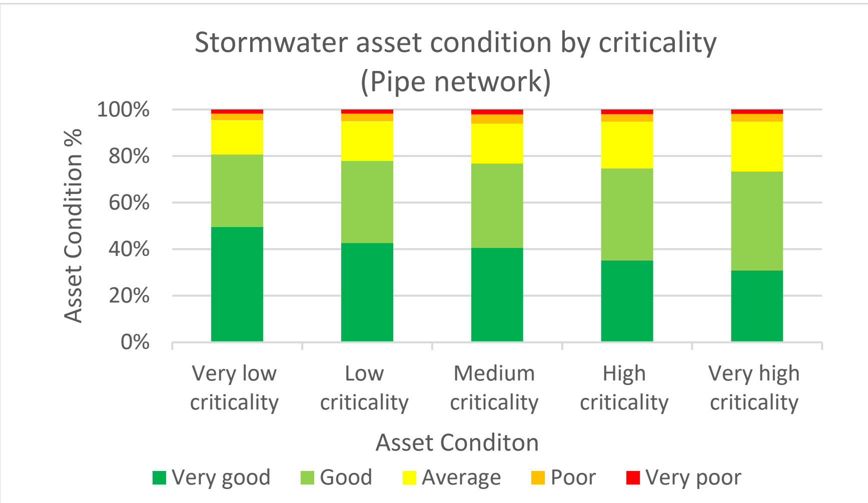


Figure 30: Stormwater pipe network condition by criticality

Based on the condition assessment data, the piped network for water, wastewater and stormwater are generally in good to moderate condition. Some of the piped network is in poor or very poor condition: for

[54] A programme of asset condition assessment and pipeline condition and criticality modelling is nearing completion. Additional condition and criticality data will be available for the final LTP

local drinking water pipelines this constitutes approximately 1%[55], for local wastewater pipelines this constitute approximately 10%[56]; and for stormwater pipelines this constitutes approximately 5%.

The condition of our local water supply and wastewater pipe assets is generally moderate to very good. The condition of the above ground plant and equipment that contribute to these Drinking Water and Wastewater systems is also moderate to very good[57]. Critical assets and components within these systems are identified and managed proactively to a higher standard than non-critical components.

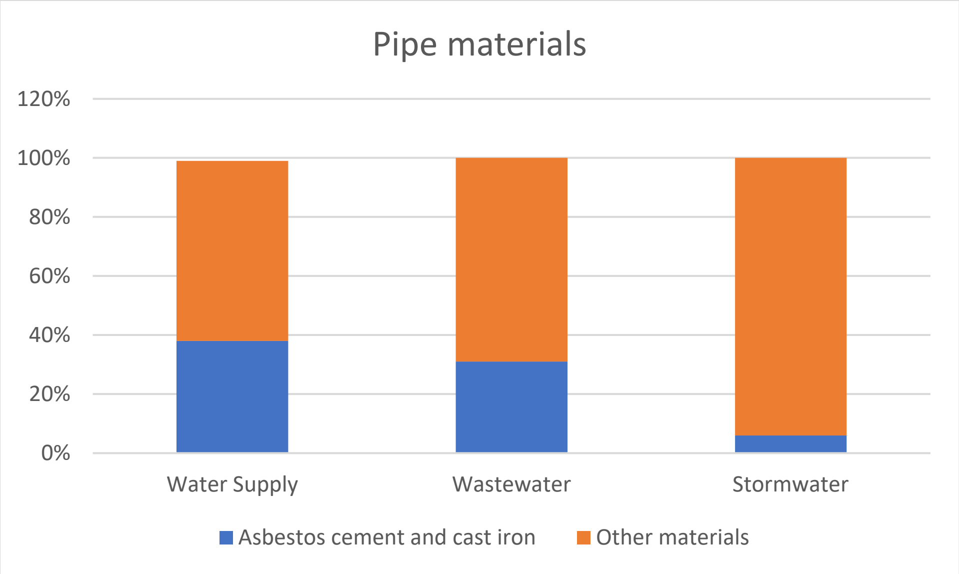


Figure 31: Materials used in pipe networks

In Tāmaki Makaurau a large portion of water (more than 2,800 km) and wastewater (more than 2,400 km) network pipelines are asbestos cement (AC) pipelines. AC pipeline installation was common in New Zealand until 1986. The average age of WSL AC pipelines is 56 years, and the systematic renewal of theses pipes over the next 30 years is increasingly important. The approach to managing this asset base is covered in further detail below, (see renewals approach below).

The pipe network (Figure 30) is the backbone of the primary stormwater conveyance system. 18% of the pipe network is identified as critical, and the majority is non-critical. Healthy Waters takes a risk-based approach to stormwater management, therefore criticality is central to the management and renewal of pipes (see renewals approach below). All pipe assets are generally in good to very good condition, with small pockets of degrading pipes.

Detention ponds regulate downstream stormwater flows to provide flood protection. Water quality ponds are the main means for removing pollutants from the stormwater runoff in the suburban areas and green field developments. Further work is required to understand the condition of these ponds by function, however, in general a higher proportion of stormwater ponds (>30%) are in poor or very poor condition. In part, this is a result of poor sediment management during building activities, and results in a decrease in the ability of water quality ponds to treat stormwater runoff, and potential risks to compliance with resource consent conditions.

Forming the secondary stormwater system, waterways receive stormwater from the built network and land surface and convey it to the coast. They are affected by the waterborne polluters and extreme flows

[55] Based on region-wide condition analysis undertaken by WSL, 2024. Excludes transmission pipelines which constitute ~7% of total pipeline length.
[56] Based on analysis by Wai Tamaki ki te Hiku, 2023 – pending WSL region-wide analysis.
[57] WSL has an focused above ground asset condition assessment programme underway and as at the end of 2023, 52% of assets had been visually inspected.

received through the built stormwater system and the overall flows. Waterways show sign of degradation as outlined in the “State of the environment “report.

The issues in the built stormwater system are addressed through monitoring and intervention using risk-based approach. Stormwater asset risk and criticality concepts are outlined in the Healthy Waters Asset Risk Strategy 2019 and earlier Healthy Waters Asset Criticality Framework 2015. For significant asset classes, pipes and ponds, we maintain asset criticality models at asset level. The level of monitoring and intervention in the secondary stormwater system is inconsistent due to lack of clarity in custodianship and responsibilities.

The condition of the assets is also linked with the performance measures which include compliance with health and safety standards, consent conditions and customer satisfaction. More applicable to water supply and stormwater, these metrics are measured regularly to inform network performance, the level of performance can indicate which intervention and or remedial action is required. The devastating effects of recent flooding events have highlighted the need for ongoing improvement in both the primary and the secondary stormwater systems to mitigate the impacts of extreme events.

Asset management maturity

In December 2023 an indicative assessment of maturity was carried out across the council infrastructure providers (see Figure 15). This assessment indicated that the three waters portfolio is in the middle of the ‘intermediate’ zone.

Key focus areas for improvement for Watercare are asset condition assessment programmes and the asset data strategy. Healthy Waters’ improvement planning is focussed on redefining levels of service, stormwater master-planning for growth, and performance monitoring.

Data confidence

Watercare are continuing to improve their asset data management system for water and wastewater assets. data confidence is increasing as a result of an improvement programme that is nearing completion. Data confidence is expected to be very high from the above ground asset condition assessment programme (inspections >50% completed) and the drinking water and wastewater pipeline networks condition and criticality modelling (analysis >70% completed). This programme of data improvements is ongoing and currently has a focus on buried assets and condition assessment.

Watercare utilises this asset information to inform its asset models. The water and wastewater models are also used to identify priority zones and catchments where performance indicators such as drinking water network leakage and inflow and infiltration parameters suggest poorer network performance than expected. Renewal and replacement programmes are initiated based on prioritisation within overall capital funding envelopes.

Healthy Waters has a high level of confidence in the asset data collected since 2015, resulting from the change in processes and practices of asset register maintenance. A programme of data improvement is underway based on the criticality of the assets, and on this basis data confidence and associated renewals forecasting will continue to improve.

The condition of stormwater assets is well understood, especially for pipes and ponds. These are monitored through established condition survey and inspection programs. Stormwater data is of good quality and completeness. Data for critical assets is validated continually through the preventive inspections that we carry out periodically. Critical pipes are inspected in accordance with the Healthy Waters Condition Monitoring Framework and ponds are subject to monthly operational inspections. The quality of our stormwater data provides a sufficient basis for investment planning. Investment planning does have uncertainties, however, associated with external factors such as climate change, see ‘assumptions and approaches that underpin the most-likely scenario for investment’ below.

Most-likely scenario for investment

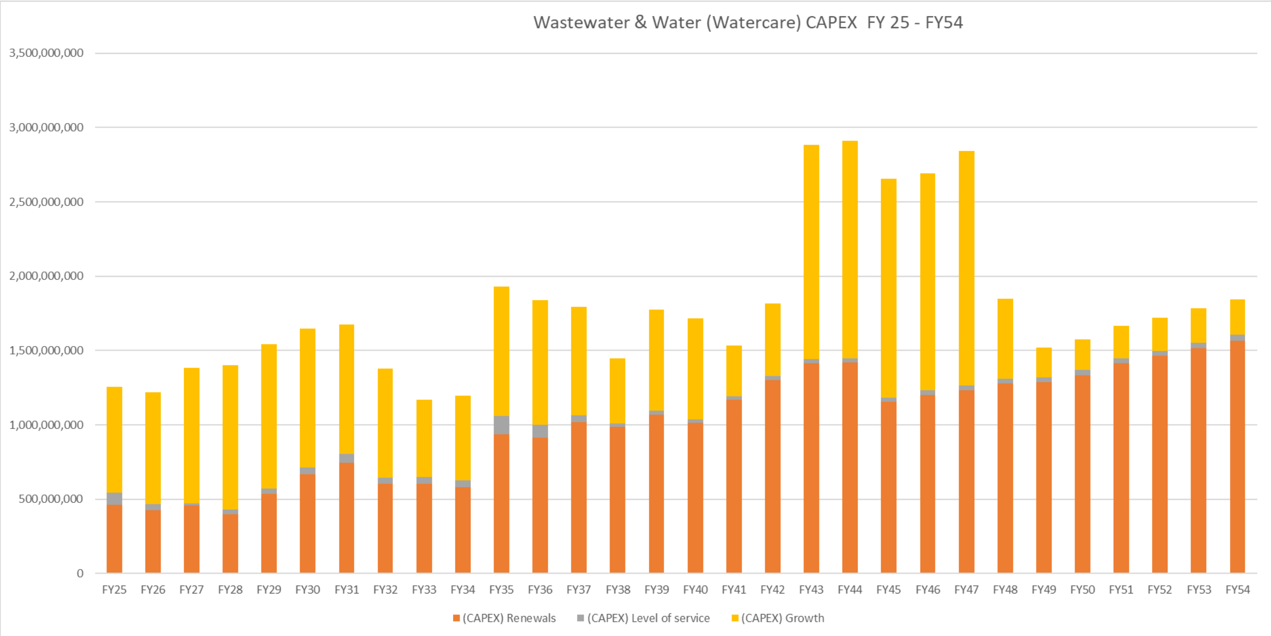


Figure 32: Most likely CAPEX investment scenario for water and wastewater (Watercare)

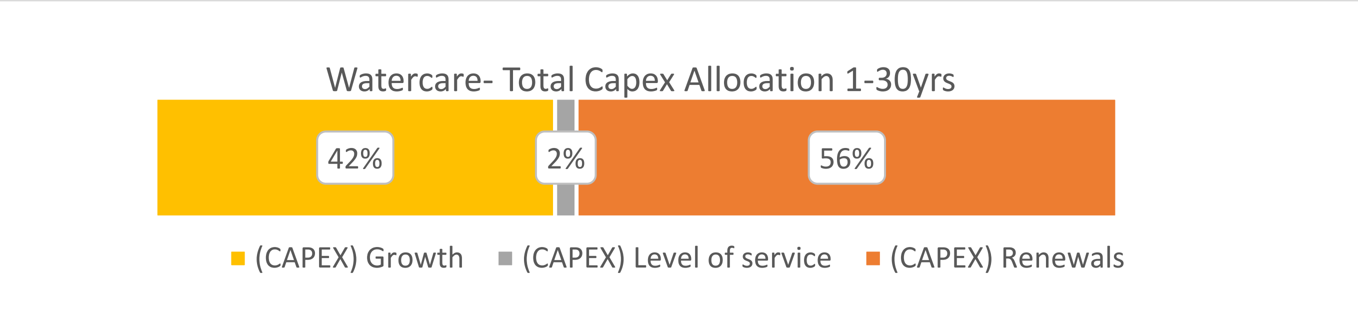


Figure 33: Water and Wastewater total Capex allocation FY25-FY54

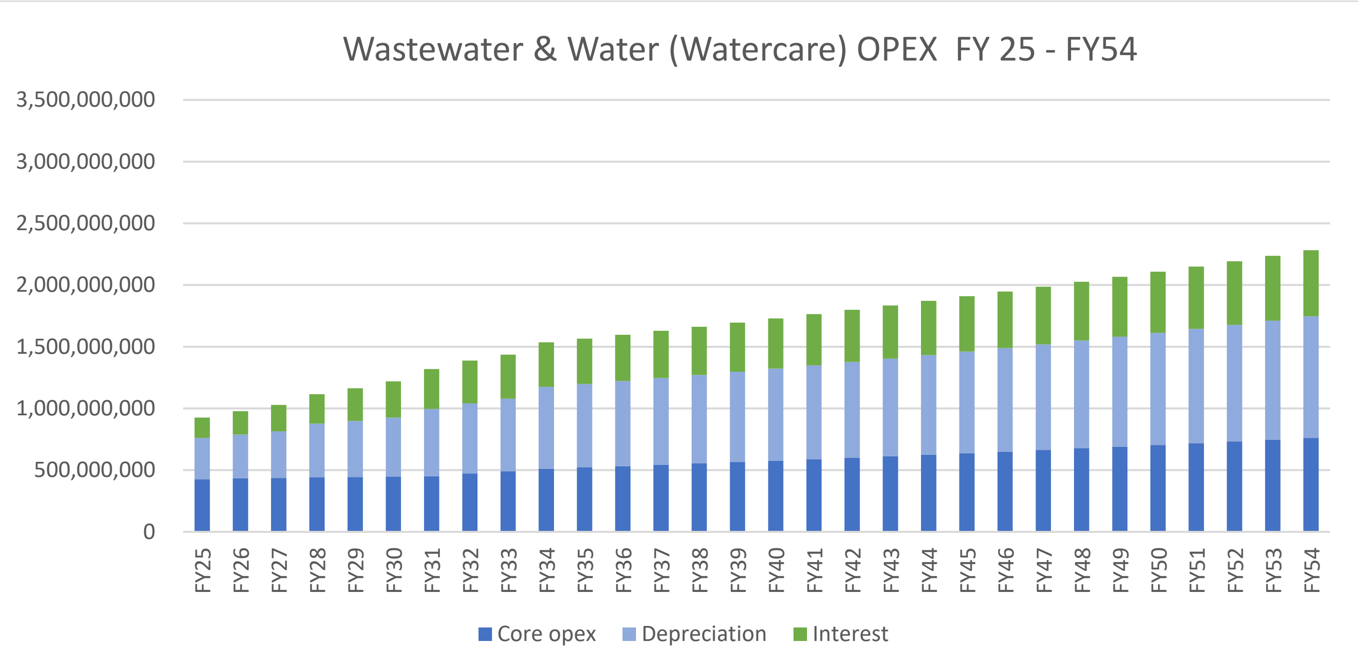


Figure 34 Most likely OPEX investment scenario for water and wastewater (Watercare)

The most likely investment scenario presented in Figure 32 and Figure 34 shows that:

- Operations at Watercare accounts for a significant portion of the total budget for each year in the early years and increases over time. Key drivers of this budget are depreciation and interest costs..
- There is an increasing focus on asset renewals and replacements (approximately 20% of the total budget for the first decade increasing to approximately 30% in later years), including a board-established SOI identifying the proportion of proactive vs reactive renewals. During discussions around economic regulation for the water industry, it has been identified that funding for renewals has been lower than required. In alignment with discussions and initial assessments, Watercare is allowing increases of around $300 million per year for renewals in the AMP years 11 – 30.
- Growth has a significant impact on Watercare's budget. The growth investment is based upon the Council's growth projections. Watercare then utilise this infofrmation to develop a plan for investment to meet these growth projections. The majority of investment in growth is in large transmission pipelines and treatment plants.The peaks in capital investments FY43-FY47 is for the next water source and associated investments.

- The investment programme from FY25-FY34 includes Watercare's contribution to the Auckland Housing Programme as set out in established funding agreements with Kāinga Ora.

Watercare is on target to deliver over $1 billion of capital works in the 2024/2025 financial year and is working with our partners within our programme to ensure that we can deliver the outcomes required. Resources to deliver remains a risk, to mitigate this risk Watercare uses a programme approach that sets the foundation for Watercare and their delivery partners to recruit, train and retain staff with the appropriate skills to deliver their work portfolio.

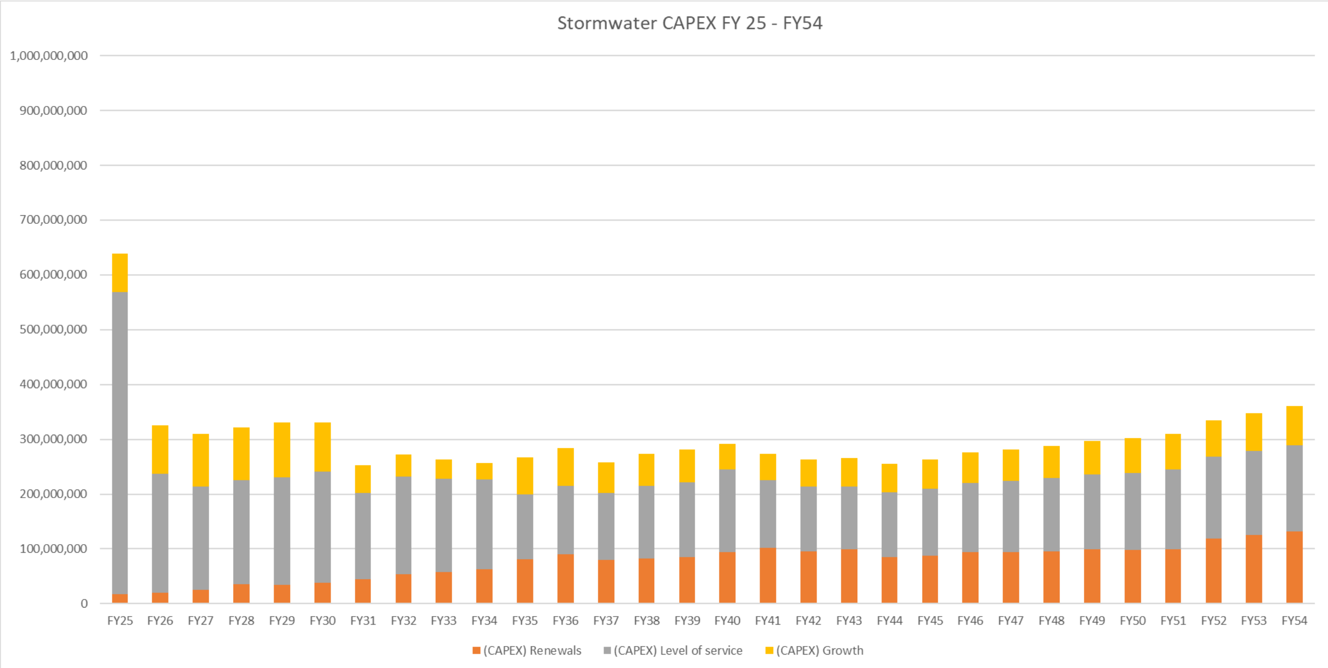


Figure 35: Most likely CAPEX investment scenario for stormwater (Healthy Waters plus Category 3 buy-outs managed via the Recovery Office)

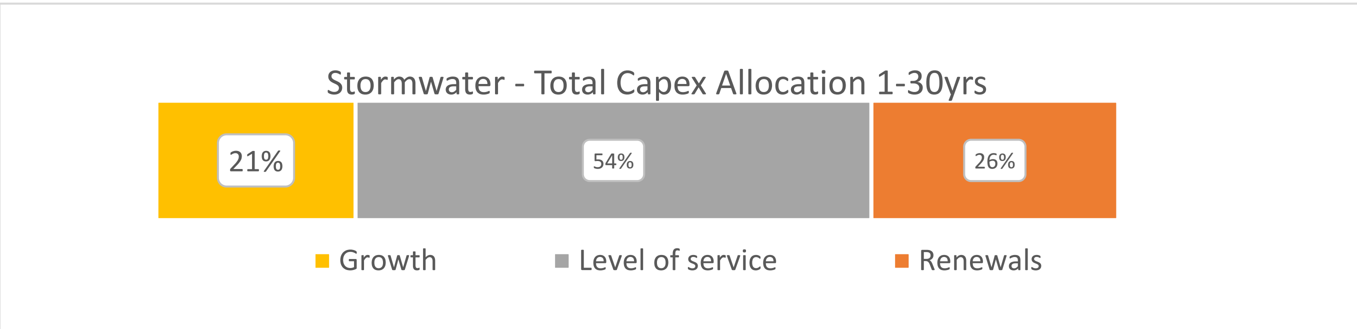


Figure 36: Stormwater total Capex allocation FY25-FY54 (Healthy Waters plus Category 3 buy-outs managed via the Recovery Office)

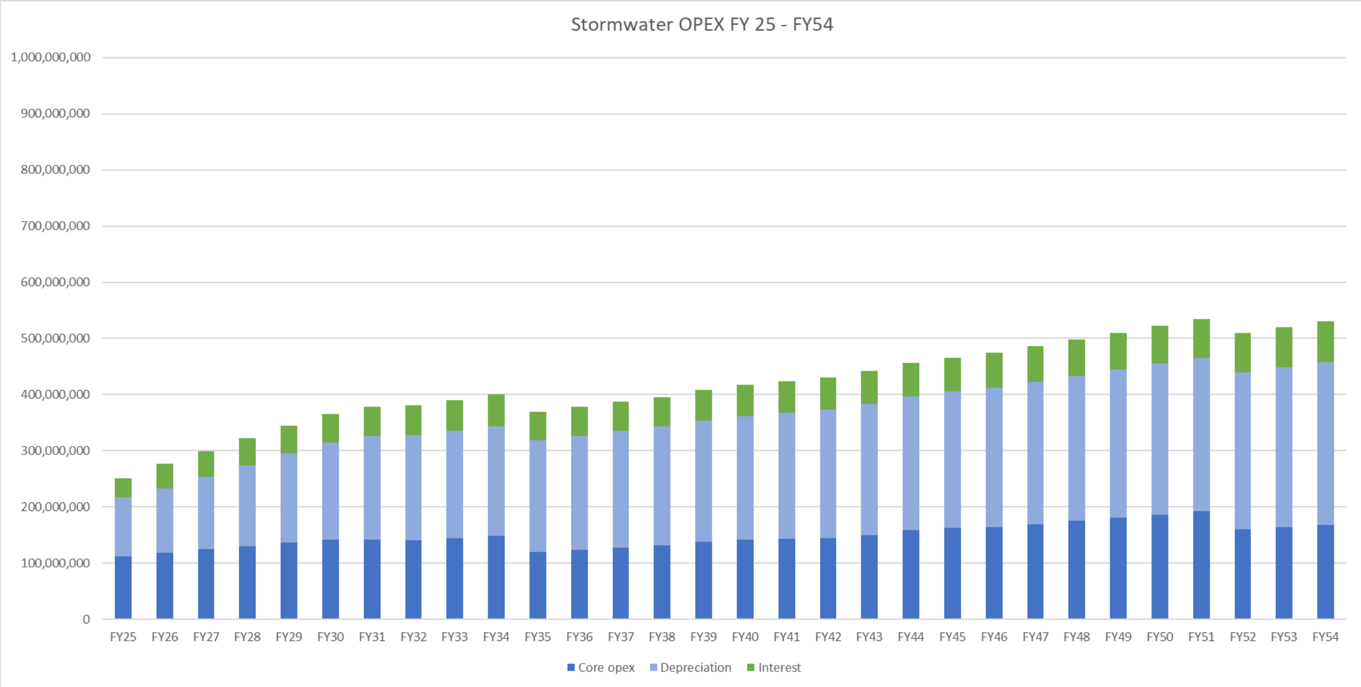


Figure 37 Most likely OPEX investment scenario for stormwater (Healthy Waters)

The most likely scenario presented in Figure 35 and Figure 37 shows that

- Operations are a significant expense for Healthy Waters. A key driver of this budget is asset depreciation. Level of service investments associated with addressing flooding and water quality issues are a significant driver of Capex costs.
- In FY25 there is a significant spike in the level of service CAPEX related to the council's Recovery Office and the Category 3 buyouts. CAPEX Budget related to the Recovery office is $366 Million in FY 25 and $ 19 million in FY 26, plus and an associated OPEX budget. This investment sits outside of the Healthy Waters department investment plan.
- There is a proportionally larger level of service component within the first decade compared to later decades for Healthy Waters, related to the making space for water programme. This programme is approximately (a combined OPEX and CAPEX of) between $78 million to $117 million per year. Currently making space for water is not budgeted for beyond FY 34. Decisions about flood management and adaptation to climate change beyond FY 34 are discussed in section 5.
- The stormwater portfolio includes an indicative package of $475 million of infrastructure investment to access a Housing Acceleration Fund. This investment is subject to separate decision-making as the council is working with the Ministry of Housing and Urban Development and Kāinga Ora – Homes and Communities to support the intensification of priority areas with significant Kāinga Ora landholdings. The deliverability of the programme in addition to the council's wider programme of work will need to be worked through as part of this decision-making.

The basis of the stormwater investment scenario is generally consistent with what has been delivered in previous years. The Making Space for Water programme has introduced a significant addition to this programme. The spike in capital expenditure in FY25 is a result of the property purchase required for this programme. Further, there is uncertainty associated with the deliver of the Making Space for Water programme that will become clearer as the business cases are developed.

Key projects and programmes within the most-likely investment scenario are listed in Table 8.

Table 7: Three Waters major projects and programmes

Major Projects/Programmes (Years 1-10) $Millions Renewals (R), Levels of Service (LoS), Growth (G)		
Wastewater	Water supply	Stormwater
Central Interceptor $479 - Pt Erin Tunnel - Grey Lynn Tunnel	Water collection & treatment assets $1,177 - Waikato A Stage 1 - to 225 MLD - Waikato 2 Watermain - Upper Nihotupu Raw Watermain Replacement	Western Isthmus programme $308 (G), including: - Lower Khyber separation $19 - Waterview separation $85 - Pt Chevalier separation $80
Wastewater network assets $3,709 - Local Wastewater Network Renewals - Hingaia PS upgrade and RM to Manurewa - Wairau Valley Diversion - Transmission Sewer Renewal	Western water supply $1,900 - North Harbour WM Duplication Southern - North Harbour WM Duplication Northern - Huia WTP Upgrade (Planning)	Urban Auckland programme $281 (G)
Waitemata water quality improvement $729 - Motions WW Catchment Improvement Works -	Water network assets $3,613 - Local Network Watermain Renewals (new strategy) - Water service connections and meters - Transmission Watermain Renewals	Urban Flood Control Projects $223 (LoS)
Wastewater treatment plant assets $2,079 - Mangere WWTP Sludge Conditioning - Clarks Beach New WWTP - Rosedale Sludge Conditioning - WWTP upgrades stage 1 Beachlands		Eastern Isthmus programme $166 (LoS)
		Major renewal programmes $159 (R)
		Critical asset renewals $128 (R)
		Catchment planning programme $107 (LoS)
		Blue Green Network (making space for water) estimated $505 - Te Auaunga Stg.2 (Mt. Roskill) - Te Ararata (Mangere) - Waimoko Stream (Swanson) & Opanuku Stream (Henderson) - Wairau Creek (Nth Shore) - Porters Stream (Glen Eden) - Whangapuri Stream (Pukekohe)
		Pond Renewal/Rehabilitation $48 (R)

	Inner West Triangle infrastructure $45 (G)
	Manukau infrastructure $23 (G)
	Additional investment for Auckland Housing Program areas $475

And other growth investment supporting the development of spatial priority areas, including:

- the Auckland Housing Programme (Mt Roskill, Mangere and Tāmaki regeneration area)
- the North-West (Westgate, Red Hills and Whenuapai)
- Drury.

Major Projects/Programmes (Years 11-30)		
Wastewater	Water supply	Stormwater
Mangere WWTP catchment decade two	Waikato 2 watermain decade two	SW to support growth
Mangere sea level rise protection decade two	Ardmore WTP upgrades decade three	Flood protection
Mangere WWTP BNR 2 decade two	Reservoir storage capacity decade two	Renewals (deterioration modelling shows steep increase in SW renewals after 2051, but this data contains a high level of uncertainty)
Army bay WWTP catchment decade two	Future water source decade two	Water quality
Pukekohe WWTP catchment decade two		
Growth investment - supporting the development of spatial priority areas		

Assumptions and approaches that underpin the most-likely scenario for investment

The following section outlines the assumptions that are specific to managing our water assets that form our most likely scenario. These are the assumptions that have supported the development of our 1-10, and 11-30-year investment planning. These assumptions include levels of service to 2054, growth assumptions relevant to water, and the management of the asset lifecycle through our approach to renewals.

Levels of service

The LTP 2024-2054 performance measures are included below. Full reporting of targets over the first 10 years of the LTP can be found in Section 3 of the LTP Supporting Information, Our Activities. The proposed investment in the LTP is sufficient to deliver all Level of Service targets in the short to medium term. Additional funding will be required to meet elements of Watercare's LoS in years 5-10 (such as response times and customer disruption/satisfaction measures). Work is underway to understand the trade-offs that will be required between funding and LoS in years 5-10.

Levels of service have been assessed to determine the most likely scenario for their trend for 2034 to 2054. Levels of Service are shown as likely improving (↑), remaining the same (→), or reducing (↓).

There is a moderate-high level of uncertainty about levels of service in the coming decades due to anticipated water reform and regulation change. Additional uncertainty also exists for stormwater levels of service as the system is 'open', meaning that its performance is impacted by land-use, and by the nature of waterways, both of which are significantly influenced by parties outside of the council.

It is assumed that future systems of water services management will ensure sufficient investment to maintain or replace critical water, wastewater and stormwater assets. However, changes in the assumed trend may result from factors such as legislation, community expectations or an external pressure (such as the impacts of climate change).

In terms of water supply and wastewater management it is assumed that measures relating to water quality and management will be maintained as these are critical service provision and assets that have a high priority for investment. Target response times may become increasingly challenging to maintain, due to the anticipated increase in storm events.

Key investment programmes such as Making Space for Water and the Western Isthmus Water Quality Improvement Fund support the achievement of Auckland's stormwater performance measures in the medium to long-term. However, it is acknowledged that an increase in extreme weather events and climate change are likely to cause more exposure to flooding across the region. It is assumed that investment in our stormwater system will enable its performance to be maintained. However, this is highly uncertain, and both funding decisions and climate pressures could result in a reduced performance.

Specific possible changes to levels of service include introducing targets for drinking water demand management, water quality and flooding. These will be developed following the adoption of the 2024-2034 LTP as part of on-going policy work (both national and regional).

The performance measures include consumption targets that were set through the development of Te Rautaki Wai ki Tāmaki Makaurau; The Auckland Water Strategy. These targets are currently being met with gross per capita consumption around 240 L per person per day compared with a 2025 target of 253L per person per day. Watercare's programme of investment, supported by work with the community to institute behavioural changes for water use, sets us on a path to achieving longer-term targets. The Watercare capital programme assumptions around future water supply needs has scheduled the development of an additional water source in the early 2040's, however this investment may be able to be delayed if customer behaviours change consumption patterns.

More information on the significant infrastructure decisions the council will likely need to make in the water space over the coming decades can be found in Section 5.

Table 8: Three Waters levels of service statements and performance measures

Performance measures	FY 2022- FY 2031	Assumed trend to 2054
Water Supply		
Level of service: Provide reliable supply of safe water		
The extent to which the local authority's drinking water supply complies with part 4 of the drinking water standards (bacteria compliance criteria)	100%	→

The extent to which the local authority’s drinking water supply complies with part 5 of the drinking water standards (protozal compliance criteria)	100%	→
Median response time for attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (minutes)	≤60mins	→
Median response time for resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (hours)	≤5 hours	→
Median response time for attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (days)	≤5 days	→
Median response time for resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (days)	≤6 days	→
The total number of complaints received by the local authority about any of the following: a) drinking water clarity b) drinking water taste c) drinking water odour d) drinking water pressure or flow e) continuity of supply f) the local authority’s response to any of these issues expressed per 1000 connections to the local authority’s networked reticulation system	≤10	→
The percentage of real water loss from the local authority’s networked reticulation system	≤13%	→
The average consumption of drinking water per day per resident within the territorial authority district (litres)	253 litres reducing to 247 litres by FY2034	↑ (target is <225 litres by FY2051)
Compliance with Taumata Arowai Quality Assurance Rules T3 and D3 – Bacterial Water Quality. The extent to which the local authority's drinking water supply	100%	→

complies with Drinking Water Quality Assurance Rules T3 and D3		
Compliance with Taumata Arowai Quality Assurance Rules T3 – Protozoal Water Quality. The extent to which the local authority's drinking water supply complies with Drinking Water Quality Assurance Rules T3	100%	→
Compliance with the Drinking Water Quality Assurance Rules 2022 from its Small Waters 'network' systems measured by the number of non-compliance notices received from Taumata Arowai	0	→
Wastewater		
Level of service: Collect and treat wastewater		
The number of dry weather overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system	≤5	→
Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: a) abatement notices b) infringement notices c) enforcement orders d) convictions received by the territorial authority in relation to those resource consents	a) ≤2 b) ≤2 c) ≤2 d) 0	→
Attendance at sewerage overflows resulting from blockages or other faults: median response time for attendance – from the time that the territorial authority receives notification to the time that service personnel reach the site (minutes)	≤60mins	→
Attendance at sewerage overflows resulting from blockages or other faults: median response time for resolution – from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault (hours)	≤5hours	→
The total number of complaints received by the territorial authority about any of the following: a) sewerage odour b) sewerage system faults c) sewerage system blockages	≤50	→

d) the territorial authority's response to issues with its sewerage system expressed per 1000 connections to the territorial authority's sewerage system		
Compliance with the territorial authority's resource consents for discharge from its Small Waters onsite wastewater systems measured by the number of: a) abatement notices b) infringement notices c) enforcement orders d) convictions received by the territorial authority in relation to those resource consents	a) ≤3 b) ≤3 c) ≤3 d) 0	→
Stormwater		
Level of service: Manage our stormwater network to minimise risks of flooding		
The major flood protection and control works that are maintained, repaired and renewed to the key standards defined in the local authority's relevant planning documents (such as its activity management plan, asset management plan, annual works program or long-term plan).	>90%	→
Auckland Council stormwater compliance with resource consents for discharge from its stormwater system, measured by the number of: a) abatement notices; b) infringement notices; c) enforcement orders; d) convictions; received in relation those resource consents	a) 0 b) 0 c) 0 d) 0	→
The number of complaints received about the performance of the stormwater system per 1000 properties connected to Auckland Council's stormwater system	< 3 per 1000 properties	→ (increased number of climate events)
The percentage of response time during storms to close stormwater manholes within three hours	>90%	→
The number of flooding events that occur and the associated number of habitable floors affected per 1000 properties connected to Auckland Council's stormwater network	< 1 per 1000 properties	→ (increased number of climate events)
The median response time to attend a flooding event, measured from the time that Auckland Council receives notification to the	< 2 hours	→

time that service personnel reach the site (hours)		
The proportion of time that a reference set of beaches are suitable for contact recreation during the summer swimming season (1 November to 30 April)[3]	87% increasing to 90%	↑ (increased swimmability)

Growth

Watercare and Healthy Waters infrastructure growth projections are consistent with the council group assumptions, as outlined in the beginning of section 4 of the Infrastructure Strategy. In addition to the growth projections, other data is also considered:

- Watercare use customer consumption data for water supply to further understand population and economic growth across the region.
- For stormwater the Auckland Unitary Plan regulates the development of additional impervious surface and mitigation of flood impacts. Healthy Waters also use patterns in growth type to inform stormwater growth planning (e.g. greenfields, brownfields, infill). These growth types are assumed based on historical trends, identified projects, and agreements with developers.

Management of asset lifecycle through our approach to renewals

Water supply and Wastewater	The general approach to Watercare's maintenance and renewal programmes is to focus on high-risk assets that affect the level of service and the community. The criticality of assets and their history of failures are taken into consideration. Watercare currently applies a combination of proactive and reactive renewals. Over the course of this 10-year budget, Watercare is transitioning towards a more proactive approach. Discussions with the Commerce Commission around economic regulation has also already highlighted increasing expectations around renewals expenditure for any regulated entity. There has been a corresponding rise in investment in renewals since 2021. Renewal of treatment plant assets is undertaken based on the observed performance of the assets in operation and regular inspections. For local network assets which are currently subject to a 'run-to-failure' philosophy, a probable failure rate is applied based on the diameter, pipe material and expected life. Current capital forecasts for Watercare renewals reflects the significant volume of asset replacement. This supports the transition from a run-to-failure approach for local network assets to a more proactive, risk-based approach to renewals prioritisation in keeping with recommendations by economic regulators.
Stormwater	The Healthy Waters approach to lifecycle management reflects nature of the stormwater system and is driven by the need to minimise the risk of asset and system failure. The primary stormwater network is young (65% is less than 30 years old). Due to the intermittent regime of work (dependant on the intensity and duration of the rainfall) the performance of the stormwater systems is not indicative of their overall state; typically it can perform even when assets are in poor condition. Therefore, the focus is on the proactive renewal of critical assets – network assets, water quality and detention facilities, large dams, etc. Pipes of vulnerable materials are also

proactively replaced. Non-critical assets; approximately 80% the network; are reactively maintained and renewed, and this is supported by condition monitoring. There is significant probability that ground movement resulting from the Anniversary Floods and Cyclone Gabrielle has affected the integrity of underground pipes, and the scope of the predictive pipe condition monitoring programme is planned for increase to reflect this.

The stormwater renewals programme included in the 10-year Budget is based on a mix of identified projects and generic programmes. Renewals for years 11-30 reflect our understanding of asset deterioration and renewals trends. This programme is considered sufficient to maintain the performance of the network in relation to the Levels of Service.

The lifecycle management of the secondary stormwater systems is more complicated and is provided by multiple parties – private owners, Auckland Transport, KiwiRail and the council. The management model needs improvement in responsibilities and coordination to build future proof service at optimal cost. Healthy Waters maintains steams on council land, but stream maintenance is private land is in the hands of the property owners. The council does not have sufficient legal instruments to enforce a particular maintenance standard.

It has been recognised that some parts of our urban waterways are integral to the region's stormwater conveyance system and play pivotal flood protection role. The program 'Making Space for Water' is planned to address the most pressing issues around steam management and flood protection. This will inevitably include some renewal and rehabilitation of selected urban streams.

WASTE

Waste infrastructure supports people and businesses by providing collection services (for food scraps, recycling, inorganics, and rubbish), and facilities that support waste diversion opportunities, resource recovery and managed disposal. Doing better with waste is an opportunity to make the most of the resources we have, create jobs, stimulate innovative design and economic development, and protect our communities and our environment.

Portfolio Overview

Kerbside wheelie-bins	**$22.4m**	**Waste Infrastructure Portfolio Assets are worth $115 million***
Resource Recovery Network: includes Community Recycling Centres, and Waitākere, Waiheke Island and Aotea Island Transfer Stations	**$41.1m**	
Digitisation Software for Waste Services	**$2.2m**	

Onehunga Materials Recovery Facility (estimated value, excluding land value - transfers to council ownership 1 July 2024)	**$49.1m**	

** this is not a full representation of the total value of waste assets in the region due to the nature of service provision.*

Operating context unique to this portfolio

Waste Solutions is the council team responsible for managing the Waste Portfolio including delivering council waste services and developing and implementing the strategic direction as set out in the Auckland Waste Management and Minimisation Plan 2018. This is currently being reviewed as part of the council's statutory requirement under the Waste Minimisation Act 2008 (the Act), with a new plan expected in 2024. Currently, the Act requires local authorities to produce a waste assessment followed by a review of their Waste Management and Minimisation Plan at least every six years. Waste management and minimisation planning legislation is mainly provided by four Acts:

- the Waste Minimisation Act 2008
- the Litter Act 1979
- the Local Government Act 2002
- the Resource Management Act 1991.

Most of the waste in Tāmaki Makaurau (approximately 80 per cent) comes from commercial activity and is managed by private sector services and facilities. Auckland Council seeks to be a leader in relation to the 20 per cent of waste the council is directly responsible for (largely generated by households) by providing resource recovery services and infrastructure and working with the private sector.

Asset data

Asset condition and criticality

Table 10 shows the condition of the Waste portfolio, this table outlines major waste assets, details of the asset components assessed and the condition assessment grade. In December 2023 an indicative assessment of maturity was carried out across the council infrastructure providers (see Figure 15). This assessment indicated that Waste Solutions are within the upper end of the 'basic' zone. Waste Solutions does not yet have an asset condition assessment framework. This data gap is documented in Waste Solution's risk register in its Asset Management Plan (AMP).

Though not informed by a framework, asset condition data is held by Waste Solutions in the form of Asset Assessment Reports. These underpin the condition summary in Table 10, which shows the condition of key assets to be generally in moderate or above condition. The Waste portfolio's current understanding of asset criticality is basic. Assessing asset criticality is an area of improvement identified in Waste Solution's Asset Management Plan.

Table 9: Waste Solutions Asset Condition

Waste Asset	General description of key assets	Year of assessment	Condition assessment grade
Community Recycling Centres (CRCs) (13 CRCs currently make up Auckland's Resource Recovery Network and	Varies at each site and can include: buildings (offices, shop/education spaces, storage areas, pay-stations); pavements/fencing,	8 CRCs assessed in 2022 Other sites are not assessed as assets owned and/or	Majority of sites have assets that are of 'very good' (new), or 'good' and 'moderate' condition.

these are in: Aotea, Devonport, Helensville, Warkworth/Wellsford, Manurewa, Onehunga, Tāmaki, Waiheke, Waiōrea, Waitākere, Wairau, Waiuku, Whangaparāoa).	services; storage facilities; weighbridges.	operated by external parties or are new facilities.	A couple of the sites have assets that are assessed as 'poor'.
Waitākere Refuse and Recycling Transfer Station	Includes: buildings, storage areas, pavements/services, plant, and equipment such as weighbridges.	2017/2023	Ranging from 'moderate' to 'poor'. Some 'poor' assets have since been removed and others will be upgraded as part of current site redevelopment.
Waiheke Community Resource Recovery Park (Transfer Station)	Includes: buildings (offices, pay-station, storage); pavements/fencing; and weighbridge.	2022	'Moderate' condition
Aotea Transfer Station (at Claris Landfill)	Includes: weighbridge, sheds, pay-station, container shelter, septic tank.	N/A	N/A - as recently upgraded facility
Onehunga Materials Recovery Facility (MRF)	Building (including hard surfaces); and MRF equipment (including recently upgraded equipment, as well as older assets such as weighbridge, sorting equipment).	2022	'Moderate' condition
Kerbside bins	Refuse Bins - 584,000 Recycling Bins - 541,500 Food Scraps - 500,000 (approx.)	There is limited certainty on the condition of all bin assets in use. The life-expectancy, age of bins, field observations, and requests-for-service, are used to determine asset condition (and renewals requirements). Ages range from new (food scraps bins) to over 20-years-old (refuse bins in central Auckland area).	

Asset management maturity

Waste Solutions is at the beginning of its asset management journey, the maturity level can be considered within the upper end of the 'basic' zone (see Figure 15). The Waste Solution's AMP was developed in 2020 to recognise the increasing profile and relevance of the council's waste and resource recovery infrastructure and assets within Tāmaki Makaurau, especially relating to climate change resilience and as a driver for in support of systems change towards a circular economy.[58]

Data confidence

Asset management improvements, particularly those that relate to interactions with other asset groups are planned to be improved at a council-wide level scale to leverage efficiency. Work is underway within the Waste portfolio to improve asset condition and performance information to assist with investment planning. An example of this is the Waste Digitisation project which delivers improved system data to manage waste bin assets. Another example is better defining the roles and responsibilities relating to managing and investing in council-owned waste and resource recovery infrastructure, given Waste Solutions and other council departments and external parties are involved with ongoing waste asset management.

Data quality on waste/resource recovery assets is sufficiently robust to support investment planning in the early years of the LTP, however further information and data confidence is required to support long-term investment planning. Improving data confidence will help to address uncertainties relating to the development of CRC assets, the provision of kerbside bin assets to accommodate regional growth, and future upgrade requirements for waste/resource recovery assets such as the Waitākere Transfer Station, or the Materials Recovery Facility. Assumptions and approaches that underpin the most likely scenario for investment are outlined further below.

Most likely scenario for investment

The most-likely scenario presented in this section reflects the Mayoral Proposal. Alternative scenarios are also included in the consultation document. This scenario will be updated based on consultation feedback.

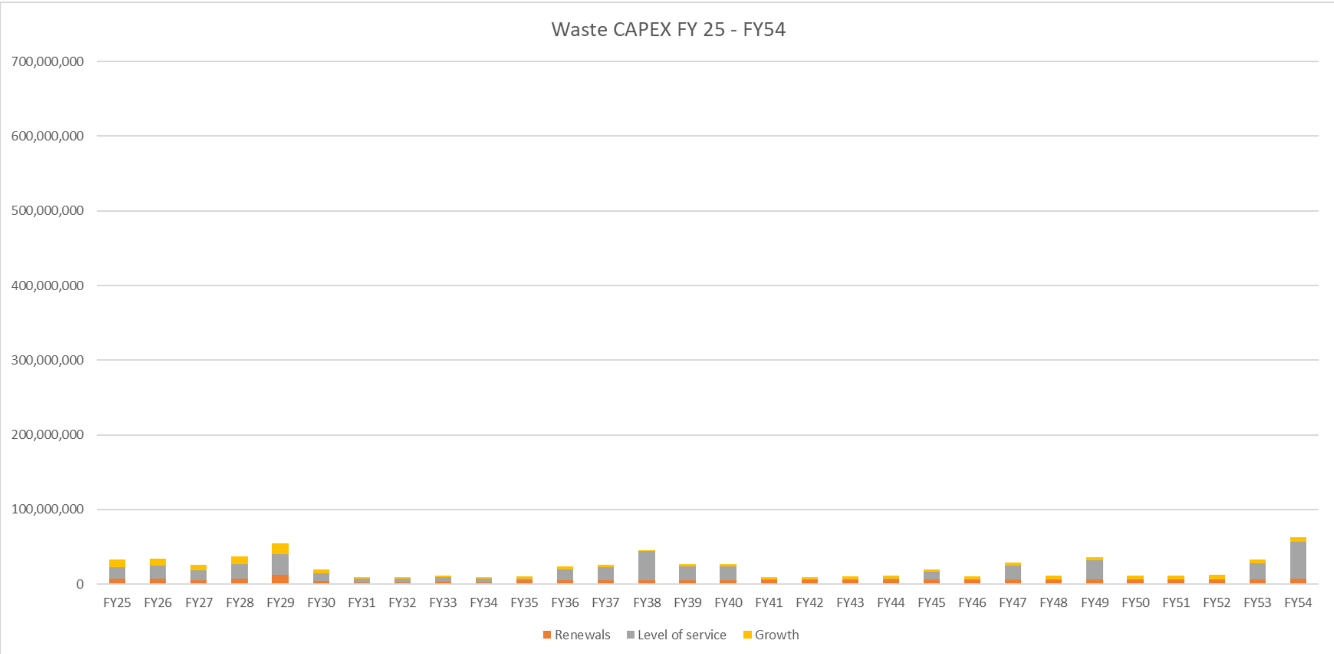


Figure 38: Waste Solutions - most likely CAPEX investment scenario FY25-FY54

[58] Auckland Waste Management and Minimisation Plan 2018

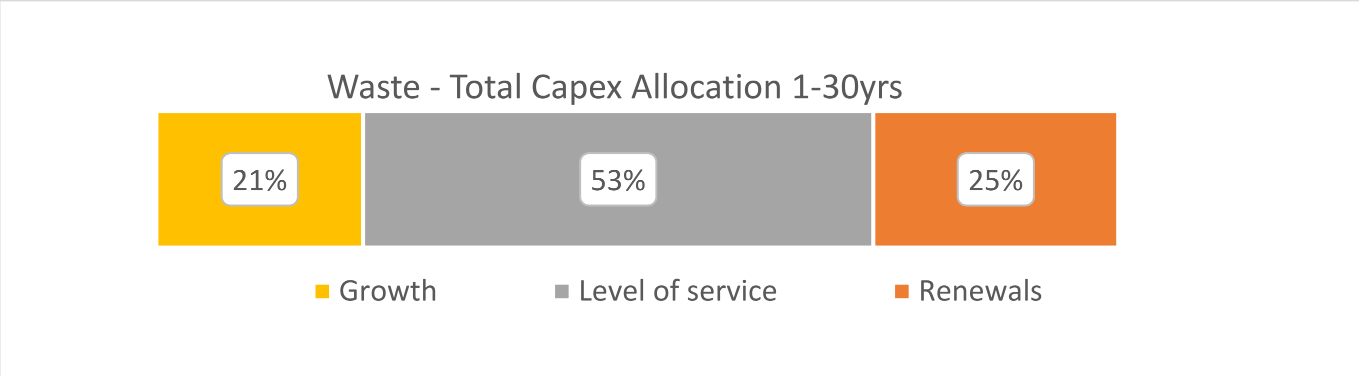


Figure 39: Waste solutions – Total Capex Allocation 1-30 years (FY25-FY54)

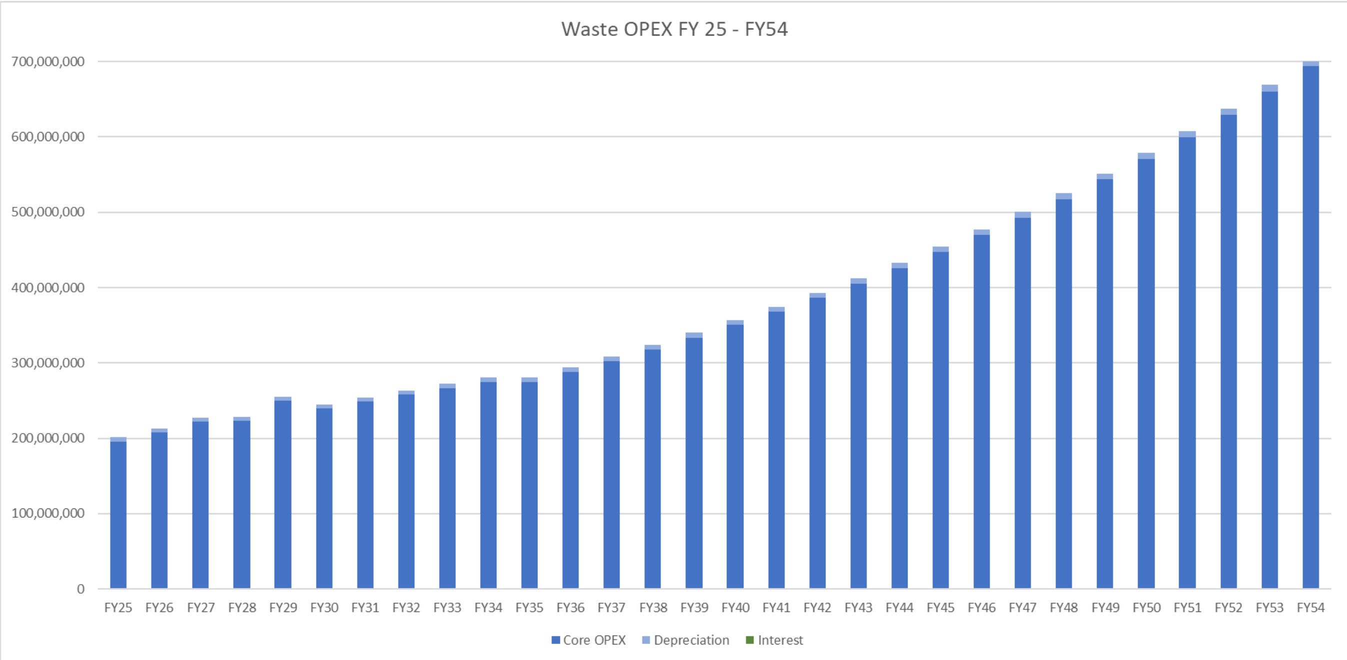


Figure 40 Waste Solutions - most likely OPEX investment scenario FY25-FY54

The most-likely investment presented in Figure 38 and Figure 40 shows the following:

- Operating expenditure is the bulk of investment from years 1-30 for Waste Solutions, reflecting the significant waste collection services and RRN infrastructure that are funded by the council through targeted rates and also use other privately owned resource recovery and landfill facilities and assets.
- Operating Expenditure is expected to increase to approximately three times the existing operating expense over the next 30 years at a steady rate in anticipation of increasing population and housing across the region, alongside other factors (such as increased cost of waste disposal, and the region’s growing resource recovery network).
- There are some additional demands in key years (FY25-FY34) because of the need to replace end-of-life wheelie bins or provide new wheelie bins in areas where council user-pays refuse collection services are currently provided or in new growth areas, as well as providing for the expansion of the RRN and renewals of MRF assets. End-of-life bin replacements and renewals of waste assets are

also key demands in later years (FY35-54). Phasing work has not yet been done for end-of-life kerbside bin replacements. This would typically be spread over a five-year period.

Key projects and programmes within the most-likely investment scenario are listed in Table *11*.

Table 10: Waste Solutions major projects and programmes

Major projects/programmes (Years 1-10)		Major projects/programmes (Years 11-30)
Waste	$millions	Waste
New community recycling centre developments at eight locations	52.0	Improvements to Resource Recovery Network *We expect to develop satellite sites around the network, that will be funded commercially or with other support.
Upgrade Waitākere Refuse and Recycling Transfer Station	17.4	Improvements to Waitākere Resource Recovery Park
Improvements at Onehunga Materials Recovery Facility	45.6	Upgrade of Materials Recovery Facility
Replacement of end-of-life refuse/recycling bins in specific areas	37.0	Replacements for end-of-life kerbside bins (recycling, food scraps, refuse)
Renewals/replacements of kerbside bins and to provide for growth	63.8	New kerbside bins to provide for growth
New refuse bins for rates-based kerbside service	8.3	Renewals of kerbside bins
Renewals at Community Recycling Centres	10.3	Renewals at Community Recycling Centres
Renewals at Waitākere and Aotea Island Transfer Stations	9.3	Renewals at Transfer Stations

Assumptions and approaches that underpin the most-likely scenario for investment

The following assumptions and approaches supported the development of the Waste investment plans set out above. These assumptions include any changes in Levels of Service, growth projections (and the subsequent impacts on demand for services), the council's Waste Management and Minimisation Plan and its current review, and the management of the asset lifecycle through Waste's approach to renewals

Levels of service

The LTP 2024-2054 performance measures are included below. Full reporting of targets over the first 10 years of the LTP can be found in Section 3 of the LTP Supporting Information, Our Activities. Levels of service have been assessed to determine the most likely trends over years 11-30 of the LTP (2035-2054) and are shown as likely improving (↑), remaining the same (→), or reducing (↓). Reasons for changes in level of service are noted in the table below.

The long-term assumptions in relation to levels of service for Waste Solutions are signalled in Table 12. There are a number of measures that contribute to the levels of service. The proposed investment in the next 10 years aims to meet the targets set against these levels of service. Table 12 indicates that for years 11-30 Waste Solutions assumes that they will improve or maintain measures relating to the reduction of waste to landfill and provision of services.

Investment in the resource recovery network, the Materials Recovery Facility, and food scraps programme is anticipated to support greater customer usage and improve waste diversion from landfill. The national waste levy and other regulatory interventions tackling commercial waste will also provide opportunities for greater reduction in total waste to landfill (beyond 698 kg per capita). Long-term trends and the anticipated waste reductions are currently highly uncertain. There are several factors outside of the council's control, such as waste sector investment, population and economic growth, and financial, political and societal changes. Uncertainties in long-term waste targets have implications for achievement of the zero waste 2040 aspirational goal and the cost to Tāmaki Makaurau to manage its waste.

Table 11: Waste Solutions levels of service statements and performance measures

Performance measures	Targets FY2027 - FY2034	Assumed trend to 2054
Levels of service: Manage the collection and processing of household waste and minimise waste to landfill		
The quantity of domestic kerbside refuse per capita per annum (kg)	120 (kg per capita)	→
The total waste to landfill per year (kg per capita)	698 (kg per capita)	↑ (possible greater waste reduction)
Number of customer interactions per annum at Resource Recovery Facilities	300,000	↑ (expansion of the Resource Recovery Network)
Food scraps diverted from landfill (tonnes per annum)	50,000 (tonnes per annum)	↑ (rollout of the Food scraps programme)
Total number of Resource Recovery Network Facilities	17	→
The percentage of customers satisfied with overall waste collection services.	Targets to be confirmed for final LTP	→

Growth

Waste planning follows the council group assumptions for assuming population demand (as set out earlier in this section). Waste Solutions must also align with central government policy and commitments. The Auckland Waste Management and Minimisation Plan is a key tool which sets out infrastructure requirements and system responses. The 2021 Revised Resource Recovery Network Strategy also includes consideration of growth projections and growth areas.

Management of asset lifecycle through approach to renewals

The Waste Solutions asset base includes kerbside bins, facilities and other components with a range of expected asset lives, such as 15-20 years for kerbside bins and an anticipated 25-year renewal period for new buildings. Assumptions around asset life contribute to the planning for renewals of the bin assets which are managed using a combination of 'run-to-failure' and replacement based on the expected life of the asset.

Maintenance and renewals of large waste facilities such as the Resource Recovery Network and the Materials Recovery Facility are being planned more proactively using the expected life of the assets and condition assessments. Long-term planning for future renewals needs will be better supported by improving condition and asset life data, as well as through central government involvement via a proposed Action and Investment Plan (as part of government's updated 2023 NZ Waste Strategy). This will require regional planning of waste infrastructure.

COMMUNITY

Community infrastructure supports the essential services in helping people to participate in society, promote health and wellbeing and create a sense of belonging.

Portfolio Overview

Open Space (Land)	**$10,725m**	**Community Infrastructure Portfolio Assets are worth $14.6 billion**
Community Facilities	**$1,678m**	
Open Space Assets	**$1,588m**	
Collections	**$216m**	
Digital Assets & ICT	**$191m**	
Mobile Delivery Assets	**$0.5m**	

Community assets contribute to the functionality of the urban environment and are used to deliver regional and local customer-facing community services including:

- active recreation
- passive recreation
- accommodation
- arts and culture and events
- cemetery services
- community development
- libraries and information services and community centres
- litter and sanitation utilities
- complementary services (such as cafes that raise revenue to offset costs)

Some assets, notably open spaces, also perform non-customer facing functions such as stormwater management and protection of biodiversity.

Operating context unique to this portfolio

The council owns and operates a large and complex portfolio of community assets. The council funds both initial capital investment, renewal costs and ongoing operational costs to maintain the portfolio (including staff where investment relates to direct service delivery). The community portfolio also includes coastal assets which are associated with open spaces and other community facilities, these assets and investment are managed differently due to the specific needs and risks associated with them.

As the portfolio of assets has grown over time to deliver services for Auckland's growing population, so too has the level of investment needed to support the portfolio. At the same time, many assets are ageing and require increasing investment to keep them in a satisfactory condition.

Budget pressure from demand for new investment to support rapid population growth has increased through requests to support recovery from weather events, mitigate and adapt to climate change, and address inequity. Meanwhile, council operates in an environment of reduced investment capacity due to a fall in revenue, existing spend commitments, increased interest rates and supply chain costs.

This calls for a transition away from the traditional way of delivering community services towards a more affordable, sustainable, and resilient investment practice focused on looking after priority assets, overall reduction of the existing portfolio, and making use of alternative service delivery models such as partnerships, grants and digital channels.

Making changes to the portfolio is complex because decision making is made at both a local and regional level. Increased decision making alongside a proposed fairer funding model for local boards will mean there is a shift to more local asset management responsibility and planning tailored to local boards, and different community requirements. Further detail on the changes proposed can be found in the LTP Consultation Document Part 4, Parks and community and the LTP Supporting Information, 4.2 Local Board Funding Policy.

Asset data

Asset condition and criticality

The following graphs show the condition of the Community portfolio, this is presented by major asset classes and the criticality of asset components.

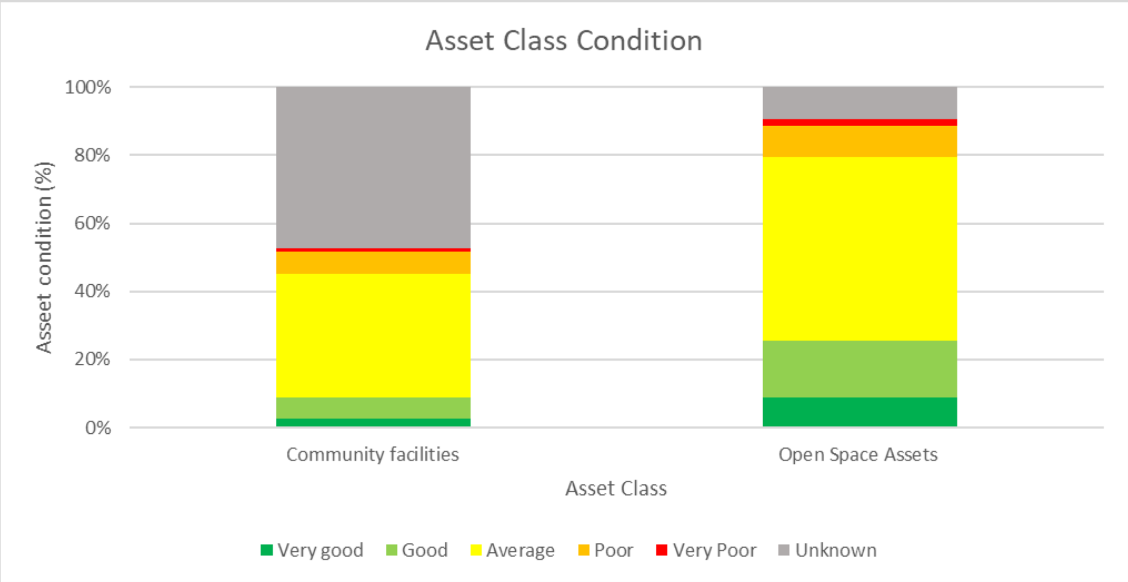


Figure 41: Asset condition profile for key asset classes

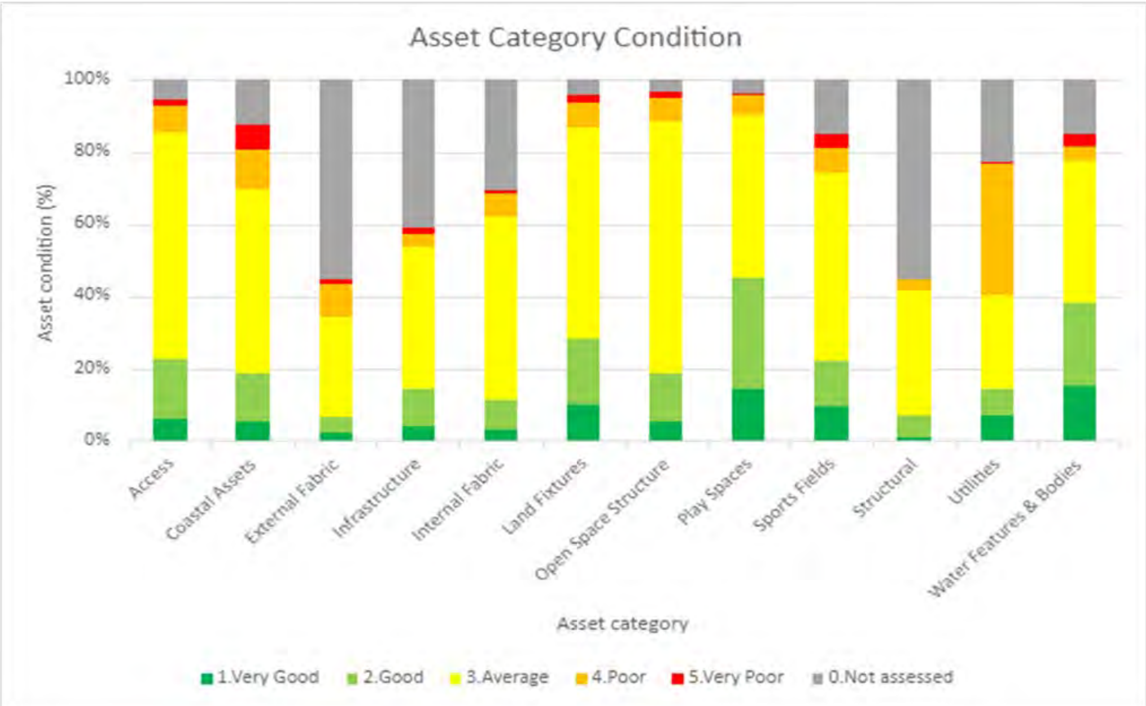


Figure 42: Asset condition profile for key asset categories

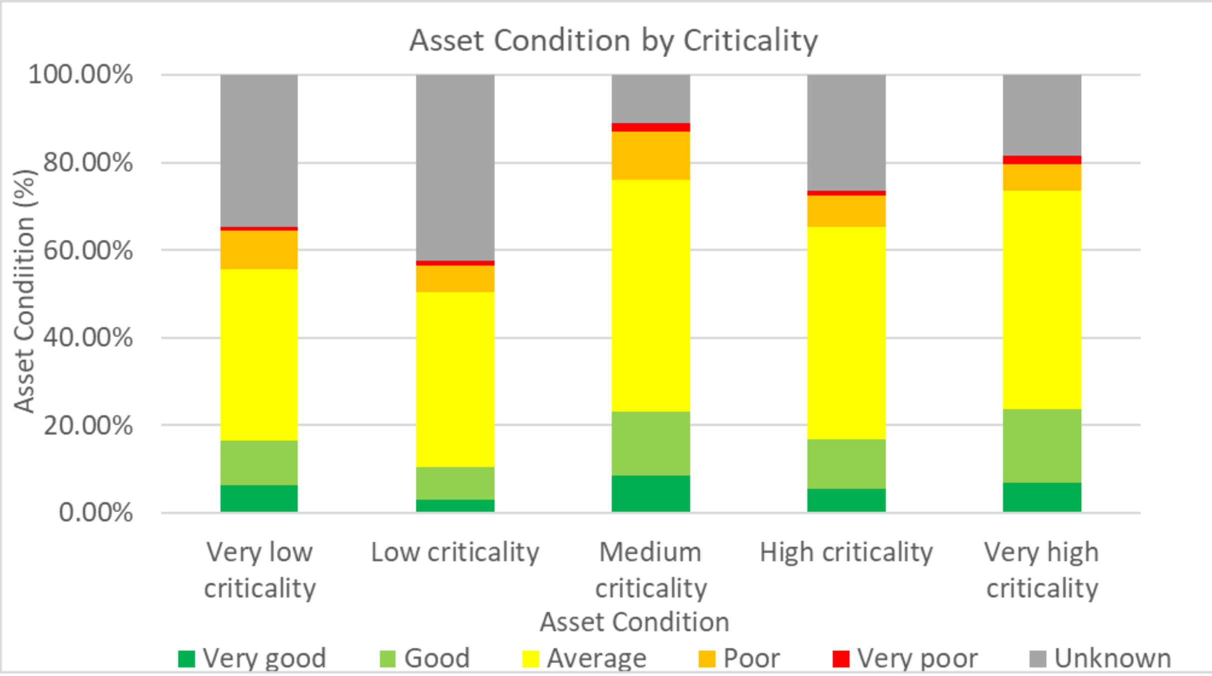


Figure 43: Asset condition profile by criticality assets

The condition profiles shown above present the known condition data and acknowledges that there are parts of the community portfolio where asset condition is unknown. As shown in Figure 41 , this is a particular issue for community facilities, which includes the structure and fabric of buildings where condition assessment would often require invasive techniques, or where access is difficult. The condition of assets with unknown condition is managed based on the criticality of the asset components: where low criticality components can be 'run-to-failure', and asset age is used as a proxy to manage the renewals of critical components.

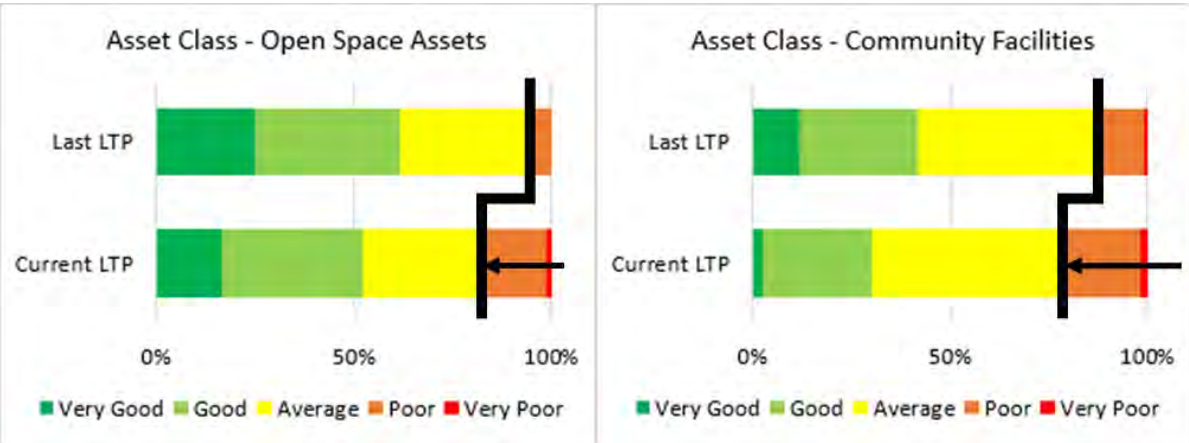


Figure 44: Overall change in condition for open space and community facility assets

At current funding levels it is not sustainable to maintain the extensive community portfolio and the share of condition 4 and 5 assets has increased over past three years. The renewals gap is growing exponentially. Deterioration of the portfolio (as shown in Figure 44) will continue at an accelerated pace and will likely lead to a deterioration of service levels over time. In response to this, the community portfolio has a planned transition model. Over time ageing council-owned community assets that aren't fit-for-purpose will be divested and critical asset renewal prioritised. This will enable asset maintenance to be financially sustainable over the long term to maintain the condition of community assets.

Asset management maturity and data confidence

The community portfolio is committed to ongoing improvement of its asset management approach. In December 2023 an indicative assessment of maturity was carried out across the council infrastructure providers (see Figure 15). This assessment indicated that the community portfolio is at the lower end of a 'core' zone. This assessment will form the basis of a more comprehensive whole system assessment involving external experts. The 2023 maturity assessment is informing the development of the 2024 Community Strategic Service and Asset Management Plan (SAMP) and Improvement Plan, and any future Asset Management Plans.

These improvements are underpinned by the development of robust data quality audits. Generally, across the portfolio the data quality is higher for critical assets (e.g. pool plant, roof cladding, lifts, building management systems).

Overall confidence in data quality is good at the facility level and there is high level of confidence in investment planning through the LTP. As outlined in the 'asset condition and criticality' section, there is unknown asset data at a component and asset equipment level. Uncertainty in data to inform investment planning is managed through additional considerations in the data model. This includes factoring in age of components, more frequent assessments of higher criticality assets and pricing assumptions that are reflective of the asset criticality. Assumptions and approaches that underpin the most likely scenario for investment are outlined further below.

Most likely scenario for investment

The most-likely scenario presented in this section reflects the Mayoral Proposal, alternative scenarios are also included in the consultation document. This scenario will be updated based on consultation feedback.

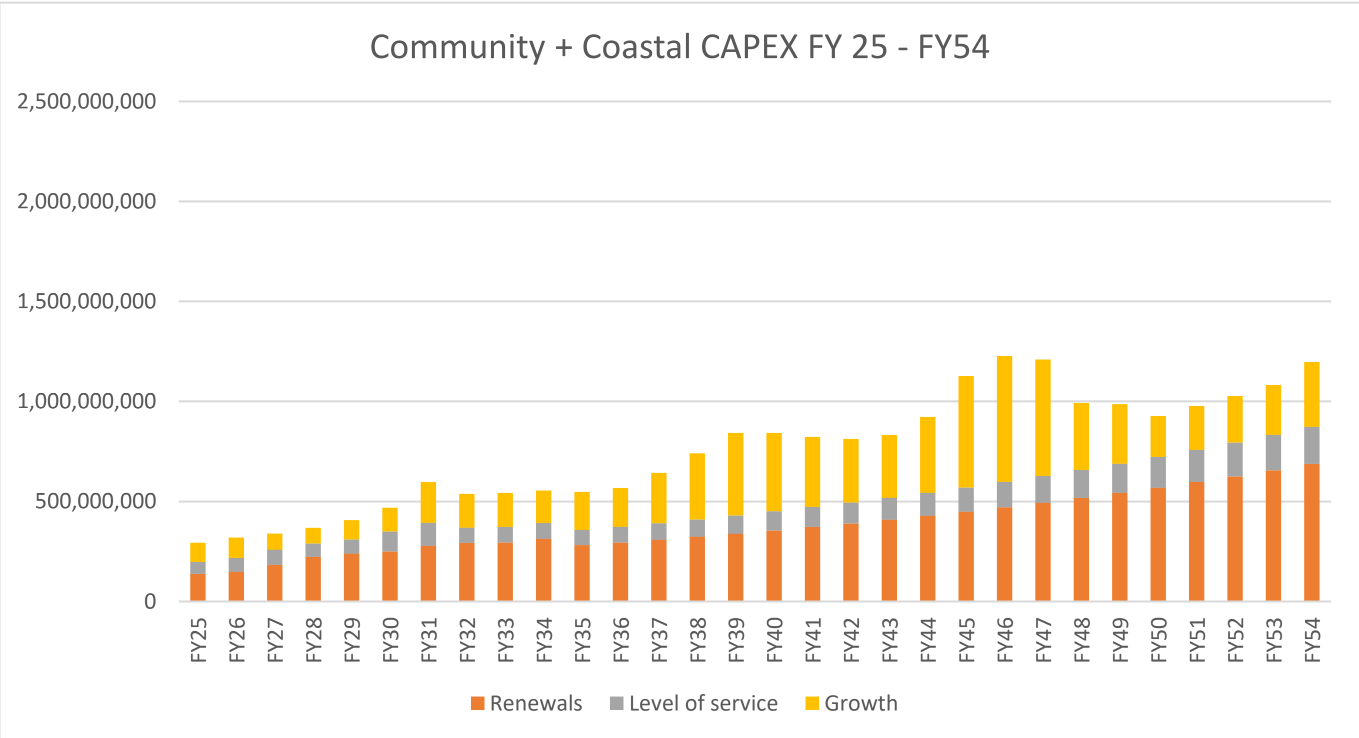


Figure 45: Community Portfolio (including coastal) - most likely CAPEX investment scenario FY25-FY54

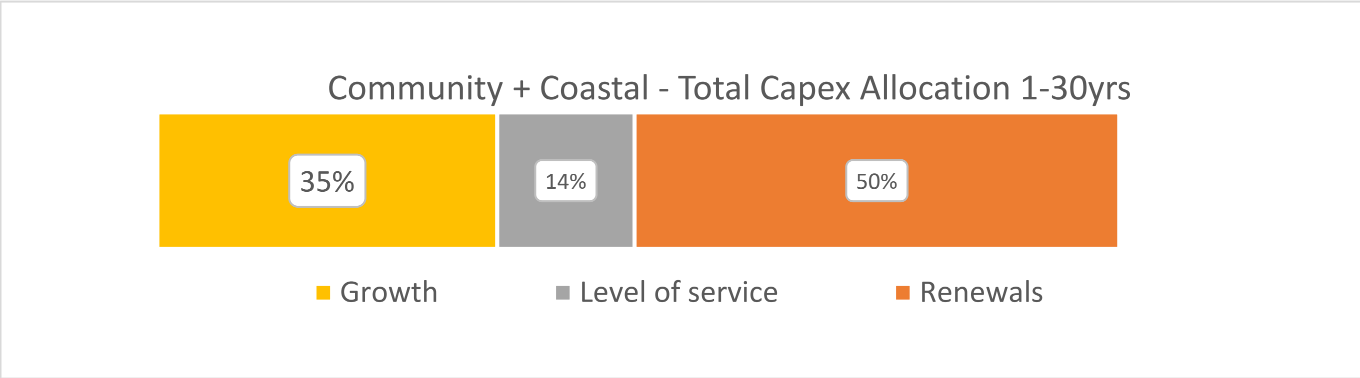


Figure 46: Community Portfolio (including Coastal) – Total CAPEX Allocation 1-30yrs (FY25-FY54)

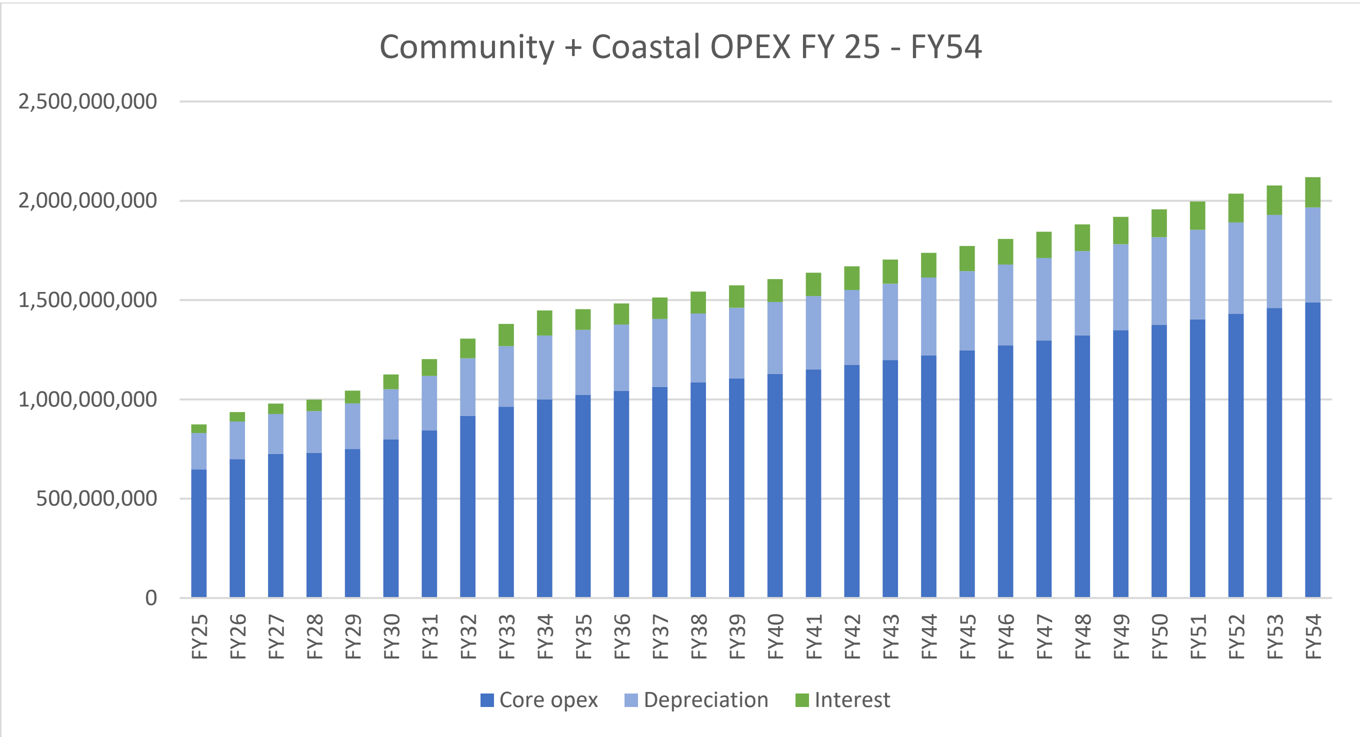


Figure 47: Community Portfolio (including coastal) - most likely OPEX investment scenario FY25-FY54

The most-likely scenario shown in Figure 45 and Figure 47 is based on community and coastal investment scenarios, approximately the total capital investment is $4.4 billion and core operational investment is $ 8.1 billion for FY25 to FY34. This investment balances asset renewal requirements against the capacity of council and the market to deliver. The following commentary relates to the community portfolio, see 'Spotlight on Coastal Assets' for further detail on coastal assets.

In the first 10 years the scenario funds the renewal of all existing critical category 5 and category 4 assets and some existing non-critical category 5 assets. The scenario funds some growth in the first 10 years, but below the currently modelled land acquisition budget against the Open Space Provision Policy 2016 guidelines and ability to provide for growth-related development on open space. As the amount of funding under this scenario is less than is needed (as indicated in the current Open Space Provision Policy), if it proceeds then we would need to ensure alignment of the Development Contributions Policy. The first 10 years also includes the continuation of the $700m of opex to support the transition of the community portfolio to a more affordable, sustainable, and resilient investment practice.

The community portfolio includes an indicative package of $110 million of infrastructure investment to access a Housing Acceleration Fund. This investment is subject to separate decision-making as the council is working with the Ministry of Housing and Urban Development and Kāinga Ora – Homes and Communities to support the intensification of priority areas with significant Kāinga Ora landholdings.

The proposed investment levels in years 11-30 reflect projected requirements for renewals and the long-term requirements anticipated for growth (spikes in growth modelling are driven by expected timing for development in specific areas of the city). Levels of service and core-opex are also funded to provide for staff, repairs and maintenance, outsourced works and services and other expenditures. The most-likely scenario for opex assumes that funding to transition the community portfolio in years 1-10 will need to be continued into years 11-30. Modelling includes a per annum percentage increase to all budgets to account for inflation and alignment with current budget trends.

The most-likely scenario for investment presents implications for managing our current asset portfolio. Required changes will include a shift of service delivery to reduce reliance on fixed built assets and provide services that allow for easier change and responsiveness (opex investments have been identified to help achieve this, although it is difficult to forecast what the impact will be in terms of reducing opex investment that is currently tied to capex). The scenario assumes an overall decrease of the asset portfolio and not replacing assets that have reached end of useful life and / or which present health and safety issues. It also assumes demand management to make best use of the current asset network and services provided by partners, alongside, more local asset management responsibility and planning tailored to local boards, and different community requirements.

Programmes under the most likely scenario

Key programmes within the most likely investment scenario are listed in Table 13.

Table 12: Community portfolio major programmes based on the most likely investment scenario

Major programmes (Years 1 – 10)		**Major programmes (Years 11-30)**
Description	**$ millions**	
Local renewals	$1,369	Local renewals
Regional renewals	$392	Regional renewals
Open space/park development (growth)	$526	Open space/park development (growth)
Land acquisition	$426	Land acquisition
Regional development	$214	Locally Driven Initiatives (LDI) capex
Co-Governance	$166	Local development
Fairer funding for Local Boards	$135	
Locally Driven Initiatives (LDI) capex	$128	
Additional investment for the Auckland Housing Programme areas	$110	

The budget forecasts in Table 13 are based on provisional investment budgets at programme level. Several projects have been identified based on various planning exercises, but these are not included as many of these projects have not been formally considered for funding or phasing. At the same time, a move to a less council-owned asset dependent service model means there is a level of uncertainty regarding specific future projects.

Assumptions and approaches that underpin the most likely scenario for investment

The following sections outline the assumptions that are specific to managing community assets that form the most likely scenario. These are the assumptions that have supported the development of 1-10, and 11-30-year investment planning.

These assumptions include:

- levels of service to 2054
- growth assumptions relevant to community
- the management of the asset lifecycle through our approach to renewals.

Levels of service

The LTP 2024-2054 performance measures are included below. Full reporting of targets over the first 10 years of the LTP can be found in Section 3 of the LTP Supporting Information, Our Activities. Levels of services have been assessed to determine the most likely trends over years 11-30 of the LTP (2034-2054) and are shown as likely improving (↑), remaining the same (→), or reducing (↓).

The long-term assumptions in relation to levels of service for Community Portfolio are signalled in Table 14 and Table 15. The community portfolio is in a transition from reliance on a council-owned asset-based delivery model supporting direct service provision, to a model that provides more digital and partner-led services at fewer integrated service points. Most levels of service and associated performance measures continue to reflect the current state of operation. The proposed investment in the next 10 years aims to meet the targets set against these levels of service. There is significant uncertainty about these levels of service in the coming decades as the transition is rolled out and assets and services are adapted to best deliver for the community in a more financially sustainable way.

Local community services measures are based on trends from recent data and it is assumed these measures will be maintained. However, population growth, changing consumer behaviour and local demography, when combined with a transitioning service model, are likely to affect visitation over the long-term. As this transition occurs, trends will need to be closely monitored and reviewed. Over time new levels of service and performance measures may need to be introduced to better reflect service provision.

It is assumed that regional service measures will also be maintained. The current cost pressures and budget constraints are significant challenges to maintaining asset condition (including regional parks) and the impacts of climate change could further exacerbate deterioration and maintenance across some asset groups over the short and long term.

For open space and community assets rated as “Poor” or “Very Poor” in condition, the decision to divest or decommission older, or not fit-for-purpose assets, is more actively triggered. The disposal decision should improve the feasibility and financial sustainability of the portfolio and in the long-term it’s overall asset condition.

Levels of service statements and performance measures (Local Community Services)

The Local Community Services measures represent the portion of assets in the community portfolio that are governed by local boards. The targets reported in Table 14 are the regional totals for FY24/25. The council’s 21 local boards review their performance measures and targets every year as part of their annual local board agreements and therefore targets beyond FY24/25 are not supplied as part of the LTP. See LTP Supporting Information 3.0 Groups of Activities, Local Community services for individual local board targets.

Table 13: Local Community Services levels of service statements and performance measures

Performance measure	Regional Target FY 2024-FY2025 *See LTP Supporting Information 3.0 Groups of Activities, Local Community services for local board specific targets.	Assumed trend to 2054
Level of service: Enable a range of choices to access community services and recreation opportunities		
Pool and Leisure Centre physical visits	8,016,699	→
Pool and Leisure Centre Main Functions & Facilities Opening hours, Service uptime (open / available hrs)	95%	→
Library opening hours / service uptime	100%	→
The number of visits to library facilities	7,316,496	→
Community Facilities rated Poor or Very Poor	To be confirmed for final LTP	↑ (assumption condition will improve overtime)
Percentage of attendees satisfied with the quality of library service delivery	To be confirmed for final LTP	→
The percentage of attendees satisfied with a nominated local community event	To be confirmed for final LTP	→
The percentage of customers satisfied with quality of local community services, programmes and facilities.	To be confirmed for final LTP	→
The percentage of park visitors who are satisfied with the overall quality of sports fields.	To be confirmed for final LTP	→
Level of Service: Provide urban green spaces (local parks, paths and ngahere) and access to the coast		
The number of Open space assets rated Poor or Very Poor condition	To be confirmed for final LTP	↑ (assumption condition will improve overtime)
The percentage of quality audits achieved in Local Parks	90%	→
Urban Ngahere Street Planting Programme (number of trees)	48847	↑ (In line with Auckland's Urban Ngahere Strategy)

Levels of Service statement and performance measures (Regional Community Services)

The Regional Community Services measures represent the portion of the community portfolio that is governed by Auckland Council's Governing Body.

Table 14: Regional Community Services levels of service statements and performance measures

Performance measure	Targets FY2027- FY 2034	Assumed trend to 2054
Level of service: Protect and provide access to distinctive and unique environments through regional parks		
The percentage of quality audits achieved in Regional Parks	80%	→

Level of service: Enable a range of choices to access community services and recreation opportunities		
The percentage of sporting and recreational facilities available	To be confirmed for the final LTP	→
The number of library items checked out (including e-items) (millions)	17.4M	→
The percentage of regional park visitors who are satisfied with the overall quality of their visit.	To be confirmed for the final LTP	→
The percentage of users who are satisfied with the overall quality of local parks.	To be confirmed for the final LTP	→
Level of Service: We provide rental services to older tenants and maintain the older persons property portfolio		
Percentage of tenants satisfied with the provision and management of housing for older people	To be confirmed for the final LTP	→

Growth

Population growth projections are consistent with council group growth modelling. Auckland has seen sustained year on year population growth with communities becoming more diverse and spatially varied. Provision guidelines for growth set out in the 2015 Community Facilities Network Plan and 2016 Parks and Open Space Provision Policy are beyond the funding that is available in years 1-10 (see most-likely scenario Figure 45).

The current asset portfolio requires a significant proportion of total capital and operating budget to remain operational, a requirement that will continue to increase over time under current operating practices. This leaves very little flexibility or capacity to cater for service offerings that are a direct response to growth.

Management of asset lifecycle through approach to renewals

The extensive community asset portfolio uses an asset deterioration model to calculate the full renewals budget requirements and timing for community facilities and open space assets. Asset life assumptions vary across the portfolio and are an input to this deterioration model. The deterioration model, together with verified asset state data, is also used to help prioritise asset renewals within the budget available.

Further work is in progress to better reflect the actual life expectation and assumptions and to factor the 'whole of life' cost of new assets in renewals planning. ICT, mobile assets, collections and open space are not included in this rating system and therefore are subject to different renewals approaches.

The most-likely scenario for investment will fund the renewal of all existing critical (category 4 and 5) assets and selected non-critical category 5 assets based on assumptions and costings that apply today. The proposed investment prioritises the maintenance of critical assets against delivering new services across the region and does not reflect renewal requirements for new or vested assets.

The compounding costs of deferred renewals, limited deliverability capacity, inflationary pressures, and increasing climate change obligations means there is significant pressure to reduce renewals requirements to make the community portfolio more affordable and sustainable. The complexity of decision-making (local boards decide on investment for their assets within network priorities set by the Governing Body) can result in decisions about change of services or divestment of assets taking a long time (often years), which can add further cost.

Responding to this challenge will require aligned decision-making by local boards who will have an increasing level of flexibility in how to distribute investment in their assets within allocated funding envelopes. Local boards' decision-making will need to recognise sound asset management practice. This decision-making will, however, be dependent on the quality of information and accompanying advice necessary to consider trade-offs between community use and the ongoing availability of safe accessible assets.

Spotlight on Community Coastal Assets

Tāmaki Makaurau is a coastal region, with a large number of coastal assets. The community portfolio includes coastal assets which are associated with open spaces and other community facilities. The asset base includes over 500 sea walls, 400 boat ramps, 264 revetments and 186 wharves. These assets are a particular focus for management within the community infrastructure portfolio due to the specific needs of coastal assets, and the associated risks to safety, property and other infrastructure which are exacerbated by climate change.

The most-likely scenario for investment in our coastal assets is included in the community portfolio investment presented in Figure 45 and Figure 47. Investment in our coastal assets is heavily weighted towards the renewal of these assets.

Asset Condition

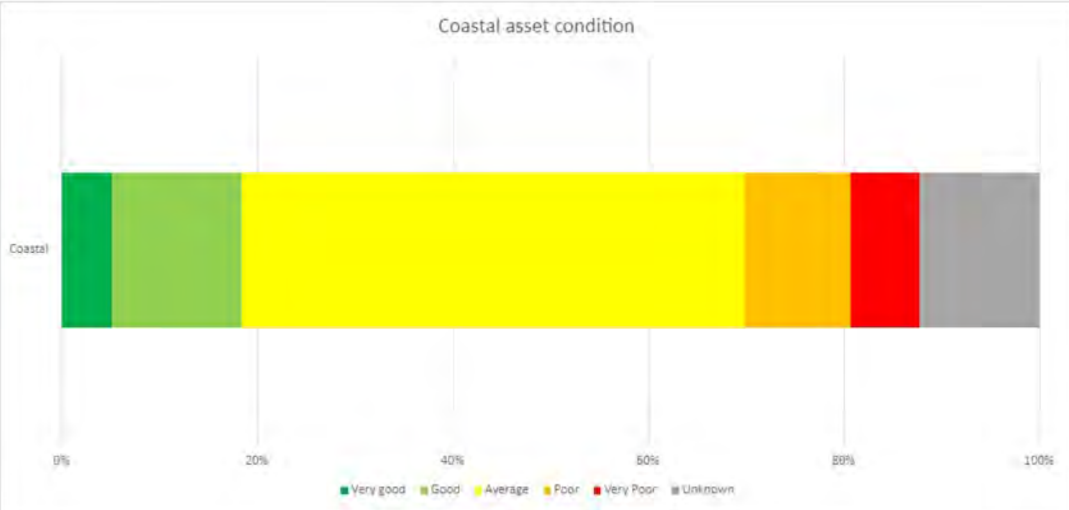


Figure 48: Condition profile of community coastal assets

The condition profile of community coastal assets is shown in Figure 48. This condition profile helps to identify and prioritise assets that require urgent renewals. However, current asset data does not provide sufficient information for a detailed understanding of the condition, and results in 62per cent of assets identified as being in 'average condition' which makes prioritisation difficult.

Condition data identifies wharves and piers as necessary areas for renewals and maintenance focus, with up to 45 per cent of them known to be in poor condition or worse. There is an improvement plan for the coastal asset program, key focus areas include data quality improvements such as detailed asset classification, improved methodology for condition assessments, and supporting report streamlining. These improvements will provide a more accurate representation of criticality and enable a data confidence rating to be added during the condition assessment.

Approach to renewals

For coastal assets, renewals is the primary component of the proposed capex programme. We anticipate that a significant increase in funding is needed for future renewals, particularly as the effects of climate change start to reduce the 'useful life' of coastal assets. At present, deterioration models do not fully quantify these impacts and further analysis is underway to better calculate risk. In addition to this, capital investment is required for managed retreat and environmental protection. See section 5 of the Strategy for further detail on the decisions required to establish a response to this issue.

	CULTURAL AND ECONOMIC	Economic and cultural experiences contribute to making Tāmaki Makaurau a desirable place to live, work, visit, invest and do business.

Portfolio Overview

Theatre & Performance venues	**$628m**	**Cultural and economic infrastructure portfolio** **$1.45 billion**
Museum and Gallery	**$244m**	
Stadiums	**$226m**	
Zoo	**$202m**	
Other assets* *excludes loose equipment, collection, technology	**$151m**	

Cultural and economic assets are managed by Tātaki Auckland Unlimited to support a co-ordinated, region-wide programme to deliver cultural, social and economic benefits for Tāmaki Makaurau.

Operating context unique to this portfolio

Tātaki Auckland Unlimited (TAU) is the umbrella organisation comprising two Council Controlled Organisations (CCOs), Tātaki Auckland Unlimited Limited (TAUL) and Tātaki Auckland Unlimited Trust (TAUT). Both organisations are committed to enabling and facilitating economic and cultural opportunities and experiences. TAU manages a portfolio of assets they inherited from the 2020 amalgamation of Regional Facilities Auckland (RFA) and Auckland Tourism, Events and Economic Development (ATEED).

The TAUL and TAUT collective asset base includes some of the most regionally significant arts, cultural and sporting facilities in Tāmaki Makaurau. Services are provided through these facilities and through partnerships with the arts and cultural sectors.

Limited funding, an ageing asset portfolio and changing needs of Auckland's population put pressure on the portfolio and the ability to manage these assets, while maintaining a quality customer experience. TAU is taking a balanced approach to ensure that these regionally significant assets remain reliable and meet the required customer experience.

There is limited scope to adapt some of these assets in response to changing demand, especially where heritage protections are assigned. There may be opportunities to enable asset recycling in some areas, which will require further investigation, additionally TAU is looking at the potential to consolidate its stadium network, further detail can be found in S5 of the Strategy.

Asset data

Asset Condition and Criticality

The following graphs show the condition of the TAU portfolio, this is presented by major asset classes and the criticality of asset components.

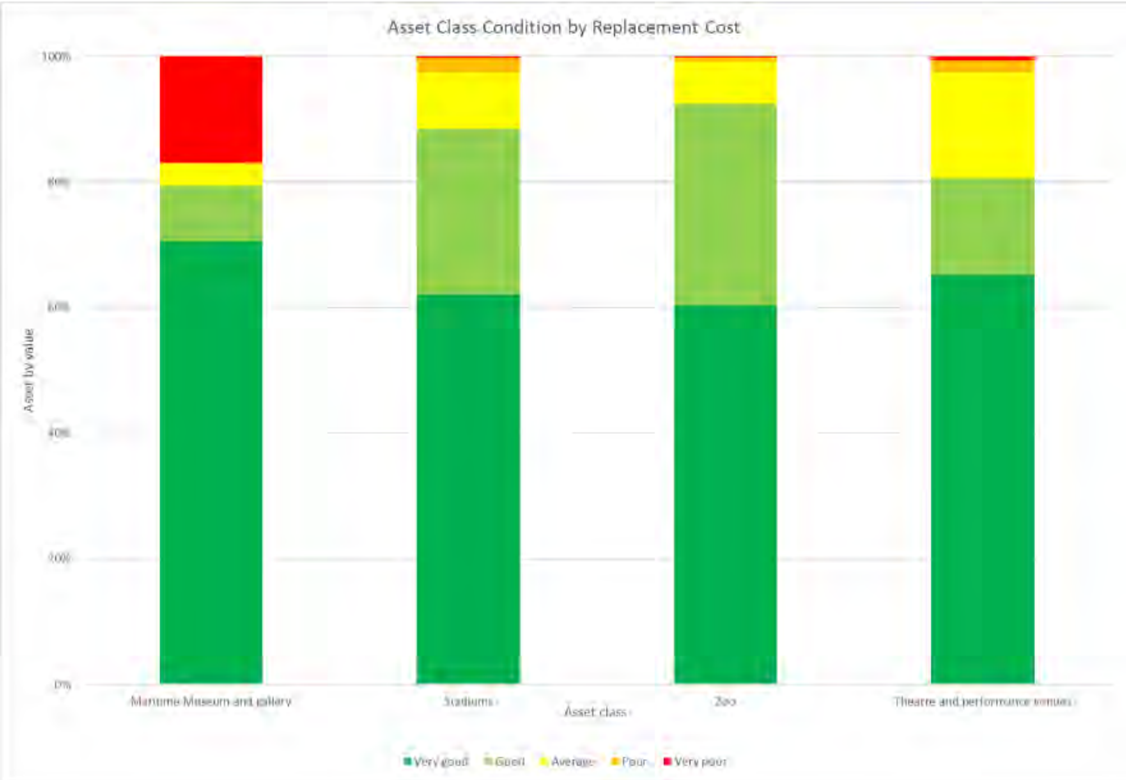


Figure 49: Tātaki Auckland Unlimited – Condition of key asset classes by replacement cost

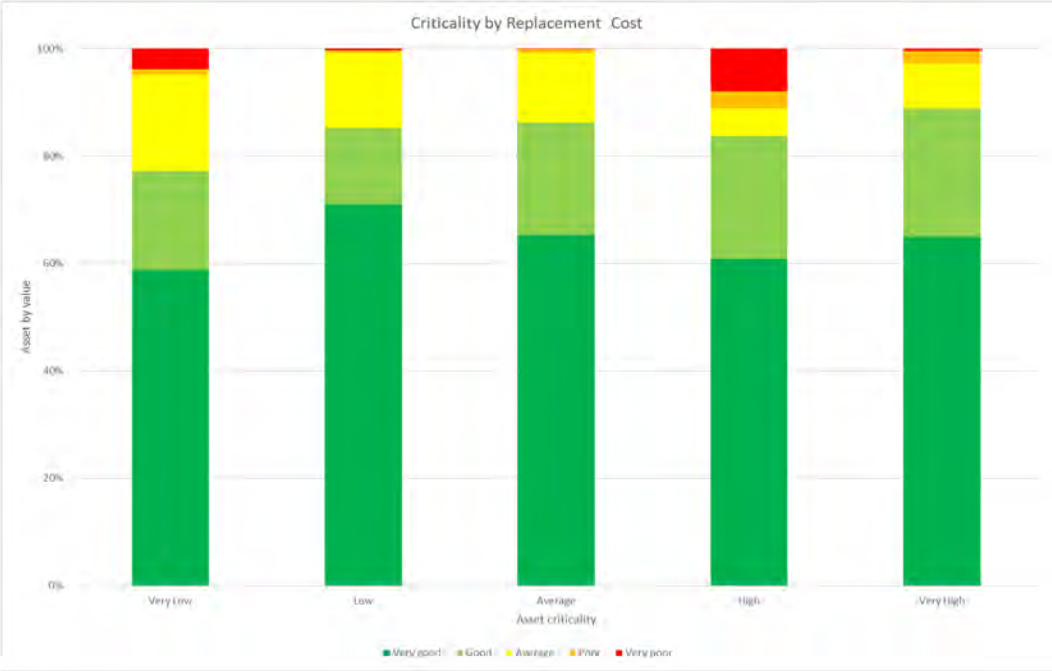


Figure 50: Tātaki Auckland Unlimited – Condition of assets presented in relation to component-level asset criticality by replacement cost

Whilst Figure 49 and Figure 50 show that the assets included in TAU's combined asset register are mostly in good condition, these do not fully represent the current state. TAU is in the process of undertaking refreshed condition assessments. Approximately 80per cent of the data has been updated, with the remainder planned to be completed by mid 2024. This profile is expected to change once the remaining assessment information is updated. The updated condition assessment of Western Springs Stadium and North Harbour Stadium will most likely show a deterioration of assets since the last survey. The charts also highlight some material issues of condition, such as the Auckland Art Gallery roof which is shown in poor condition in Figure 49 and is being addressed through TAU's renewals programme.

It is noted that the charts above include components currently captured in TAU's asset register and exclude key infrastructure, such as underground services, uninterruptable power supply (UPS) units and structural elements. Therefore, TAU's combined asset register replacement cost profile currently only represents around 40 per cent of its total building valuation. TAU's asset register is likely to be expanded in the future, however this is subject to business need and resource availability.

Asset management maturity

In December 2023, an indicative assessment of maturity was carried out internally across the council infrastructure providers (see Figure 15). This assessment indicated that TAU are within the mid-range of the 'core' zone. An independent assessment of Tātaki Auckland Unlimited's asset management maturity has previously been completed in June 2021. A future target maturity rating of 'core' to 'intermediate' was considered appropriate and achievable for TAU to achieve within the next three to five years.

Since 2021, several improvement measures have been implemented, including a review the current state of TAU's Asset Information Strategy and the development of a future state model. The journey to achieving an 'intermediate' rating is underway and an updated maturity assessment will take place around FY25-FY26 to confirm progress and refresh priorities.

Data confidence

As part of increasing the overall asset management maturity, TAU aims to keep its asset register condition information up to date by various methods including, conducting regular condition assessments, and receiving regular updates on assets from its suppliers as well as improved process to update data on the completion of capital renewal projects and maintenance activities.

TAU have reasonable confidence in the data quality for financial planning within the first 10 years of this plan based on maintaining the existing portfolio in its current form. This confidence is low when it relates to potential growth expenditure, especially until long term decisions have been made around the Stadium network. For years 11-30, the plan comes with a higher level of uncertainty as the financial model relies upon a moderated lifecycle cost forecast from TAU's asset register. Assumptions and approaches that underpin the most likely scenario for investment are outlined further below.

Most likely scenario for investment

The most-likely scenario presented in this section reflects the Mayoral Proposal. Alternative scenarios are also included in the consultation document. This scenario will be updated based on consultation feedback.

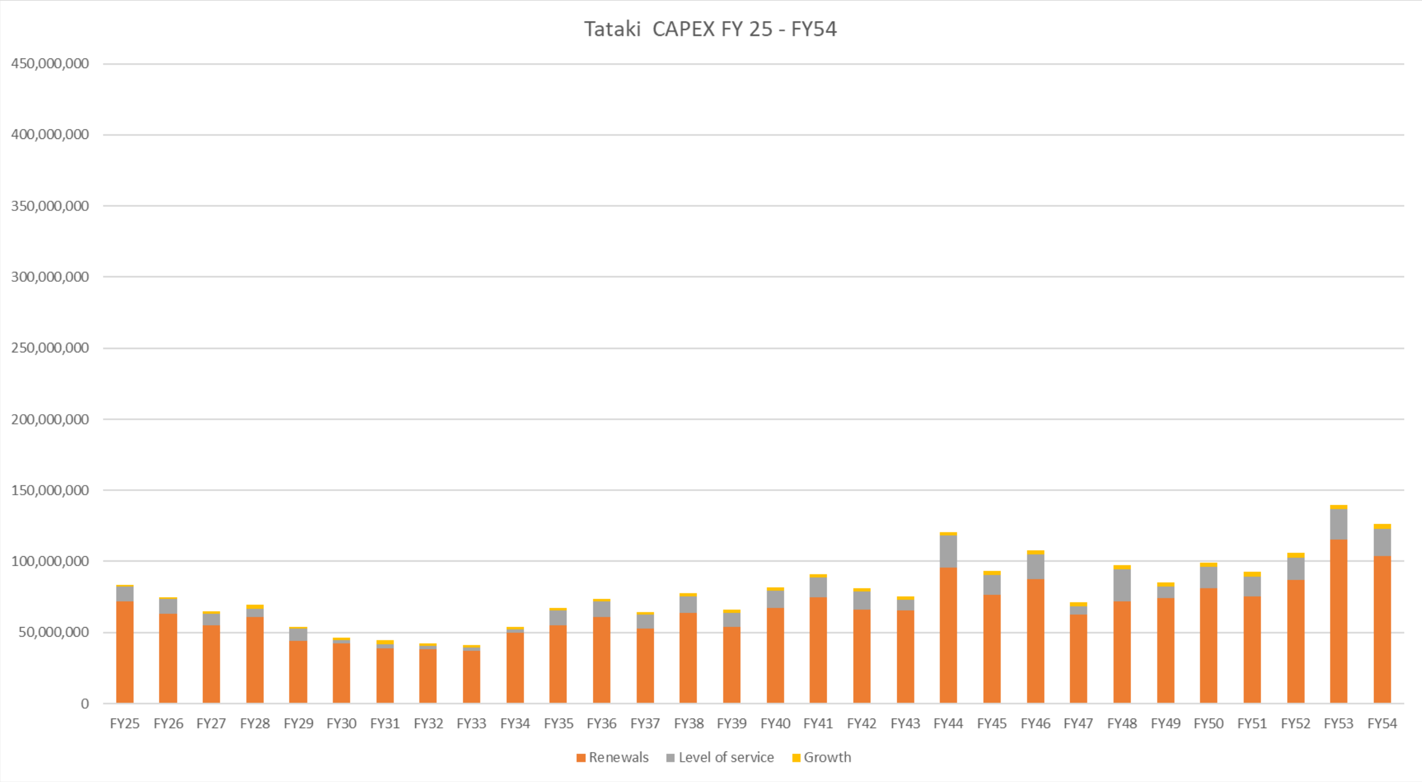


Figure 51: Tātaki Auckland Unlimited - most likely CAPEX investment FY25-FY54

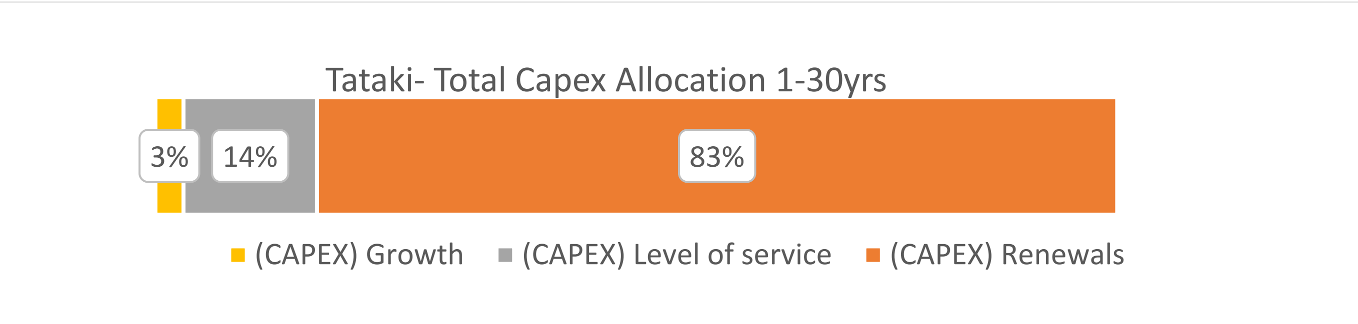


Figure 52: Tātaki Auckland Unlimited - Total CAPEX Allocation 1-30yrs (FY25-FY54)

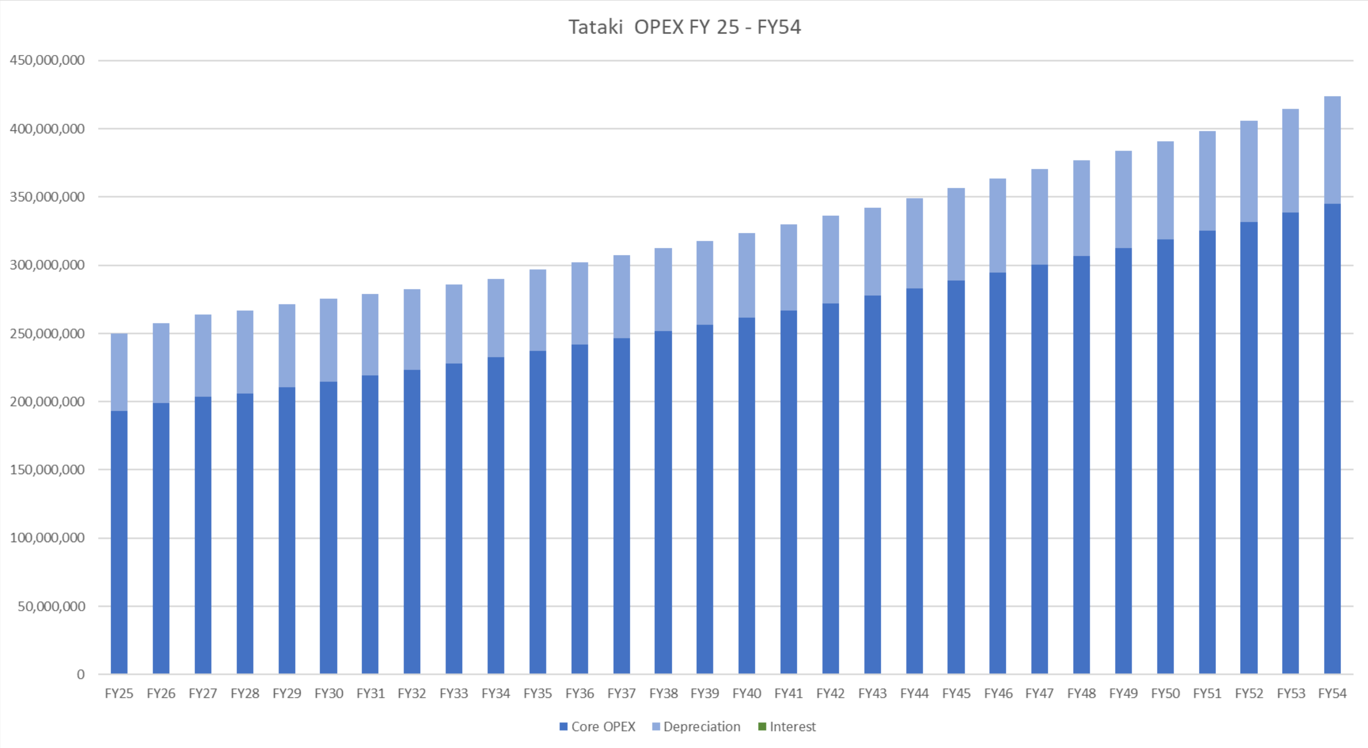


Figure 53 Tātaki Auckland Unlimited - most likely OPEX investment FY25-FY54

The most-likely investment displayed in Figure 51 and Figure 53 shows

- That the bulk of investment for cultural and economic infrastructure will be on operational expenses with the next highest investment on renewal of assets.
- The rate of increase in operational expense is expected to keep in line with the rate of inflation.
- TAU venues are long-established regional destination facilities. Due to the nature of the facilities, growth is not a driving factor in the approach to infrastructure planning and investment. Any changes to investment levels for years 1-10 will be determined following the LTP consultation phase.
- Levels of service is maintained at a steady rate across the 30 years with some small peaks within FY35-FY54 in conjunction with larger renewals in the same year.

The profiles in Figure 51 and Figure 53 assume maintaining TAU's current asset portfolio. Changes to the portfolio due to divestment, or the addition of new venues, will result in changes to the investment levels.

Key projects and programmes within the most likely investment scenario are listed in Table 16

Table 15: Tātaki Auckland Unlimited major projects and programmes

Projects and Programmes (years 1-10)*		Major Projects/Programmes (years 11-30)
	$ Millions	
Critical infrastructure	123	Venue renewals programme
Venue Renewals	186	Infrastructure resilience programme – Climate Adaptation
Zoo masterplan progression	122	New National Maritime Museum

Security Infrastructure	40	
Digital	33	

*Listed projects excludes growth initiatives pending LTP options assessment

Assumptions and approaches that underpin the most likely scenario for investment

The following assumptions and approaches support the development of the cultural and economic investment plans set out above. These assumptions include any changes in levels of service, growth projections (and the subsequent impacts on demand for services), and the management of the asset lifecycle through TAU's approach to renewals.

Levels of service

The LTP 2024-2054 performance measures are included below. Full reporting of targets over the first 10 years of the LTP can be found in Section 3 of the LTP Supporting Information, Our Activities. Levels of service have been assessed to determine the most likely trends over years 11-30 of the LTP (2034-2053) and are shown likely improving (↑), remaining the same (→), or reducing (↓). Reasons for changes in level of service are noted in the Table 17.

The long-term assumptions in relation to levels of service for TAU are signalled in Table 17. The proposed investment in the next 10 years aims to meet the targets set against these levels of service. In the long-term, the trends indicate the assumption that the attendance at TAU programmes will continue to grow and a shift in TAU's funding to include greater funding from non-rates sources. Uncertainty around these predicted changes in service measures over the coming decades relates primarily to changing customer demands and dependency on tourism growth. The expectation to raise more revenue through other sources may also present challenges in the future, particularly as cost-of-living pressures continue to rise. The delivery of TAU levels of service also assumes that the funding will be available at the required level. Over 30 years these factors result in a high level of uncertainty that could impact the cost, priorities and nature of assets and services provided by TAU.

Table 16: Tātaki Auckland Unlimited levels of service statements and performance measures

Performance measure	Target FY 2027-FY 2034	Assumed trend to 2054
Level of service: Provide access to regional facilities		
The net promoter score for Tātaki Auckland Unlimited' s audiences and participants	40	→
Ticketed attendance at Auckland Live, Auckland Zoo, Auckland Art Gallery, NZMM, and Auckland Stadiums venues and events.	2.21m	↑
The number of programmes, initiatives and events contributing to the visibility and presence of Māori in Auckland, Tāmaki Makaurau	45	↑
The percentage of operating expenses funded through non-rates revenue	61%	↑

Level of service: Facilitate economic development opportunities and promote Auckland as a destination		
The contribution to regional GDP from major events and business events attracted or supported	60m	↑

Growth

The core of TAU asset management and service is built around several long-established regional destination facilities. Therefore, the focus of any growth assumptions used by TAU is changing customer needs more than changing population numbers. As a result, the council group's population assumptions are not a key input to the development of TAU investment. Instead, the focus is on adapting to the changing customer needs and demand through offerings and experience that are tailored to the community and to visitors.

Uncertainty around changing needs is moderate and is being worked through. A comprehensive review of asset venues is planned to determine whether the portfolio requires divestment, or investment in terms of the number and type of facilities to ensure it is optimised for current and future needs.

Management of asset lifecycle through approach to renewals

The TAU asset base includes buildings, equipment, and other components with a range of expected asset lives, from five to over 100 years. Assumptions around asset life, however, are not the basis of TAU planning for asset maintenance and renewals. TAU instead uses condition data as the basis for a more cost-efficient renewals and maintenance programme with greater levels of certainty.

TAU's asset condition and component-level criticality data is increasingly used to underpin renewals forecasting. TAU is moving from a 'run-to-failure' approach to a mix of proactive (planned renewal of assets before they fail) and 'run-to-failure' approach for asset renewals. The assets are assessed through regular inspections specific to the asset type. Maintenance or renewal intervention points are established to ensure that the assets deliver the agreed level of service.

TAU recently set 'property importance' and 'minimum condition grade' levels for its asset base and is planning to use this data as an input when prioritising asset renewal. This adjustment will impact TAU's approach to its renewal cycle as minimum condition grades are refined even further, as the asset management maturity increases.

The proposed investment in the most likely scenario represents the level of funding required to maintain TAU's existing portfolio. This includes addressing legacy renewals backlog, completing visitor safety and security upgrades, critical ICT upgrades, improving venue resilience and completing major projects such as the Auckland Art Gallery Heritage Restoration Project.

Urban Regeneration and Non-Service infrastructure

Planning neighbourhoods and improving buildings to strengthen communities and the economy to make an even better place to live.

Urban Regeneration and Non-service Infrastructure Portfolio overview

Eke Panuku does not generally own assets, it has a focus on managing asset portfolios on behalf of the council group. These asset values are formally accounted for as part of other Auckland Council portfolios including Community and Auckland Transport.

There are 935 assets in the Eke Panuku portfolio. They are widely diverse in both the nature and in the roles fulfilled by the underlying properties, and they are not acquired for investment purposes or to make a market return. Properties located in Priority Development Locations are a crucial enabler of the urban regeneration function that Eke Panuku is responsible for.

Non-service Portfolio Overview

Future Use 180 assets held for future Council services	**$291m**	**Transport** 316 Commercial, Residential and land assets	**$296m**
Business Interest 74 properties held for commercial returns.	**$202m**		
Commercial 149 Commercial, Residential and land assets	**$140m**	**Marinas** 3 City centre marinas - Westhaven, Viaduct, and Silo	**$168m**

Priority Development Location Portfolio Overview

Waterfront 74 assets managed for the ongoing programme for the long-term development of the city centre waterfront	**$842m**	**Town Centre** 144 assets held for the regeneration of specifically identified town centres	**$422m**
		Regional 32 assets identified for urban redevelopment, outside of the town centres ($236M)	**$140m**

Eke Panuku infrastructure Portfolio

Manages assets that are worth

$2.6 billion

Operating context unique to this portfolio

Eke Panuku is a Council Controlled Organisation and the regeneration agency for Auckland Council. Eke Panuku has two core functions, they are:

- to lead urban regeneration across Tāmaki Makaurau with a focus on town centres and locations agreed by the council.

- to manage the council property and assets that are not being used to provide a council service (as outlined in the table above 'non-service portfolio overview') this includes the management and operation of the Westhaven, Viaduct and Silo marinas.

As a regeneration agency for Auckland Council, it is critical to get the best value from non-service assets in parallel to meeting future development objectives.

Asset data

Asset condition and criticality

The following graph shows the condition of the Eke Panuku portfolio, this is presented by major asset class.

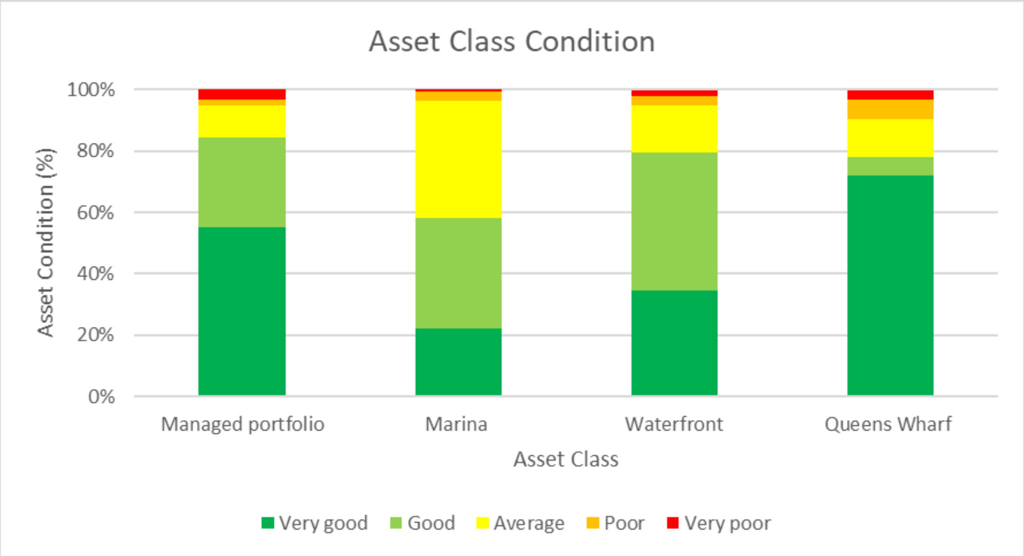


Figure 54: Asset condition for Eke Panuku key asset classes

Figure 54 shows that assets are mostly in good condition across the range of asset classes. The condition of assets is assessed through regular inspections specific to the asset type. Maintenance or renewals intervention points are established to ensure that the assets maintain the agreed standard level. In line with the Eke Panuku Asset Management Strategy, asset criticalities are identified against a range of criteria. Both the condition and component-level criticality data are used in planning for future investment and subsequent investments.

Asset management maturity

Eke Panuku is developing its asset management maturity. In December 2023 an indicative assessment of maturity was carried out across the council infrastructure providers (see Figure 15). This assessment indicated that Eke Panuku are within the mid-range of the 'core' zone. An updated Asset Management Plan is also being developed with scope for further improvements.

Asset improvement priorities are set out in the Eke Panuku Asset Management Framework and include improving data quality, continuing condition assessment and monitoring and to integrate condition data into a central database.

Data confidence

Eke Panuku uses confidence levels for base life, condition and quantity as part of developing and implementing asset investment planning. Where the data rating is low or missing, a survey is arranged to improve the confidence rating. Eke Panuku is also continuing to review and standardise the Asset Management component library and condition rating. Eke Panuku is committed to improving confidence ratings. Improved data quality will build towards the next step in investments feasibility assessments, and total value analysis which will support Eke Panuku to build the pipeline of the Asset Renewal Programme.

While overall confidence in data is good, there is uncertainty around component replacement cost, and asset hold periods. These data quality issues create some uncertainty around investment planning, this is managed through data validation and ongoing work to increase the quality of the data. Assumptions and approaches that underpin the most likely scenario for investment are outlined further below.

Most likely scenario for investment

The most-likely scenario presented in this section reflects the Mayoral Proposal, alternative scenarios are also included in the consultation document. This scenario will be updated based on consultation feedback.

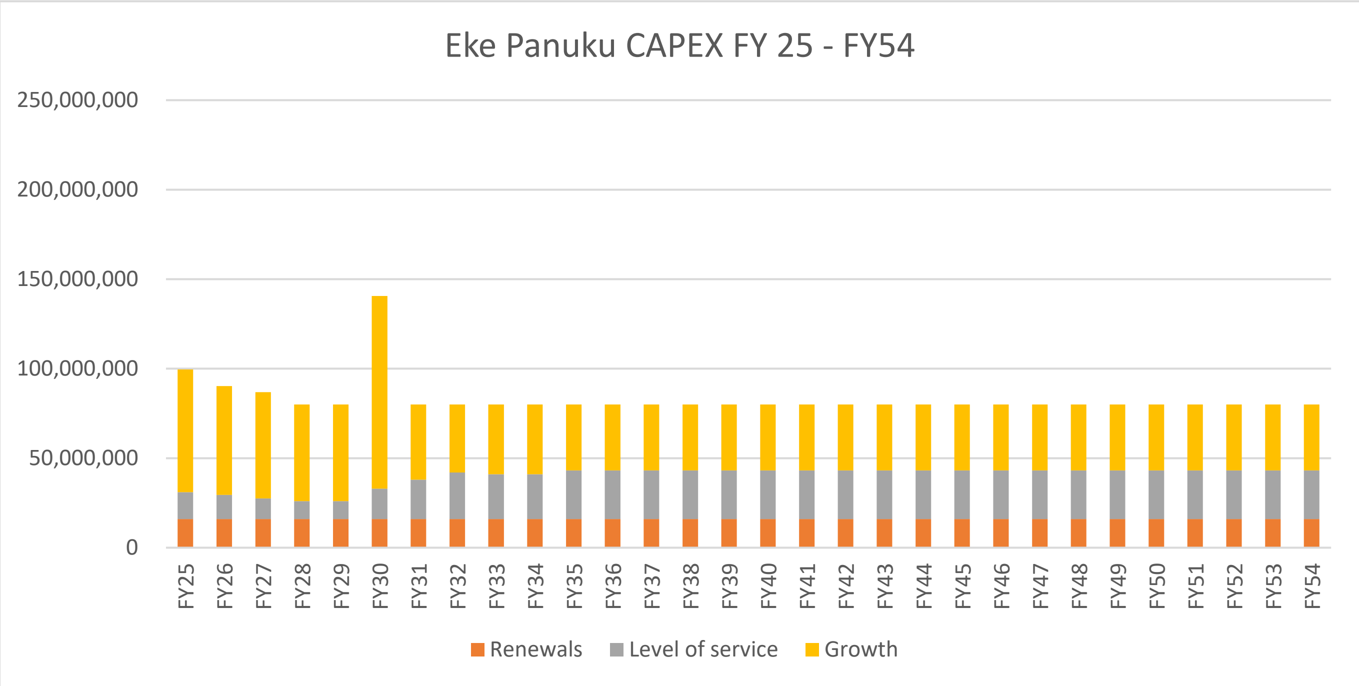


Figure 55: Eke Panuku - most likely investment FY25-FY54

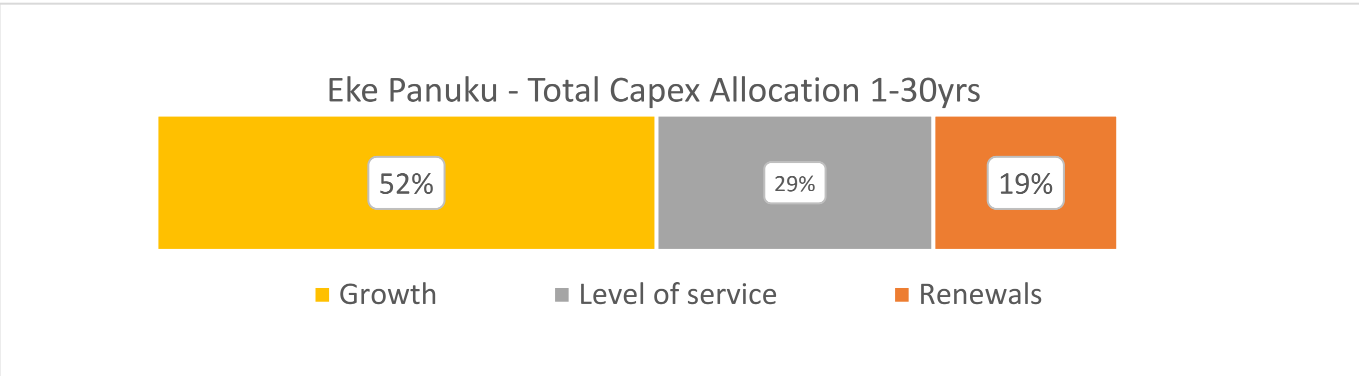


Figure 56: Eke Panuku – Total CAPEX Allocation 1-30yrs (FY25-FY54)

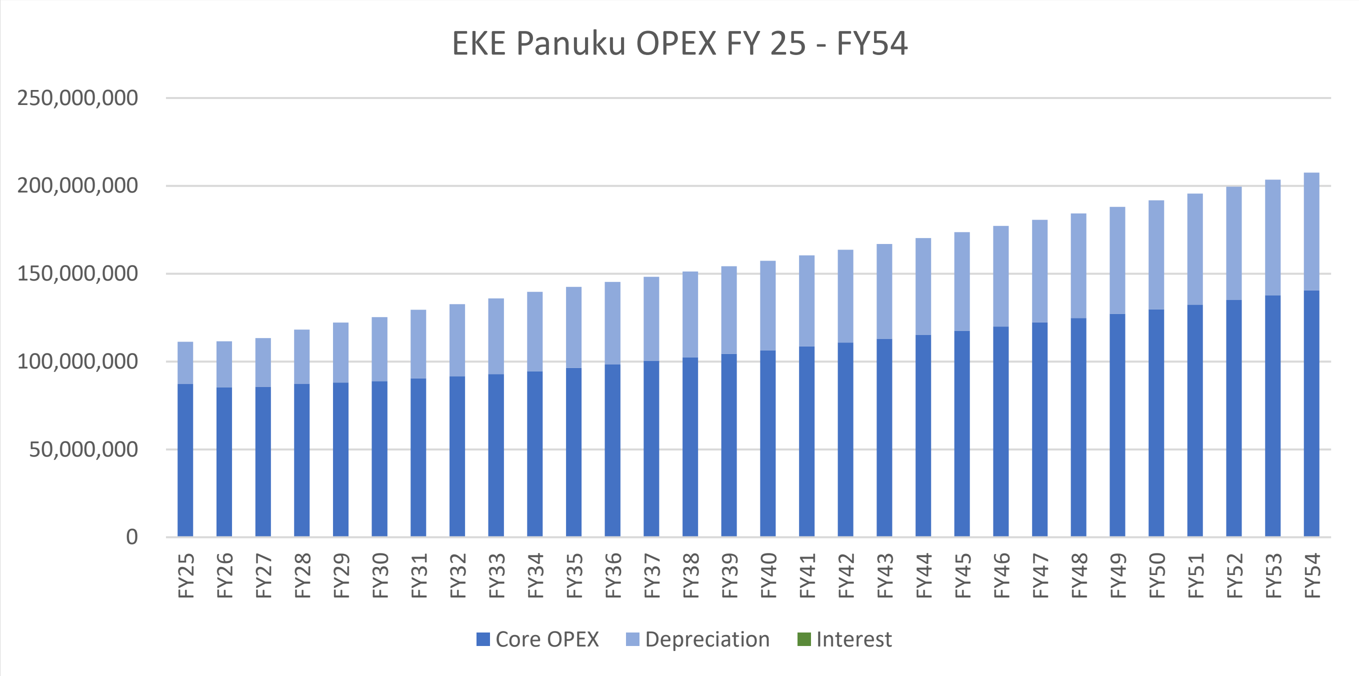


Figure 57: Eke Panuku - most likely investment scenario OPEX FY25-54

The most likely investment scenario presented in Figure 55 and Figure 57 shows:

- Growth is a significant influence on the Eke Panuku budget in proportion to council's other infrastructure portfolio providers. Reflecting the lead role Eke Panuku plays in urban regeneration across the region.
- Growth is expected to be more consistent and steadier across FY35-FY54 with any unexpected spikes in any given year balanced across subsequent financial years.
- The significant OPEX proportion is an outcome of Eke Panuku managing high value assets over the long term such as waterfront/marina. OPEX costs are expected to increase gradually over the first 10 years and then plateau.
- The spike in FY30 reflects the anticipated disposal of $60m of assets brought using the Strategic Development Fund, this receipt is not shown in the table above. This sale enables the reinvestment of this fund through further strategic asset purchases, and these are shown in the table above making a spike in growth expenditure in FY30. A detailed plan for the investment of this strategic development fund become more certain as we get closer to the receipt of the funds and will be developed as opportunities arise.

Key projects and programmes within the most-likely investment scenario are listed in Table 18

Table 17: Eke Panuku major programmes and projects

Major Projects/Programmes (Years 1-10)		Major Projects/Programmes (Years 11-30)
	$Millions	
Renewals Programme	100	Renewals Programme FY24-34
Transform and unlock regeneration (including Manukau, Onehunga, Northcote, Papatoetoe)	466	

Waterfront	175	Waterfront
Other development	59	Regional
Reinstatement of strategic development fund	97	New Programmes

Assumptions and approaches that underpin the most-likely scenario for Urban Regeneration infrastructure

The following assumptions and approaches have supported the development of the Urban Regeneration investment plans set out above. These assumptions include any changes in levels of service, growth projections (and the subsequent impacts on demand for services), and the management of the asset lifecycle through Eke Panuku's approach to renewals.

Levels of service

The LTP 2024-2054 performance measures are included below. Full reporting of targets over the first 10 years of the LTP can be found in Section 3 of the LTP Supporting Information, Our Activities. Levels of services have been assessed to determine the most likely trends over years 11-30 of the LTP (2035-2053) and are shown likely improving (↑), remaining the same (→), or reducing (↓). Reasons for changes in level of service are noted below.

The long-term assumptions in relation to levels of service for Eke Panuku are signalled in Table 19. The proposed investment in the next 10 years aims to meet the targets set against these levels of service. The table indicates the assumption that over the long term these levels of service will be maintained or improved. These level of service trends are predicated on funding being available to invest in urban regeneration at a similar rate and to enable the management of its asset portfolio to support ongoing use (through tenancies etc).

Long term assumptions are highly uncertain, primarily due to the changing financial environment, market demands and climate impacts. In the long-term these factors could affect priorities and impact the nature of assets and services that are provided by Eke Panuku.

Table 18: Eke Panuku levels of service statements and performance measures

Performance measure	Target FY 2027-FY 2034	Assumed trend to 2054
Level of service: Transform City Centre and regenerate urban centres in locations with significant land holdings		
Net new dwellings (housing units)	688 (housing units)	→
Capital project milestones approved by the board achieved	80%	→
Level of service: Manage long-term finances sustainably and maximise returns on the council's investment		
Annual property portfolio net operating budget result agreed with the council achieved	$17m	↑
The monthly average occupancy rate for tenantable properties	Commercial 90% Residential 95%	→

Growth

Where applicable, Eke Panuku follows the council group assumptions for assuming population demand (as set out earlier in this section). However, the current programme of urban regeneration is identified primarily to make the most of opportunities in the council's existing asset portfolio, rather than driven by projected growth.

Management of asset lifecycle through approach to renewals

Asset lifecycle assumptions and the approach to renewals for assets managed by Eke Panuku are strongly influenced by whether the asset is part of the council's long term ownership portfolio or part of the short to medium term ownership portfolio that supports and enables regeneration activity. The renewals and maintenance programme for these assets is built on a risk-based approach which considers the condition and performance of these assets and is proactively managed. The proposed investment in renewals is sufficient to maintain the condition and performance of these assets. Specific assets that will require decision making in relation to their long-term renewals have been identified in section 5 of the Strategy.

Eke Panuku's long term ownership asset portfolio provides for a diverse range of services, including residential and commercially leased properties, commercial activities such as marina operations, and public spaces and infrastructure. The renewals and maintenance programme for these assets is planned in accordance with the council group asset management policy and standards and is proactively managed.

Assets being managed by Eke Panuku for the short to medium term are held for a range of purposes before being either sold to third parties for development or transferred to other parts of the council group to manage.

This short to medium term hold portfolio is relatively dynamic, with assets being acquired and disposed of on a regular basis. Renewals investment decisions for these assets are more strongly influenced through consideration of asset hold period, alongside asset condition and current asset use. Renewal investment in some assets in this portfolio may not be undertaken, with preference given to short term increase in maintenance cost or disposal of the asset.

The mix of specific assets in this portfolio will change over time, and the characteristics of any assets that are to be added to this portfolio in the future are unknown. For the purposes of long-term financial planning, it has been assumed that the short to medium term hold portfolio will continue to be broadly similar in scale and character over time, and the current level of renewals investment will be required into the future.

	CLOSED LANDFILLS	Management of closed landfills to address ongoing risk to people and the environment

Portfolio Overview

200 Closed landfills, many of which are parks or reserves. 20 of the sites have infrastructure controlling leachate and landfill gas collection and disposal or destruction.	**$16m**	**Closed Landfill portfolio assets** **$16 million**

Closed landfill infrastructure is used to manage the council's closed landfill sites, including the stability and discharges from the sites.

Operating context unique to this portfolio

Closed Landfills manages sites to reduce risk and liability, both in relation to people and the environment.

The Closed Landfills portfolios adopted an ageing asset base from the predecessors of Auckland Council and assets are being replaced gradually as they reach the end of their useful life. The Closed Landfills team manage and monitor approximately 200 sites which have been managed to varying standards under historical private and public ownership.

Management of each site aligns with legislation and level of hazard potential. Significantly, there are an estimated 80 landfills which are vulnerable to sea level rise and erosion. Investigation has started on these sites but the risks that these sites pose will require further consideration and response in the coming years.

Asset data

Asset condition and criticality

The condition of closed landfill assets is managed in relation their risk to people and the environment. None are currently high-risk; however some have hazards that could cause sites to become high-risk if not managed adequately.

All sites are allocated either a high, medium or low priority rating as per Ministry for Environment guidance. This highlights the sites that require more attention and is the basis for the frequency and magnitude of monitoring in the environmental monitoring programme.

Many of the assets in particular leachate systems are aging and failing. There is a programme of investment to address these on an ongoing basis, together with a rolling programme of monitoring and maintenance where applicable.

Ongoing Site Management Plans (OSMPs) are used for all high and medium priority sites. Low-risk sites have a generic management plan to recognise the more benign nature (like. cleanfill sites) and cover issues such as accidental discovery.

Asset Management maturity

In December 2023 an indicative assessment of maturity was carried out across the council infrastructure providers (see Figure 15). This assessment indicated that the Closed Landfill portfolio is at the lower end of a 'core' zone. The current approach relies on basic asset condition rating, monitoring effects at the sites and reacting accordingly.

An improved asset management system is currently under development which will include better data management and will support better forward-planning and decision-making around issues such as remaining asset life, condition, performance and deferred maintenance. This will enable better costing and planning to be integrated into current processes.

Data confidence

Condition data is managed in relation to asset risk. Higher hazard sites are those with hard infrastructure assets such as pipes and pumps. Condition data for these sites is based on regular assessments undertaken at weekly-monthly intervals. Softer assets such as landfill caps and slopes are monitored via an environmental monitoring programme.

Data confidence is an ongoing area of improvement identified for the Closed Landfills portfolio. Work underway includes a condition rating exercise to establish 'useful life' to help inform future investment planning. An asset audit will also take place every year until the new asset management system is in place to better address condition assessment frequencies.

Data quality is sufficiently robust to support investment planning, particularly in the early years of the LTP. Assumptions and approaches for long-term planning include estimates based on recent projects. Climate change related projects and changes in landfill behaviour are monitored and reprioritised within the existing budgets where possible, however there is naturally some inherent uncertainty until projects are fully scoped and designed. Assumptions and approaches that underpin the most likely scenario for investment are outlined further below.

Most likely scenario for investment

The most-likely scenario presented in this section reflects the Mayoral Proposal, alternative scenarios are also included in the consultation document.   This scenario will be updated based on consultation feedback.

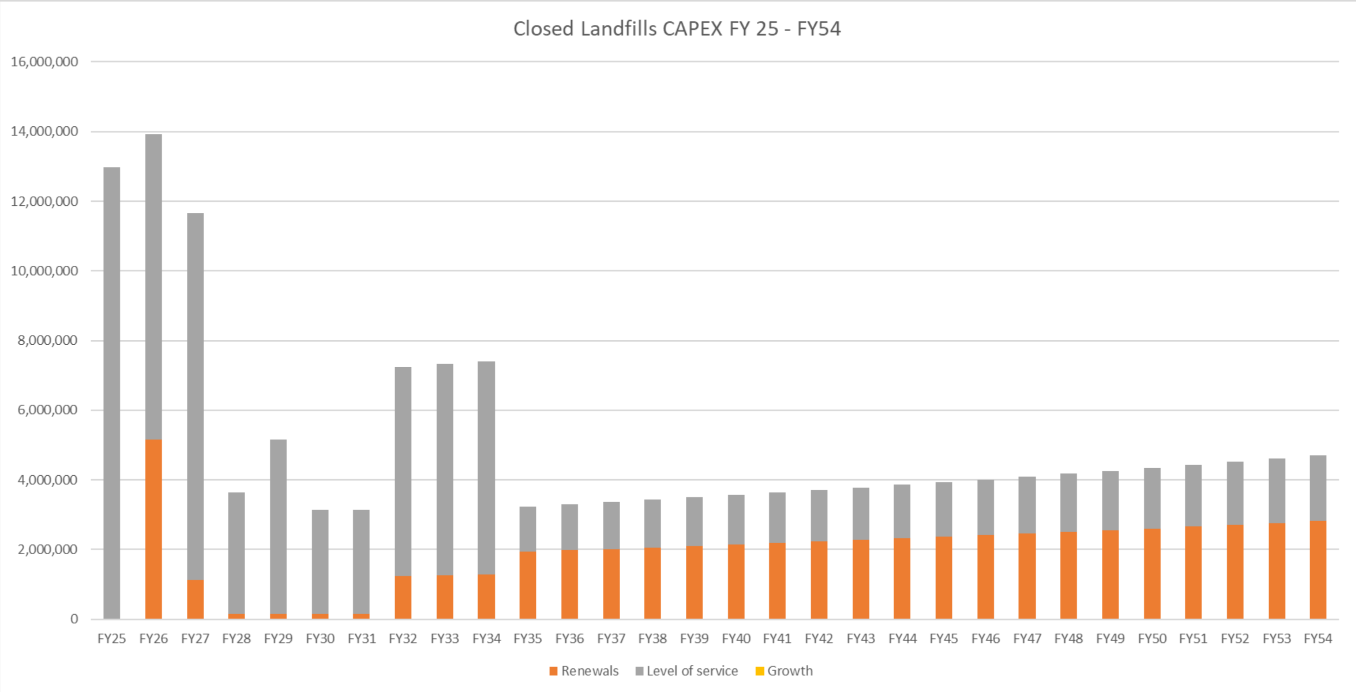


Figure 58: Closed Landfills - most likely CAPEX investment scenario FY25-FY54

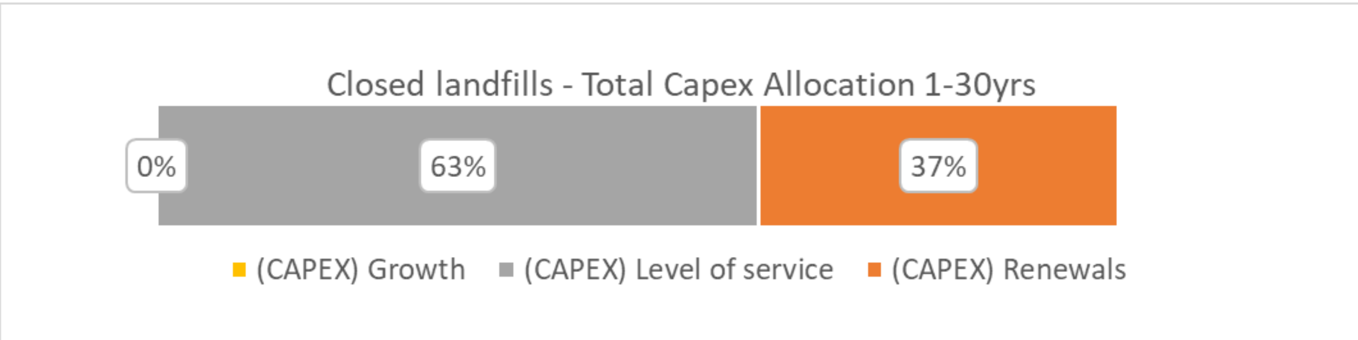


Figure 59: Closed landfills – Total CAPEX Allocation 1-30years (FY25-FY54)

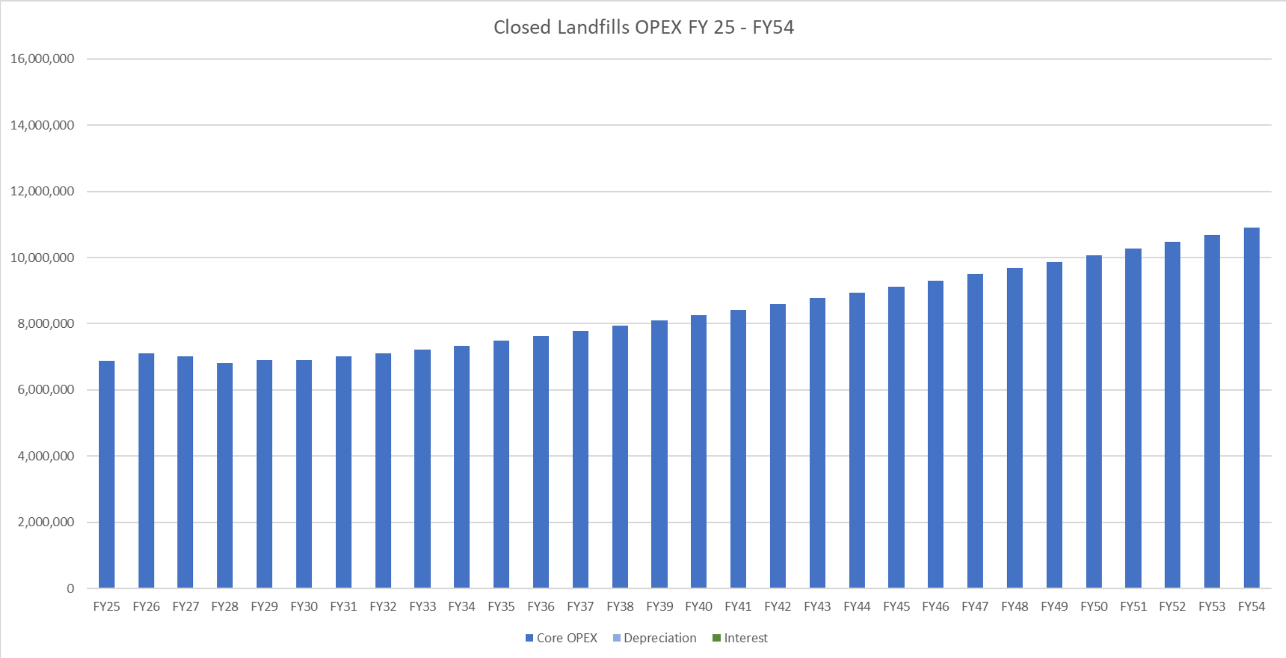


Figure 60 Closed Landfills - most likely OPEX investment scenario FY25-FY54

The most likely investment presented in Figure 58 and Figure 60 shows

- The bulk of investment from years 1-30 for Closed Landfills is operating expenditure. With an increasing proportion of investment in renewals in FY35-FY54. This reflects the primary focus of closed landfills in operating and maintaining existing assets and managing the deterioration of these assets.
- Within the first 10 years there are two periods of high Level of service investments required. These relate to remedial works and upgrade projects that are proposes to be brought forward from later years. Some of this expense is related to closed landfills taking back ownership of a large landfills and the demand it places on closed landfills to investigate and potentially develop these spaces back to public spaces. E.g Greenmount, East Tāmaki.
- Growth does not feature for closed landfills as there is no plans to expand the landfill network in line with Auckland Council's waste minimisation plan.
- The increases in years 1-10 are a reflection of the requirement to investigate and develop strategies for coastal closed landfills , which is an emerging climate change related risk for council.
- In relation to the coastal closed landfills years 1-3 will comprise a climate change resilience pilot that may need to be scaled in the next Long-Term Plan round; where additional capex funding for acquisitions may need to be made.

Key projects and programmes within the most likely investment scenario are listed in Table 20.

Table 19: Closed Landfills major projects and programmes

Major Projects/Programmes (Years 1-10)	$Millions	Major Projects/Programmes (Years 11-30)
Closed Landfill Remediation Programme	31	Ongoing management, remediation and renewal of closed landfills

Greenmount CL Remediation	26	Coastal landfill interventions to manage the impacts of coastal erosion and inundation
Leachate Upgrade and Renewal Programme	12	
Rawene Landslip Remediation	4	

Assumptions and approaches that underpin the most likely scenario for investment

The following assumptions and approaches support development of the Closed Landfills investment plans set out above. These assumptions include any changes in levels of service, growth projections (and the subsequent impacts on demand for services), and the management of the asset lifecycle through Closed Landfills' approach to renewals.

Levels of service

The LTP 2024-2054 performance measures are included below. Full reporting of targets over the first 10 years of the LTP can be found in Section 3 of the LTP Supporting Information, Our Activities. Levels of service have been assessed to determine the most likely trends over years 11-30 of the LTP (2035-2053) and are shown as likely improving (↑), remaining the same (→), or reducing (↓). Reasons for changes in level of service are noted below.

Closed Landfills is currently meeting or exceeding the levels of service target shown in Table 21. The proposed investment in the next 10 years aims to meet the target set against this level of service. In the long-term compliance with discharge consents is highly uncertain due factors outside of the council's control such as extreme weather events and climate change. A pilot study in yr.'s 1-3 is planned to address resilience of costal closed landfills, significant funding could be required to maintain this level of service, this is described in more detail in Section 5 of the Infrastructure Strategy.

Table 20: Closed Landfills levels of service statements and performance measures

Performance measure	Targets FY2027 - FY 2034	Assumed trend to 2054
Level of service: Protect, improve and minimise risks to the natural environments and cultural heritage		
Percentage of council controlled closed landfill discharge consents achieving category one or two compliance rating.	100%	→

Growth

Closed Landfills work does not currently use population growth assumptions. This is because growth in the Closed Landfill portfolio is not driven by population growth.

Management of asset lifecycle through approach to renewals

The Closed Landfill asset base includes structures, equipment, and other components with a range of expected asset lives. Assumptions around asset life, however, are not the basis of Closed Landfill planning for asset maintenance and renewals. Condition data forms the basis of the Closed Landfills renewals and maintenance programmes. This data is used to inform a mix of a 'run-to-failure' approach and a more proactive approach (planned renewal of assets before they fail). These are applied depending upon the nature and criticality of the asset. 'Useful life' is entirely assessed through condition monitoring. A more formal assessment will be developed in the new asset management system.

Section 5: Significant Decisions

This section outlines the significant infrastructure investment decisions that the council can foresee in the next 30 years. These are additional to the planned responses set out in our infrastructure portfolios in section 4.

These decisions span the 30 years of this Infrastructure Strategy and beyond. Identifying these decisions now will support investment responses that are timely and that create the most benefit for Aucklanders within funding constraints. There are high levels of uncertainty associated with these significant decisions. The decisions described below, represent the council's current understanding of the options available and corresponding implications.

As we come closer to the decision points, and get a better understanding of the solutions, these decisions will become clearer.

Approximate costs are indicated for each of the decisions identified. These costs are presented in Figure 61 in addition to the council's most likely investment scenario to illustrate the possible scale of these investments when all considered together. These significant decisions could require an 'order-of-magnitude' change to the council's capital spend. However, it is also important to note that the costs identified have high levels of uncertainty in relation to the likely investment demand and the scale of associated costs, and who will bear those costs. Funding and financing may be by other parties such as central government. Many of the issues identified will also be addressed through a combination of approaches (not simply capital investment) including regulatory or demand management options.

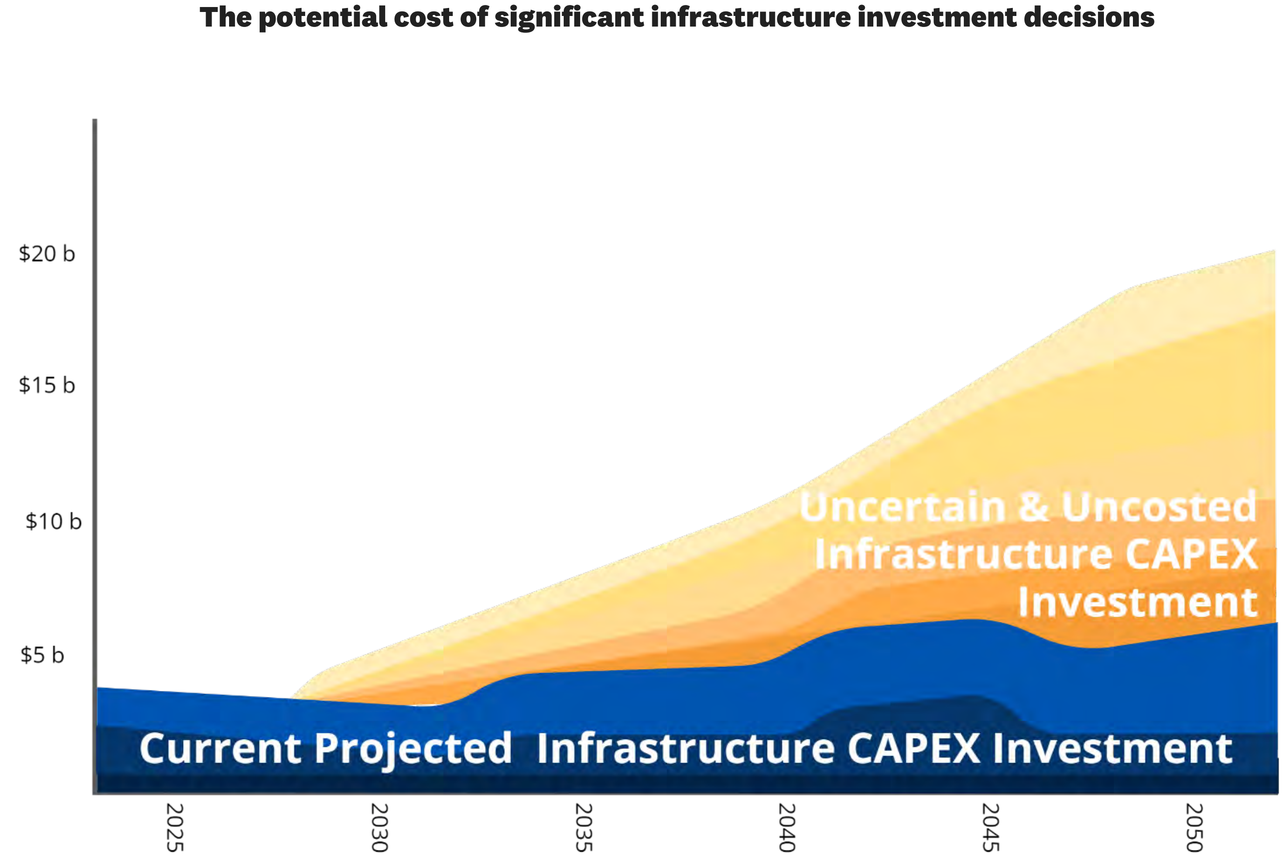


Figure 61: Illustrative 30-year distribution of infrastructure investment for Auckland Council group.

Defining 'significant decisions'

The council has considered the following attributes when assessing significant decisions in addition to the definition of 'significant' and 'significance' as set out in the LGA 2002 to ensure clarity and alignment across all decisions.

All significant decisions would require at least a substantial financial commitment or allocation of resources, with the potential to have a profound impact on the council's finances, along with one other attribute below.

- **Impact on community:** Could a significant decision have the potential to significantly affect the lives, wellbeing, and interests of our communities?
- **Long-term consequences:** Is there a potential notable and enduring impact that may set precedents, impact policies, or shape the course of the council for future generations?
- **Strategic importance:** Is the decision integrally linked to the strategic direction of the council? Is the decision in alignment with our vision, goals and priorities, as set out in our strategic plans?
- **Interconnectedness:** Does the decision relate to and impact other aspects of the council group, the wider community, and the environment?
- **Public interest**: Would the decision have a significant degree of public interest?

Understanding the costs

Each significant decision identified has a corresponding cost estimate that has been developed with input from across the council group. The cost estimate has six ranges to reflect the uncertainty of these significant decisions. This approach provides an overview of the potential financial impact that the council along with other funding partners (such as Central Government) are likely to face for a specific significant decision.

The example below demonstrates a range between $1 billion and $5 billion based on the information collected from across the council group.

Cost ($ Billions)	<1	1-5	5-10	10-25	25-50	50+

Understanding the decision point

Each significant decision identified has a corresponding required decision point (measured in years from 2024). The decision point is an estimate based on current information and may change as understanding of the decision develops.

Some decision points are likely to occur well before any investment is required for the issue. This may be, for example, to allow for policy or regulatory changes to occur before any capital investment can proceed.

An example of the timeline:

Timeline	Over the next 10-20 years
Decision Point	Within the next 5 years

All of Auckland Council - Adaptation to Climate Change

Decision: How will the council plan, fund and respond to the impacts of climate change on infrastructure, communities, and the natural environment?

Funding was allocated in the 2023/2024 Annual Budget to accelerate work on risk assessment and community adaptation planning which will integrate infrastructure, community, and environmental planning. There is a lot of work still to do to define an approach to adaptation for Tāmaki Makarau.

The approach requires specific decisions on:

- who will pay (central or local government, private landowners, insurers), and how we will fund adaptation over time using different financing mechanisms and considering the need to avoid maladaptation or path dependency that limit the choices for future generations.
- the interaction of risks and responses and how a potential mitigation in one area may affect or even increase other risks in adjoining areas or further away.
- locating and securing new land now and into the future for moving assets and services from areas no longer suitable due to increased risks from natural hazards, especially rising sea levels and flood risk areas. Notable examples include sports and recreation areas along the coast or wastewater treatment plants near the shoreline (low points in the wastewater network).
- when the council does not relocate assets and services or reduce levels of service because replacement is too costly, and/or ineffectual and/or is an intolerable risk to the community and therefore must consider abandonment.
- how to manage assets and networks which traverse or are partially exposed to natural hazards.
- the receipt and management of land following planned relocation or in response to a natural hazard event (reactive relocation).
- how to approach adaptation concerning whenua Māori (Māori land).
- how the council, mana whenua, communities, central government, infrastructure providers and other stakeholders (including the insurance and banking sectors) should develop and implement adaptation plans.
- The combination of investments that will be taken, for instance whether the council will take a strengthened regulatory approach, choose to be more or less interventionist in relation to flood management, or invest more/less heavily in capital solutions.

High-level options for adaptation of our infrastructure are described in the table below. Notes on the options presented:

- A ‘do-nothing’ option (other than abandoning assets or removing services) has not been considered as general remedial work responding to the effects of climate change and delivery of current flood response programmes is required to meet agreed minimal functional requirements and safety outcomes.
- It is assumed that the council will likely undertake a combination of the options presented below to appropriately respond to the issue as relevant to its geographical, social, legislative and chronological context.
- Costs related to this significant decision are expected to vary depending on the mix of the options chosen and the timing of the investment.

- Interventions taken to adapt communities and infrastructure to climate change across Tāmaki Makaurau also have a significant overlap with the council's commitments to emissions reduction, Te Mauri o Te Wai and regenerative/mauri-enhancing water infrastructure. It is important that we coordinate action to deliver these outcomes efficiently.

<table>
<tr><th colspan="2">In general, the following OPTIONS could form part of Auckland Council's decision-making process for climate adaptation.</th><th>In general, the following IMPLICATIONS occur in relation to each of the options listed for climate adaptation across the Auckland Council group.</th></tr>
<tr><td>A</td><td>Avoid

Prevent the construction of buildings and other infrastructure in areas of intolerable risk from natural hazards, both within the current urban environment and within future urban areas.</td><td>• This option is cost efficient and effective in terms of risk management.
• The council may have to downzone or remove urban or future urban zoning from various parcels and land through plan changes or through central government direction.
• There may be significant community resistance both within the existing urbanised areas and in growth areas affecting future development plans by others.
• There is an increased risk of litigation from private landowners in response to actions that may reduce or remove existing private property rights.</td></tr>
<tr><td>B</td><td>Protect

Protect existing communities, land, and infrastructure from the effects of climate change including sea level rise and flooding.</td><td>• Protection may incur significant costs, including potential land acquisition costs to create space for solutions (the timeframes for protection as an appropriate and reasonable option will vary).
• Prioritising protection of infrastructure for communities and deciding levels of investments, including for communities with greater needs, will be difficult. Not all areas can be protected at once, due to cost and implementation resources, nor would it be appropriate to invest in protecting all areas to the same level as others.
• In some areas, protection may be a good short-term solution while other options are considered and actioned (e.g. relocation). However, protection is unlikely to be a good long-term solution, particularly from coastal hazards due to design and ongoing cost limitations.
• Protecting some communities and infrastructure can have negative environmental and social impacts (e.g. ecosystem squeeze, loss of amenity).</td></tr>
<tr><td>C</td><td>Accommodate

Modify existing infrastructure, assets and communities to accommodate the real and</td><td>• Prioritising which infrastructure, assets and networks to modify and deciding on levels of investment will be difficult. It is not possible to modify all infrastructure, assets and areas simultaneously and to the same level</td></tr>
</table>

	potential effects of climate change.	of risk reduction/accommodation due to cost and implementation resources. It is also not appropriate to invest in modifying all areas to the same level. • There will be challenges with land use change in existing urban areas. • There is likely to be significant land cost implications especially when land acquisition is required to create flood basins or similar. • In some areas, accommodation may be a good short-term solution while other options are considered and actioned (e.g. relocation). However, accommodation is unlikely to be a good long-term solution, particularly from coastal hazards due to design and ongoing cost limitations. • Protecting communities and infrastructure can have negative environmental and social impacts (e.g. ecosystem squeeze, loss of amenity). • Accommodation of the effects of climate change might also include temporary and localised acceptance of a lower level of service (i.e. where a road is down to one lane for an extended period of time or reduction in sporting field areas to accommodate wetland or flood basins). This would need agreement with affected communities.

D	Planned Relocation
	Proactively relocate infrastructure and communities away from areas of high-risk-based triggers within local adaptation plans.
		• Planned relocation will likely incur high upfront costs. However, the costs to do proactive relocation will likely be less over the long-term compared to disaster recovery and reactive relocation.
		• Prioritising infrastructure and locations that need to undergo planned relocation ahead of others including how remediation and demolition is managed, and what level of investment the council should make, will be difficult.
		• The costs and implications for Auckland Council may also vary depending on the approach taken for:
		  ◦ land acquisition, noting likely expectations created from the buy-outs from the 2023 storm events.
		  ◦ changing levels of service provided by infrastructure to at-risk areas and communities during relocation,
		  ◦ Land use change in existing urban areas
		  ◦ Whenua Māori (Māori land) and if it is treated differently to other privately or publicly-owned land.

<table>
<tr><td>E</td><td>Reactive management and/or relocation

If a large natural hazard event takes place without a central plan or a local plan for adaptation options including planned relocation, the council will deal with relocation from hazard-affected areas case-by-case and face increased costs for infrastructure to reduce further risks.</td><td colspan="6">• The key implication to the council of reactive management/relocation is that the costs of retreat, changes to levels of service and receipt of land no longer able to be occupied will be unplanned and likely to result in budget and community shocks.
• The council together with central government will require an agreed approach/process to manage the outcome from each event as it occurs and any land that council may receive from that event.
• The council is currently undertaking reactive management because of the storm events in early 2023.</td></tr>
<tr><td colspan="2">Timeline</td><td colspan="6">1– 30+ years</td></tr>
<tr><td colspan="2">Cost ($ Billions)</td><td><1</td><td>1-5</td><td>5-10</td><td>10-25</td><td>25-50</td><td>50+</td></tr>
<tr><td colspan="2">Decision Point</td><td colspan="6">Within the next 1-2 years and ongoing</td></tr>
</table>

All of Auckland Council– Greenhouse Gas Emissions Reduction

Decision: How quickly will the council meet the Greenhouse Gas (GHG) emissions reduction commitments it has made?

The impact of reducing GHG emissions in relation to the council's infrastructure are described in section 2 of the Strategy. The council's policy and direction of implementation are also described in section 3 and planned actions are described in Table 3.

Emissions need to rapidly decline to move onto a decarbonisation pathway that meets our stated climate goals. We need significant, bold action across all sectors. The longer we delay our climate action the more severe (steeper) our emissions reduction pathway will need to be to meet our emissions reduction targets and stay within our carbon budget. There is no singular action required to meet climate targets, rather, the actions that we take to reduce emissions are likely to be a combination of the following options.

<table>
<tr><td colspan="2">Auckland Council should consider the following OPTIONS to reduce emissions across the council group.</td><td>In general, the following IMPLICATIONS occur in relation to each of the options listed for emissions reduction across the Auckland Council group.</td></tr>
<tr><td>A</td><td>All activities and investments consider the ‘whole of life’ carbon and we prioritise the fastest transition to a low carbon Auckland.</td><td>We may incur higher costs in the early years which will be offset by more cost-effective solutions later, due to early investment.

This may result in a more affordable outcome in the long-term as meeting of global climate goals will impact GDP significantly less than not meeting those goals[59].</td></tr>
</table>

[59] https://www.swissre.com/dam/jcr:e73ee7c3-7f83-4c17-a2b8-8ef23a8d3312/swiss-re-institute-expertise-publication-economics-of-climate-change.pdf

		There may be potential opportunity to create additional revenue streams by leading the path towards a low-carbon economy.					
B	All activities and investments consider the 'whole of life' carbon and we deprioritise investment that doesn't deliver on climate goals.	As we make trade-off and savings decisions, we also avoid the investments that would not advance work towards our emissions reduction targets. This could result in a change in investment patterns, with some larger capital projects being deprioritised in favour of smaller more localised projects.					
C	Look for our greatest emissions impacts and prioritise work to change how we do those and reduce emissions.	A focus on changing those areas with the greatest opportunity for emissions reductions is an efficient pathway to meeting emissions reduction targets. This will mean a focus on transformation within portfolios such as transport.					
Timeline		1– 30+ years					
Cost ($ billions)		<1	1-5	5-10	10-25	25-50	50+
Decision Point		Within the next 1-2 years and ongoing					

All of Auckland Council – Seismic Strengthening

Decision: how will Auckland Council respond to seismic strengthening requirements across its property portfolio?

Within the council group there are a large number of buildings that require seismic strengthening works before 2050 to bring each building up to required compliance safety levels set by legislation.

The type of buildings/assets range widely from utility structures to car parking buildings and community facilities such as halls and other civic buildings. These have varying levels of importance and criticality in terms of their function for Tāmaki Makaurau. Seismic strengthening of any building or structure has started only if there are critical public safety issues associated with doing this work.

Buildings that achieve the minimum 34 per cent New Building Standards (NBS) are currently not being considered for any future strengthening. Although all strengthening is required to be fully completed before 2050 as stipulated in the legislation, delays can influence the cost of work required due to inflation or other market constraints such as labour and material supply.

Seismic strengthening is generally coordinated and managed by each infrastructure provider.

Auckland Council should consider the following OPTIONS across the council group for Seismic Strengthening.		In general, the following IMPLICATIONS occur in relation to each of the options listed for Seismic Strengthening across Auckland Council group.
A	Upgrade **ALL** of the council's existing property to exceed minimum seismic standards.	Achieving full legal compliance and safety of the entire property portfolio above the minimum 34 per cent NBS standard will come at a significant cost.

<table>
<tr><td></td><td></td><td colspan="6">This needs to be managed across the coming decades to avoid financial shocks to the council's budgets.

This option will have the greatest effect in minimising the risk and liability exposure for the council.</td></tr>
<tr><td>B</td><td>Upgrade only SOME properties to exceed minimum seismic standards (prioritised based on criticality and ability to divest).

Divest or manage remaining buildings.

[note that this option is being considered currently – the Mayoral Proposal asks that all seismic work is paused until a review is undertaken]</td><td colspan="6">Full legal compliance and safety of the property portfolio of those buildings that are critical to the infrastructure network and function to the city.

Properties that are not prioritised for upgrade will be divested where possible. Divestment decisions will need to be coordinated with planning for delivery of the services that are currently provided by these assets. This may be through consolidation of services etc.

Any buildings that are retained and not upgraded may be legally non-compliant, but risk and safety would be managed with a monitoring programme. This option would be less costly than option A and the divestment programme may allow it to be partially self-funded.</td></tr>
<tr><td colspan="2">Timeline</td><td colspan="6">Before 2050</td></tr>
<tr><td colspan="2">Cost ($ billions)</td><td><1</td><td>1-5</td><td>5-10</td><td>10-25</td><td>25-50</td><td>50+</td></tr>
<tr><td colspan="2">Decision point</td><td colspan="6">Framework for decision-making needed within the next 2-5 years</td></tr>
</table>

All of Auckland Council– Waterfront

Decision: How will the council coordinate, plan, manage and fund several discrete waterfront actions in a cohesive manner?

Auckland's waterfront area between the Harbour Bridge and Okahu Bay is a multifaceted urban landscape of significance for the city. The area is a key element in the city and plays an important role in the cultural and economic aspects of the region. From its potential for urban renewal and economic growth to its relevance in preserving maritime heritage, this waterfront zone holds considerable relevance and demands careful consideration.

This significant decision is in relation to several discrete matters (there are potentially others not yet identified) that collectively could present a significant cost and impact each other to varying degrees. Because if this, they need to be considered together.

More generally, progressive investment will be required to improve the condition of wharf assets, land and infrastructure to support existing uses and to achieve any future urban development in context of other risks and challenges affecting the waterfront area including climate change, sea level rise and coastal erosion. The impacts of climate change are likely to be significant in some areas if not for all of the area identified along the waterfront.

As the premier area within the city, significant investment has been made over the years and will likely continue to maintain the ‘premier’ title and function that the waterfront provides to the city. However, decisions around the waterfront will also need to be carefully considered with regard to the vulnerability of the area to climate change (see Climate Adaptation decision above).

These key discrete actions and their related challenges are described below.

Effects of second Waitematā Connection

Central government has announced plans for a second Waitematā crossing that includes a series of tunnels that are proposed somewhere next to or under Wynard Quarter. The impacts of the tunnel entry location and the tunnel on the development of Wynard Quarter will need significant attention. Additionally, the integration of this crossing into the existing transport network will be challenging and likely to significantly impact adjacent infrastructure and land holdings both within council ownership and privately.

Ports of Auckland reallocation of land and potential relocation

The potential reallocation of some of the land currently used for Port of Auckland operation is an issue identified in the consultation document. The potential long-term relocation of the Port of Auckland represents a complex issue that requires careful evaluation and consideration of its implications for the city's economy, environment, and long-term sustainability. Reallocation of the ports land, and/or relocation of the Port operations in the long-term, will open opportunities to relocate or create new public assets. It will also trigger other large challenges such as impacts on the transport network and the investments made in relation to logistics traffic movement that will extend beyond the Auckland region.

Queens Wharf

Queens Wharf has several structures that require decisions around their long-term future. For example, the Cloud only has Building Consent until the end of 2024 and Resource Consent until the end of 2026. There is no plans to extend either the Resource Consent or Building Consent therefore the Cloud will be removed when those consents expire, and Auckland will be left without a similar-sized venue on or near the waterfront.

The wharf structure itself is also operating beyond its design life (noting that design life is separate from functional life and/or safe operation and the condition of the wharf is continually monitored to ensure the safety of the structure is maintained). The council needs to consider the replacement of the entire wharf (or other option) in the coming decades. This has consequences on the planning for existing ferry infrastructure and any future cruise infrastructure.

New Zealand Maritime Museum Hui Te Ananui a Tangaroa

The New Zealand Maritime Museum is generally considered no longer fit-for-purpose and occupies real estate that could potentially generate a higher revenue. There is the potential to create a fit-for-purpose national museum together with the other matters discussed above.

Wynyard Crossing Bridge replacement

The current Wynard Bridge crossing has an estimated life expectancy of 7-10 years with preventative maintenance. A replacement bridge may incorporate other transport initiatives if coordinated appropriately and effectively or just for increased pedestrian capacity due to increasing foot traffic.

Te Ara Tukutuku (Wynyard Point)

Te Ara Tukutuku is the plan to guide the development of Wynyard Point. This project focuses on the works required to continue the transformation of Wynyard Quarter in accordance with the vision and goals of the Waterfront Plan. This builds on the regeneration over the last 10 years to provide significant mixed-use development and the first new park for the city centre in over 100 years. Funding and coordination with other waterfront initiatives will need to be considered together to ensure the appropriate delivery of this plan.

<table>
<tr><th colspan="2">In general, the following OPTIONS should be considered by Auckland Council across the council group for the Waterfront.</th><th colspan="6">In general, the following IMPLICATIONS occur in relation to each of the options listed for the Waterfront across the council group.</th></tr>
<tr><td>A</td><td>Council develops and invests in a comprehensive plan for the waterfront.</td><td colspan="6">Comprehensive development of the waterfront would require significant investment. Investment is likely to be more efficient and effective as:
• a comprehensive plan would enable funding plans to be understood across the entire planned area including any central government contribution and its timing.
• a comprehensive approach would support the council to address large integration challenges (i.e. transport) that may not be captured within the remit of any of the discrete projects.
• a comprehensive and coordinated plan will take time and effort which will likely incur a significant cost. Planning may also not be as responsive or quick enough for some of the smaller discrete items, some of which have not yet been identified.</td></tr>
<tr><td>B</td><td>The council manages each discrete item on an individual case-by-case basis.</td><td colspan="6">Case-by-case development of the waterfront will also require significant investment. The absence of a comprehensive plan could result in less efficient and effective investment as:
• central government funding may be required at multiple points – reducing the certainty of timing and commitment.
• there is the potential for cost duplication.
• there is-potential lack of cohesion across the waterfront leading to a piecemeal appearance and performance.
• potential of unexpected or budgetary spikes if not well coordinated.</td></tr>
<tr><td colspan="2">Timeline</td><td colspan="6">Over the next 10-20 years</td></tr>
<tr><td colspan="2">Cost ($ billions)</td><td><1</td><td>1-5</td><td>5-10</td><td>10-25</td><td>25-50</td><td>50+</td></tr>
<tr><td colspan="2">Decision point</td><td colspan="6">Within the next 5 years</td></tr>
</table>

All of Auckland Council – Large transport projects

Decision: To what degree does Auckland Council invest to manage the impacts of and obtain the wider benefits of central government large projects

There are several large transport projects either planned or announced that will significantly affect Auckland Council and Tāmaki Makaurau. These large projects are assumed to be delivered by central government agencies with a mix of urban development and transport objectives. The initial and ongoing impacts from these projects are broader than transport and affect the wider urban environment including adjacent infrastructure, land use, densification, and intensification. Auckland Council expects to have significant influence in the planning and design of these projects.

These projects need to be mostly funded by central government. Auckland Council and central government must also plan for the ongoing costs to operate public transport services and manage/maintain assets that may get vested to Auckland Transport or Auckland Council.

There is an expectation that Auckland Council will influence the decisions to ensure consequential operating costs arising from these projects are affordable, with central government contributing to additional operating and maintenance/renewal costs. The key large projects discussed and/or announced to date and their related challenges are described below.

City Rail Link (CRL)

More people are expected to use the City Rail Link (CRL) when it is completed in 2026 than first thought. This will impact the wider rail and public transport network.

Additional station upgrades will be required beyond those already planned or programmed to:

- meet increased passenger numbers at stations,
- accommodate longer trains,
- improve shelter and safety.

Stations could be upgraded to minimum requirements with further incremental changes and upgrades at later dates, or more comprehensive upgrades could be planned and programmed to unlock development potential and revenue in and around stations as well as above stations.

Rail crossing removal

Level crossings across the rail network will need to be removed to improve minimum safety requirements and enable more frequent trains to realise the full benefits of the City Rail Link (CRL). Decisions are required about the funding of the rail and surrounding transport networks.

Frequent train services will require rail crossings to be closed more often with an associated reduction in the functioning of the surrounding transport network. Maintaining rail crossings will also limit the frequency of train services. Central government investigations for rail crossing removals (or alternatives such as grade separation) are currently in an early stage. In the meantime, Auckland Transport is removing a road crossing at Church Street East and will either close or improve some initial pedestrian-only level crossings to prepare for the planned frequency of CRL for opening services.

It will take many years to ‘fix’ rail crossings. The earlier that this work begins the sooner we can enjoy the benefits and impacts of City Rail Link.

Additional Waitematā connections

Waka Kotahi/NZ Transport Agency has identified a preferred route and option. The proposed option is a combination of separate tunnels for rail and vehicles under the Waitematā, plus a separate bus lane on the Harbour bridge next to new pedestrian cycle lanes. The next stage of the business case and further detailed work has started.

Connected to the proposal of the new harbour connection are the required upgrades to Northern Busway stations between Constellation Drive and Akoranga Drive. Additionally significant maintenance upgrades are required to the existing Auckland Harbour Bridge and to State Highway 1 to protect them from sea level rise & coastal inundation.

The upgrade of the connected network presents timing and sequencing challenges for the project, or potential duplication of investment. Following the project there will be additional operational costs that will need to be funded from central government and the council.

Northwestern Rapid Transit (NWRTN)

As part of the growth of the wider rapid transit network, Waka Kotahi NZ Transport Agency is investigating the rapid transit options to provide people with a fast, frequent and reliable way to get around the northwest of Auckland - from Brigham Creek to the city centre, alongside State Highway 16 (SH16).

There will be potential impacts on the adjoining roading, wider public transport feeder, and active mode (walking and cycling) networks and how these connect into the NWRTN. There may be additional costs to upgrade the road and public transport network beyond the project site area, such as the creation of bus priority lanes on existing roads to optimise the usage of NWRTN. There may also be adjoining land use and land utilisation issues to consider.

Following the project there will be additional operational costs that will need to be funded from central government and the council.

City Centre to Mangere Rapid Transit

A rapid transit solution has been considered to connect the city centre and Māngere, and then potentially on to the Airport, along a dedicated corridor through the central isthmus. Upgrading this route to rapid transit will eventually be required to meet the increasing demand along the corridor and to reduce congestion. Irrespective of the solution undertaken, rapid transit implementation would also trigger requirements to upgrade and integrate streetscape amenity improvements to the centres along the route, supporting their role as key community hubs and helping to encourage intensification along the corridor.

Solutions will need to consider the impact of disruption during implementation, operational costs to Auckland Council and how operational funding will be provided by central government.

Airport to Botany

This project is part of the Southwest Gateway Programme.

The Airport to Botany rapid transit project will deliver a new public transport route between the airport, Manukau and Botany. It will improve accessibility in the southern and eastern areas of Auckland. It will also provide an important link in the rapid transit network, with connections to the rail network at Puhinui and Manukau stations and the Eastern Busway at Botany interchange.

Significant infrastructure investment will be required to integrate the Airport to Botany project into the surrounding urban area and to achieve the full benefits of the project. Once the project is completed there may be additional operational costs that will be incurred by Auckland Council.

Following the project there will be additional operational costs that will need to be funded from central government.

Avondale to Southdown

The Avondale to Southdown rail route mostly runs through Onehunga. The route is required in to divert an anticipated increase in freight traffic from the city centre and to enable more passenger services to optimise the CRL investment and provide an east-west or circuit route for rail passenger services.

The Avondale to Southdown route is through a heavily urbanised and populated area that is likely to have major implications for existing and future residents and existing urban renewal projects. Significant infrastructure investment may be required to integrate the rail line into the surrounding urban area, and there will be additional operational costs that need to be funded from central government and Auckland Council.

In general, the following OPTIONS should be considered by Auckland Council.		In general, the following IMPLICATIONS occur in relation to each of the options listed.
A	The council proactively invests in integrating these large projects into the existing network and urban environment to optimise benefits to Auckland.	Auckland Council investment to support a large project may mean that: • large projects can be optimised for efficiency (economic and non-economic) and effectiveness to realise greater benefits to the council and the community. • the council will need to have more influence on these large projects to ensure it gets the best outcomes both in terms of the investment that the council makes and ongoing investment that will be required to operate the infrastructure. • If the council looks to make a meaningful capital contribution to integrating these large projects it will place significant, potentially unaffordable, financial pressure on the council and community. • investment in integrating these large projects may result in other Auckland Council infrastructure investments being reprioritised and/or deprioritised to a significant scale and with impacts on the services provided to the community. • The council will need to examine other potential capital and/or revenue-raising programmes to achieve the investment requirements to offset impacts from prioritising funding and/or contributing to these large projects.

<table>
<tr><td>B</td><td>The council makes no additional investment into the wider transport network to integrate and optimise benefits from the large projects.</td><td colspan="6">Auckland Council's investment in large projects is minimal. This may mean that:
• the council may not be able to realise adjacent land use outcomes to improve benefits and outcomes.
• the council will likely still face operational costs associated with some projects.
• the transport network may not be optimised, and mode shift may not occur to the same degree.
• the council will be able to focus investment on other priorities.</td></tr>
<tr><td colspan="2">Timeline</td><td colspan="6">Over the next 10-30 years</td></tr>
<tr><td colspan="2">Cost ($ billions)</td><td><1</td><td>1-5</td><td>5-10</td><td>10-25</td><td>25-50</td><td>50+</td></tr>
<tr><td colspan="2">Decision point</td><td colspan="6">Within the next 2-30 years</td></tr>
</table>

Contaminated Land and Closed Landfills

Decision: how will the council manage closed landfills and general contaminated land from degradation and potential contamination spread?

The council manages 200 closed landfills across Tāmaki Makaurau. Additionally, the council group has other significant land holdings that may have contamination issues not yet properly identified that support the delivery of infrastructure and services across Auckland.

The management of both closed landfills and broader issues of contaminated land is a large challenge because of the number of sites and related community and environmental hazards. The council is required through legislation to 'Identify and assess the risks to communities and the environment posed by vulnerable landfills and other contaminated sites'[60].

There are two categories of contaminated land:

Closed landfills

Closed landfills are a specific, managed, subcategory of contaminated land. The council manages approximately 200 closed landfill sites. Many of the sites are very old, were created with little consideration for the environment and are serviced by ageing infrastructure.

Approximately 90 of our closed landfills are coastal sites which are vulnerable to climate change and weather-related hazards, and/or are in sensitive locations next to watercourses. The hazards (including sea level rise and greenhouse gas emissions) associated with managing closed landfills will increase with climate change and are likely to become a significant issue in coming years if they are not managed or addressed within an appropriate timeline. These pose significant financial risk for the council. Our

[60] Ministry for Environment, Te rautaki para, Waste Strategy - Getting rid of waste for a circular Aotearoa New Zeland (Mar 2023). Priortiy 8.2

vulnerable sites have many similarities to the closed landfill site that failed on the Buller/West Coast. Remedial costs for this site were approximately $20 million for Westland District Council.

General contaminated land

General contaminated land mostly refers to urban land that is contaminated by previous use. For example, a site previously occupied by a building that contained asbestos, was on historical uncontrolled reclamation/fill, or was previously home to a polluting land use (e.g. timber yard).

The scale and extent of contaminated council-owned land is difficult to determine as it is not currently managed centrally. A shift towards centralised management is planned for the next two years.

Like closed landfills, some of the council's contaminated land is likely to be vulnerable to hazards. These hazards will get worse with climate change. However, as much of the contaminated land is not currently managed centrally, it is less able to be managed proactively, and may only become known through storm events, and projects that uncover it.

<table>
<tr><th colspan="2">In general, the following OPTIONS should be considered by Auckland Council.</th><th colspan="6">In general, the following IMPLICATIONS occur in relation to each of the options listed.</th></tr>
<tr><td>A</td><td>Protect and defend all closed landfills against increasing hazards, prioritising those that are most vulnerable and/or in highly sensitive locations.</td><td colspan="6">This will incur lower capital costs in the medium term.
Protecting and defending sites might not remove all the risk and some sites might still be at risk from erosion and future weather events.
This option requires long-term maintenance and may only defer the requirement to remediate sites.</td></tr>
<tr><td>B</td><td>Remediate and retreat closed landfills from the most vulnerable and/or sites in most sensitive locations.</td><td colspan="6">Remediating and retreating from sites is likely to have a higher upfront cost and will likely take longer to achieve. However, it is the most likely to eliminate any future risk and will be particularly relevant for our most vulnerable sites.</td></tr>
<tr><td>C</td><td>The council continues to manage landfills to the current standards while hazards increase</td><td colspan="6">Low costs in the short term. However, potential for significant closed landfill erosion/discharge incidents (like. the Fox River site) with associated social and environmental damage and significant retrospective costs to manage.</td></tr>
<tr><td colspan="2">Timeline</td><td colspan="6">Over the next 30 years</td></tr>
<tr><td colspan="2">Cost ($billions)</td><td><1</td><td>1-5</td><td>5-10</td><td>10-25</td><td>25-50</td><td>50+</td></tr>
<tr><td colspan="2">Decision point</td><td colspan="6">Within the next 2-5 years</td></tr>
</table>

Water – Te Mauri o te wai and Te Mana o te wai

Decision: How will Auckland Council deliver Te Mauri o te Wai/Te Mana o te Wai?

The Auckland Water Strategy, the Essential Freshwater Programme, and (the potential) Water Services Reform are separate initiatives that share a common goal of protecting and enhancing the life-sustaining capacity of water in Tāmaki Makaurau and across New Zealand. The visions of “Te Mauri o Te Wai” and “Te Mana o Te Wai” are both centered around the health and well-being of water, and the importance of taking a strategic approach to water management.

Together these programmes represent a step-change in expectations and requirements for the quality of fresh and coastal water in Tāmaki Makaurau. How these expectations will be met is an important decision for the council and will likely require significant investment.

Additionally, several key resource consents for the three waters system (including the discharge consent for the Māngere Wastewater Treatment Plant) will require renewal in the next decade. Through the renewal process, these facilities will be subject to the increased expectations.

Notes:

- A do-nothing option has not been considered as increased water quality expectations are requirement of regulation.
- Costs related to this significant decision are expected to vary depending on the mix of the options chosen and the timing of the investment.

<table>
<tr><th colspan="2">In general, the following OPTIONS should be considered by Auckland Council.</th><th>In general, the following IMPLICATIONS occur in relation to each of the options listed.</th></tr>
<tr><td>A</td><td>Focus on improvements to physical water infrastructure only.</td><td>• By investing in physical infrastructure approach only to deliver te Mauri o Te Wai, there will be significant upfront capital costs and ongoing costs to manage the infrastructure.
• This investment will be necessary to support some of the longer-term changes across the council group.
• Te Mauri o te Wai that cannot be fully achieved with a physical infrastructure solution only.</td></tr>
<tr><td>B</td><td>Focus on regulatory, land use and soft engineering solutions only.</td><td>• This is likely to be more cost efficient in the long-term through managing the effects on Te Mauri o te Wai at the source.
• This option delivers a long-term solution, however, delivery of outcomes can be slower than other potential pathways. Therefore, interim measures may be required to achieve short- and medium-term outcomes.
• Soft engineering solutions may require more land area to work effectively e.g. wetlands and dry basins.</td></tr>
</table>

		• Regulatory changes may take time to achieve and implement.					
C	Focus on a combination of physical, land use and regulatory solutions.	• This is a more balanced approach that makes the most of cost-efficient and enduring solutions, while requiring some big infrastructure investment in key locations for greatest impact. • There may be some equity challenges that may need to be addressed through a mixed approach.					
Timeline		Over the next 10-15 years					
Cost ($billions)		<1	1-5	5-10	10-20	20-50	50+
Decision point		Within the next 2-10 years					

Biosolids Management

Decision: how does the council manage future bio-solids when the central interceptor comes online and when Puketutu Island reaches capacity?

The current method for disposal of the majority of Auckland's biosolids is the convenient and cheap use of an old quarry on Puketutu Island. This is a very cost-effective method of biosolids disposal; however, Puketutu Island is predicted to reach capacity between 2030 and 2032. The speed at which Puketutu Island reaches capacity is influenced by the central interceptor coming online in the mid-2020s which will increase biosolids from the Māngere Wastewater Treatment Plan as a consequential effect. The need for a new method of managing biosolids from Māngere will result in a step change in disposal method and costs.

In general, the following OPTIONS should be considered by Auckland Council.		*In general, the following IMPLICATIONS occur in relation to each of the options listed.*
A	Incineration (or similar processes such as pyrolysis or gasification)	A new incineration plant will be required and might be able to be located close to the existing water treatment plant reducing transport costs and the requirement of land elsewhere. This could be Aotearoa's first large scale incineration facility with associated construction and operational challenges due to local lack of expertise / experience

		Air discharge consents would be required for a unique project. No net energy is gained through the incineration process; it is all used in the drying phase. The incineration process is likely to generate greenhouse gas emissions, release pollutants into the air, affecting local air quality depending on the technology used.
B	Landfill	Landfill costs have risen significantly over the previous few years and are expected to continue to rise as land for landfills becomes scarce and difficult to consent. The next nearest landfill able to accept biosolids is Hampton Downs, which is 64km away. Transportation to Hampton Downs will significantly increasing OPEX costs. Use of landfills for biosolid-disposal would also accelerate the need for more landfill capacity for the region. It is expected that over time it will become increasingly difficult, if not impossible, to access private landfills. A new location for a landfill facility will ned to be identified, designated, consented and constructed before the capacity of Puketutu is exceeded. There may be an opportunity to identify a site / quarry for rehabilitation like Puketutu. This option provides a high level of resilience and security of service. The landfill process generates greenhouse gas emissions, release pollutants into the air, affecting local air quality depending on the technology used.
C	Land application as fertiliser	The demand for fertiliser is seasonal and therefore this option may not provide complete solution on its own across the year. Land application requires significant land area, and the quantum of which may be influenced by what is grown on the land (eg food, bio-energy crops etc). Sites for land application are numerous in rural areas adjacent to urban land, and there are alrerady small scale operations occuring across the country. There is an opportunity to create circular economy solution for returning nitrogen, phosphorus and carbon to soil. There are currently no accepted standards and market to support the beneficial reuse of biosolids in agriculture as it exists in other countries like the United Kingdom for the volume of biosolids produced in Auckland.

		Bio-solid reuse will require investment in new technology and development of new national standards in collaboration with Central Government. Consents are likely to be required to consider potential contaminant loads and associated guidelines and regulatory frameworks. There is the opportunity to offset greenhouse gas emissions with carbon sequestration in the crops grown.					
D	Combinations of the above	A portfolio approach to disposal may provide increased resilience for the security of service, providing opportunities to alternate approaches as regulations or perceptions change.					
Timeline		Over the next 10 years					
Cost ($ Billions)		<1	1-5	5-10	10-20	20-50	50+
Decision Point		Within the next 2 years					

Auckland's future water source

Decision: How will Auckland source drinking water when demand exceeds the approved Waikato water take.

Auckland will experience difficulties with is drinking water in future years due to factors such as a higher probability of droughts and a rapidly growing population, which will strain the existing water infrastructure. Tāmaki Makarau currently relies on a combination of takes from the Waikato River, the Hunuas and Waitakere dams, and some ground water sources for its water needs. Watercare has consent to take more water from the Waikato which was activated in 2023 but beyond that, under current projections, in the early 2040s an additional major water source will need to be developed and in service to meet increasing demand for drinking water as the population grows.

The challenge for the council is how to diversify its water sources and improve water conservation measures to meet the growing demand for water.

In general, the following OPTIONS should be considered by Auckland Council.		*In general, the following IMPLICATIONS occur in relation to each of the options listed.*
A	Demand Management and Water Reuse Implementing robust demand management strategies and prioritising water reuse will help address demand for water	• This option involves promoting water-efficient technologies, enforcing conservation measures, and actively treating and reusing wastewater for water supply purposes.

		• Over the long term there are potential significant cost savings through reduced strain on current sources, and a more sustainable water cycle. • Social and cultural implications will need to be worked through, however direction from deliberative democracy exercise was that this was the direction Auckland should be going in. • legislative change is required to support water reuse.
B	Desalination Investing in desalination plants provides a direct means of generating freshwater from seawater, reducing dependence on freshwater sources.	• Desalination can offer a reliable and drought-proof water source. • There are high initial capital costs with high ongoing operational expenses. • There are potential adverse environmental effects that will need to be managed related to brine disposal. Additionally, the current technology is emissions intensive.

Timeline	20-30 years					
Cost ($ Billions)	<1	1-5	5-10	10-20	20-50	50+
Decision Point	Within the next 2 years					

Other potential significant decisions

There are several potentially significant decisions that have not been identified above because the associated costs are not as large as the decisions above, or we don't yet have a sufficient understand of the decision that the council will face. However, it is sensible to acknowledge these as they may become significant decisions in the future.

Onehunga Wharf

Onehunga wharf is made up of three wharves with the oldest being 100 years old. The oldest of the three structures is operating beyond its design life (noting that design life is separate from functional life and/or safe operation and the condition of the wharf is continually monitored to ensure the safety of the structure is maintained). This part of the wharf structure has an estimated 15 year life expectancy with preventative maintenance before a substantive solution is required. The council will likely have to consider the replacement of the entire wharf or alternative options in the coming decades. Any regeneration can only proceed once a solution for the structure has been resolved and completed and would be funded from the capital set aside for regeneration within the LTP budget.

Approximate future costs ~$150 million.

Stadium Network and a National Stadium

There are a total of four major stadiums in Tāmaki Makaurau. Three are owned and operated by the council: Mt Smart Stadium, North Harbour Stadium and Western Springs Stadium. The fourth is the independent Eden Park. Auckland region faces substantial costs to maintain and operate the stadia in their current configuration and the current operating models are considered to inhibit optimal utilisation and decision making. A future decision around Auckland's National Stadium may affect how the regional stadia network work collaboratively in the future.

Resource Recovery Relocation Facilities

New facilities are likely to be required to enable the council to support the minimisation of waste to landfills and the achievement the zero-waste target. The scale, number, location, and ownership model of facilities required is currently unknown. Land acquisition and construction are the large capital investments that the council will need to consider and there will be associated operational costs relating to how waste is collected and managed.

1.4 Draft financial strategy

1. Executive summary

This draft financial strategy seeks to help improve Auckland's physical and financial resilience over the next decade. This means putting Auckland Council onto a sustainable financial path where we can affordably deliver the basic infrastructure and services expected by Aucklanders to help them live their lives better.

A combination of past council decisions, aging and unfit for purpose infrastructure and underperforming major investments mean that the council is struggling to cope with rapid changes in economic and climate conditions.

In some areas, central government has provided substantial support to deal with key challenges, but in other areas it has imposed additional costs. A different relationship is required with central government which provides regional leadership and delivers better outcomes for Aucklanders through an approach of true partnership and mutual respect.

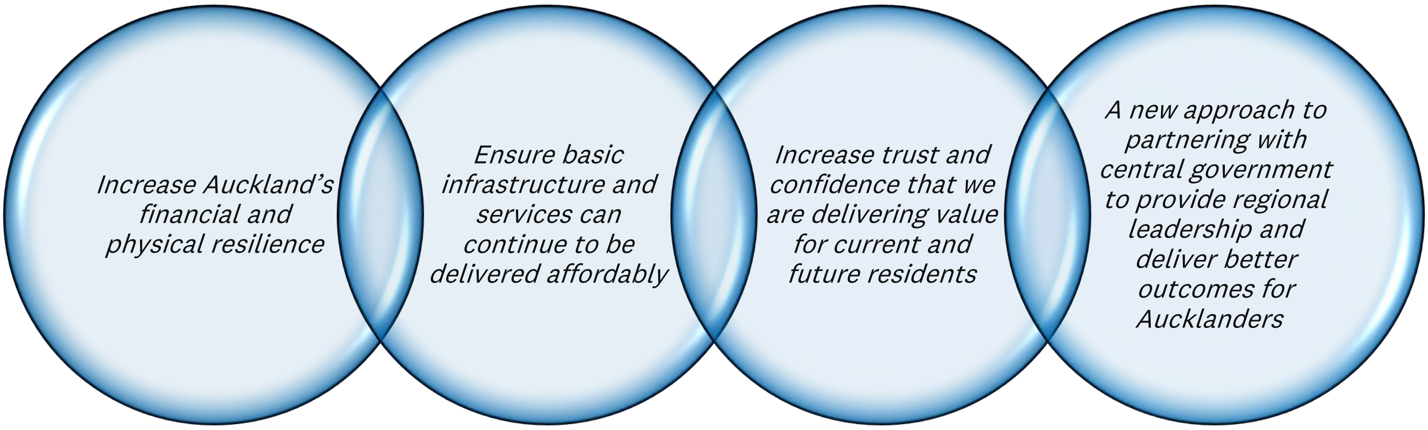
We also face persistent challenges in earning public confidence and trust, especially around our spending This draft financial strategy seeks to address this by promoting greater transparency and introducing new guidelines to improve the quality of our spending decisions.

The actions proposed in this strategy to better control expenditure, improve returns on our financial investments and reform our relationship with central government will enable the council to better fulfil its role for the region while limiting the levels of rates increases and maintaining prudent levels of debt.

2. Our Goals

The Mayor and Councillors have defined our key priorities for this long-term plan, which are outlined in the Consultation Document. The priorities that have most directly informed this strategy are **Stop Wasting Money**, and **Fix Auckland's infrastructure and build a resilient Auckland.** Another area where we want to shift the dial is to build **A fundamentally different relationship with the Government**.

Based on these, this strategy focuses on a number of interrelated goals that combine the need to manage current challenges with the broader vision of building a resilient and vibrant Auckland for future generations. The strategy serves as a strategic roadmap, guiding fiscal decisions and resource allocations, to achieve not only **short-term financial stability** but also **long-term sustainable growth and development.**



3. Financial challenges and opportunities

Internal and external factors are presenting the council with significant financial challenges that need to be addressed through this long-term plan. The draft financial strategy needs to provide direction for current and future decision-making that enables the council to affordably meet these challenges and make the most of any opportunities presented.

3.1. External factors

The key external factors to consider as part of developing the council's draft financial strategy include:

- Global economic factors with the re-emergence of high levels of inflation and interest rates leading to significant pressure on the costs to maintain existing assets and deliver new and existing services.
- Rising inflation and interest rates also contribute to affordability challenges for Auckland ratepayers and residents. Rising cost of living pressures impact the acceptability of increases to council rates and charges.
- Differing recovery rates of revenue streams from the impacts of the COVID-19 pandemic.
- The devastating storm events that hit Auckland in early 2023 causing significant damage to council assets and impacting Aucklanders' lives and homes. The council is considering the increasing impacts of unstable climatic events and how it responds to climate driven natural hazard planning and builds both physical and financial resilience to address these impacts (refer to the draft Infrastructure Strategy).
- Alongside adaptation to lessen the effects of climate change on our assets the council also needs to continue progress on reducing climate emissions, both for the council and for the Auckland region.
- Auckland's population continues to grow, and this drives a requirement for additional supply of housing and employment. Our Future Development Strategy expects this supply to be accommodated through both intensification in existing urban areas and managed expansion into rural areas. Infrastructure will be required to support both of these expected land use changes.

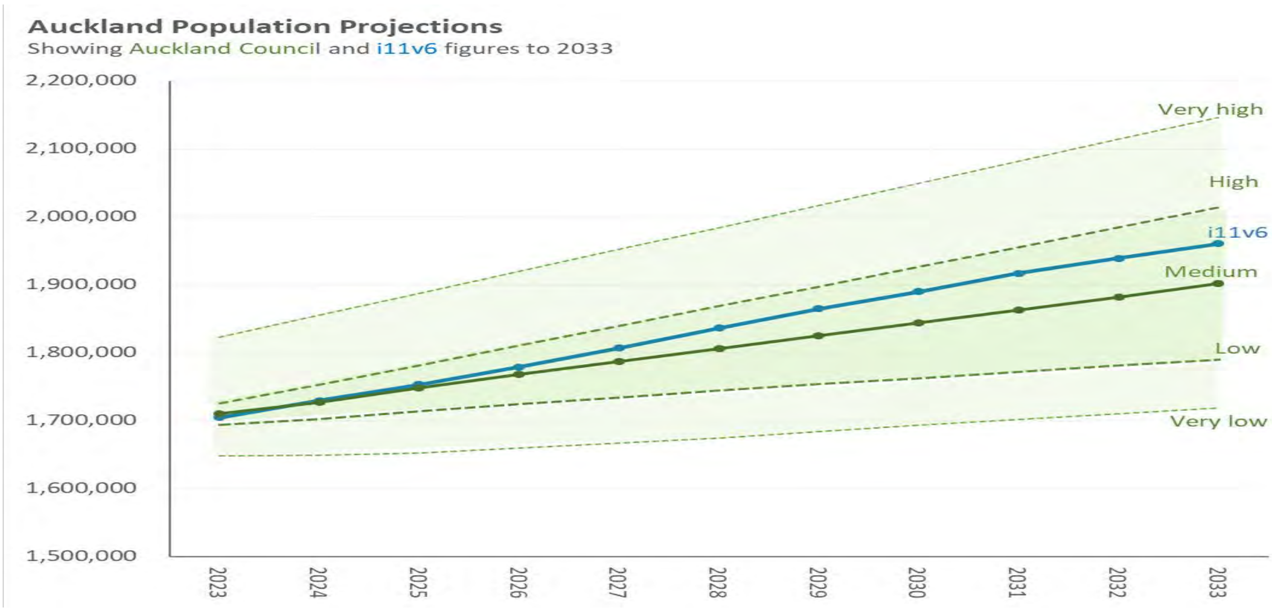
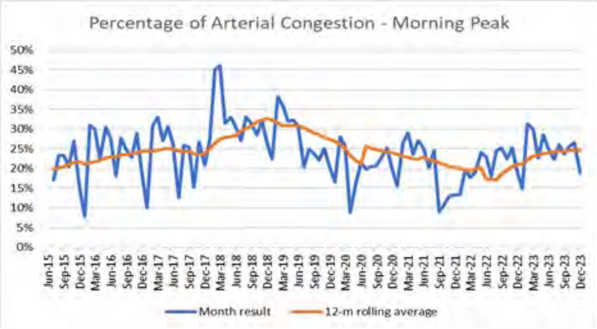
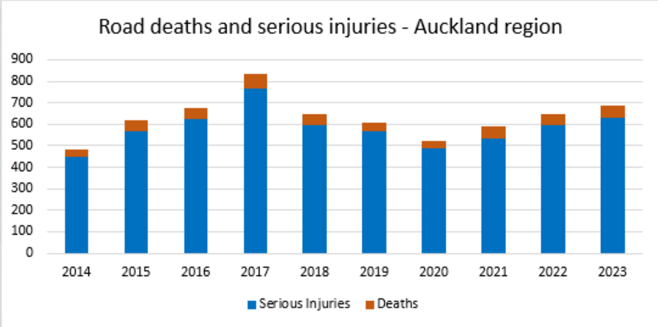


Figure 1.3 *Auckland Council projection to 2033*

- As well as growing, Auckland's population continues to change, and so do the needs and expectations of the community. Auckland is rich with diversity – it's one of the most diverse cities in the world. It is a mix of different ethnicities, sexualities, gender identities and age-groups. It also includes those that face accessibility issues. Different groups demand different services of the council and many of the services and facilities we currently provide, while relevant to the communities of the time, are not keeping pace with the changing demand.
- Traffic congestion and road safety continue to be major challenges for Auckland.





Substantial investment requirements have been identified to address the issues of traffic congestion and road accidents causing serious injuries and deaths, to provide more transport choices to Aucklanders and contribute to our climate change goals.

- Regular legislative changes that look to restructure or reform our activities have caused significant disruption, risked service delivery, and added cost. Alongside these has been the imposition of unfunded mandates where the council is required to deliver additional services without any funding or additional funding tools.
- The recent general election and change of government has heightened the level of uncertainty around several key budget factors, including water reform and the Regional Fuel Tax (RFT). The new government presents the council with an opportunity to reset the relationship and work differently with the Crown to find structural fixes for the concerns we share.
- Auckland Council grapples with challenges related to how the public perceives spending quality and transparency. This includes concerns about funds being poorly allocated and a lack of openness in financial matters. Addressing these issues is crucial for fostering trust and ensuring public confidence in the council's financial practices.

3.2. Internal factors

The key internal factors to consider as part of developing the council's draft financial strategy include:

- Decisions in the last Annual Budget to use temporary measures to address a structural, long-term budget gap. These included the use of $85 million of extra borrowing for our capital programme, and the use of existing reserves to fund natural environment and water quality programmes enabling a temporary reduction in targeted rates. The structural budget gap remains, and the additional debt now needs to be serviced.
- The City Rail Link (CRL) is forecast to be completed and open in 2026. Once open, the council's share of the full operating costs will need to be funded from operating revenue, including maintenance costs, interest on the debt to fund construction, depreciation, running facilities such as

new stations, track access charges from Kiwirail, and the operational costs of running the increased services that the project will enable.

- Decisions made to support homeowners severely impacted by the 2023 storm events through the voluntary buy-out scheme, the property level risk mitigation scheme (Category 2P grant scheme), and the investment in community infrastructure. Despite co-funding from central government this will still result in significant costs for council.
- The council has a large asset base (over $70 billion) and many of these assets are aging and requiring increasing annual maintenance costs. Deferred renewals have created a significant backlog.
- Highly specified and designed council assets and facilities have led to high ownership costs for the council.
- Auckland Council inherited a situation where some legacy councils did not fully fund depreciation costs from operating revenue sources. This meant that the council has been relying on borrowing to cover the costs of asset replacement. The one-off impact on ratepayers of moving to full funding of depreciation was deemed too much and the council has been gradually increasing the share funded with a target of full funding by 2028. This means additional operating funding pressure in each year as we increase the level of depreciation funding.
- Many investments have been made or received (e.g. from legacy councils or developers), without enough consideration of the overall return they deliver (both financial and non-financial). Capital is therefore tied up in low-returning assets, while investments that could deliver better outcomes cannot be afforded.
- The council initiates new services in response to specific situations in the community but is not good at stopping these when circumstances change.

3.3. Key problem

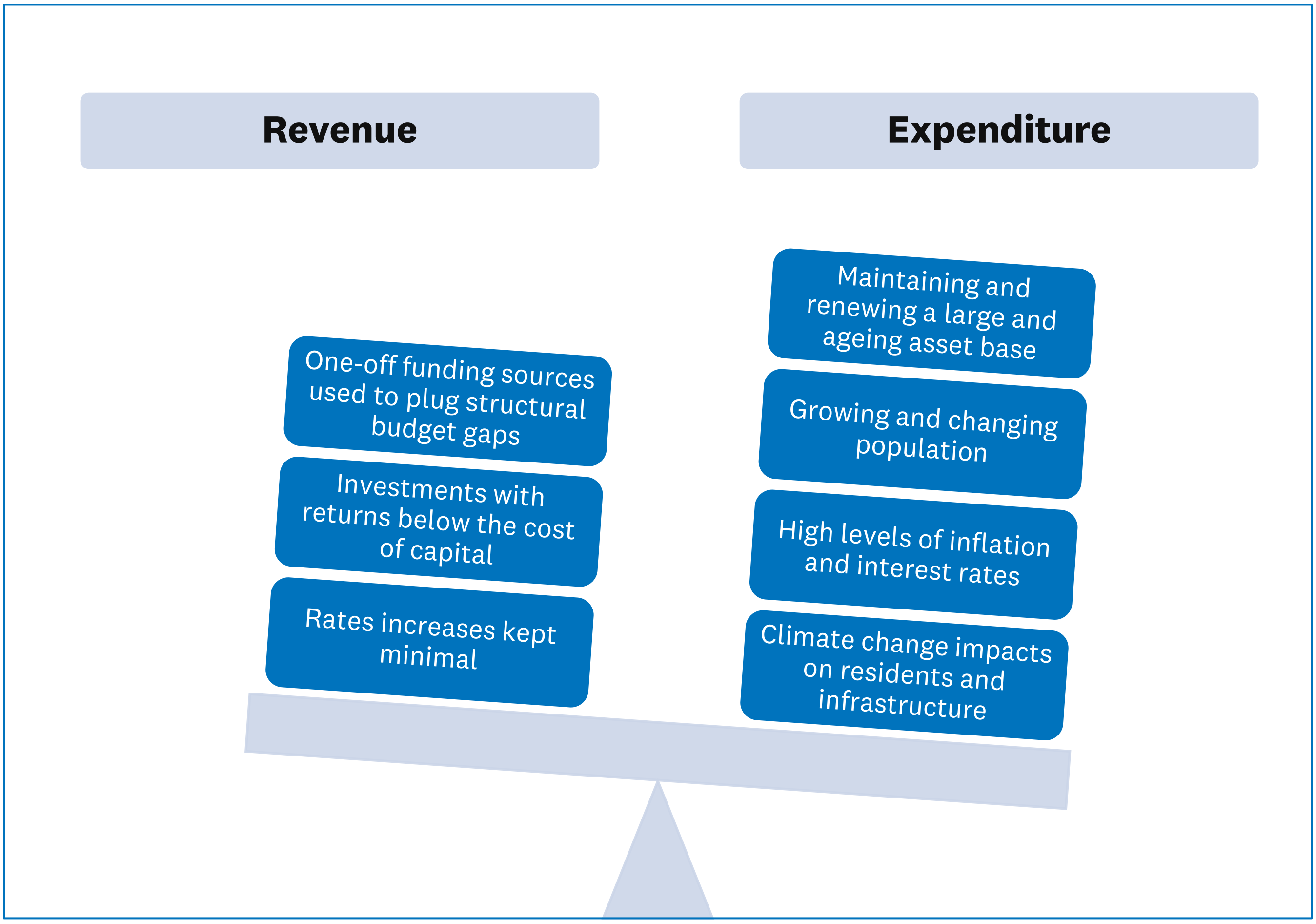
The council is facing significant demands for investment as a result of both external and internal factors.

These are large, long-term, structural issues. Too often the council has responded through short-term measures such as borrowing, one-off government grants, deferred investment, and setting incremental efficiency targets. This has led to a growing misalignment between our expenditure and the most appropriate funding sources, leading to an unsustainable financial model.

To build its financial and physical resilience, Auckland Council needs to leverage the opportunities it has. These include the relationship with the new government, an under-optimised balance sheet, the capacity for enhanced expenditure control, including clarity around the services that the council should deliver, and affordable increases in sustainable revenues.

A revised financial model will set the council up for long-term financial sustainability, all else being equal.

The following figure summarises the key challenges that the draft financial strategy needs to respond to for this LTP:


Revenue
Expenditure
One-off funding sources used to plug structural budget gaps
Investments with returns below the cost of capital
Rates increases kept minimal
Maintaining and renewing a large and ageing asset base
Growing and changing population
High levels of inflation and interest rates
Climate change impacts on residents and infrastructure

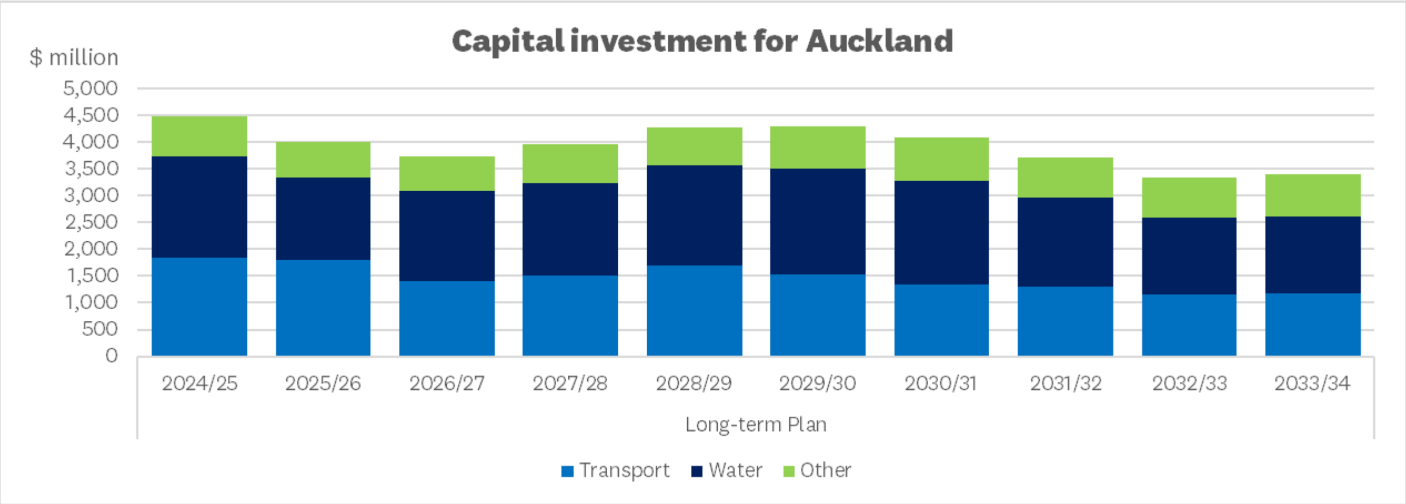
4. Investment responses

This draft financial strategy seeks to help improve Auckland's physical and financial resilience over the next decade. This means putting Auckland Council onto a sustainable financial path where we can affordably deliver the infrastructure and services expected by Aucklanders to help them live their lives better.

Our financial plans and strategies seek to progress our broader plans and strategies, including working towards the outcomes of the Auckland Plan 2050. However, given the challenging financial context described above, we need to do this in a pragmatic way and do a few things differently compared to what we have always done in the past.

This draft strategy supports $39.3 billion of capital investment for Auckland over the next decade, and $72.0 billion of operational spending. This spending will deliver what Auckland needs to maintain existing levels of service currently provided and to respond to the challenges identified in the infrastructure strategy.

The planned capital investment levels are summarised in the following chart:



4.1. Renewals

Ensure basic infrastructure and services can continue to be delivered affordably

Many of our assets are aging and while we have had a strong focus on ensuring we are doing enough to look after our most critical assets, our overall spending on asset renewals has not always kept pace with what is needed to keep all of our assets in good shape.

For example, each year we should ideally be renewing 8-10 per cent of our road surfaces and 1-2 per cent of our road base, but we are currently only renewing 6 per cent of road surfaces and 0.1 per cent of the road base. This has resulted in a backlog of over 1,400 sealed roads that now require urgent resurfacing.

Auckland Transport are proposing an asset renewal programme of $5.8 billion over the next decade which will get us on a path to appropriately managing transport renewals by the end of the decade. This does not mean that all renewals will be funded or that the condition of all assets will be acceptable. But, by year 10, the trend will be of maintaining condition rather than accelerating deterioration.

Watercare and our Healthy Waters teams have prepared thorough asset management plans that provide for performance-based and condition-based renewals programmes, especially for critical assets. This includes the prioritisation of projects to catch up on renewals that have been previously deferred. The planned investment of $5.9 billion over the decade in renewals for Water Supply, Wastewater Treatment and Disposal, and Stormwater will ensure current service levels can be maintained.

The council currently owns a large portfolio of community infrastructure assets which are not all well suited for the changing needs of Auckland’s diverse communities. Many of these assets are in a poor and declining state and the whole of life cost of owning these assets is rapidly increasing. Decisions were therefore taken in the last long-term plan to take a different approach to how the council delivers community services. In this long-term plan we are proposing to continue this transition away from a large, aging asset base.

We propose to start to reduce the overall number of these assets and integrating services into fewer assets to avoid renewal costs and adapt to climate change. We would still add parks and facilities where needed in priority locations, while shifting service delivery to other models where appropriate. We need to partner with community groups and other organisations so that we can transition to a different community investment model focussed on multi-use services, partnerships, and digital services. This will mean not fully investing in the modelled asset renewals but instead spending around $700 million over the next 10 years on operating costs to support this new delivery approach.

We are also proposing to review and optimise other asset classes we must ensure our investments are focused on where they can deliver best value for Aucklanders and where we are not burdened with unnecessary renewal costs. This work includes the targets we are proposing for the sale of non-service assets and our proposed relook at the stadia network (particularly the form and management of North Harbour Stadium).

4.2. Service levels

Auckland Council continues to invest in improving the levels of service we provide to the region. Some examples of things we are aiming to improve are set out in the following table:

Activity	Interventions	Service level increase targets
Water Supply	• Provide reliable supply of safe water • Collect and treat Auckland's wastewater safely and sustainably • Manage stormwater network to minimise risks of flooding	• The total number of complaints received by the local authority about drinking water will be less than 10 in a given year • Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of notices will be less than 2 in a given year • Making Space For Water will increase Auckland's resilience to flooding and the effects of climate change through seven initiatives over 10 years (refer to Section 3 – Our Activities of the Supporting Information)
Public Transport	• Finish existing rapid transit network projects including CRL and Eastern Busway • Improvements to bus, rail and ferry services to including faster and more reliable services.	• Total annual public transport boardings to increase by over 50 million (from 71 million in 2022/2023 to 123.8 million by 2034)
Environmental protection	• Pest Free Auckland Programme • Implementation of the Regional Pest Management Plan 2020-2030 • Implementation of the Auckland Indigenous Biodiversity Strategy	• Increase the proportion of of rural mainland Auckland under sustained management for possums from 28 per cent to 50 per cent • Increase the number of indigenous plants and animals regionally vulnerable to extinction under active management from 94 to 100
Waste management	• Implementation of Waste Management and Minimisation Plan • Rollout of rates-funded waste collection across urban area • Food scraps service embedded	• Total waste to landfill per capita reducing by 18% (from 848kg in 2022/2023 to 698kg by 2034) • Domestic kerbside refuse per capita reducing by 12% (from 137kg in 2022/2023 to 120kg by 2034) • Food scraps diverted from landfill each year to increase from 1,872 tonnes in 2022/2023 to 50,000 tonnes by 2034

4.3. Housing and growth

This draft financial strategy proposes a continuation of the focused approach to investment in growth infrastructure adopted in the previous long-term plan. Given the council group's capacity to support growth is not unlimited it has needed to prioritise. We have identified a few key locations to focus our limited resources, and they include the growth areas being redeveloped by Kāinga Ora (known as the Auckland Housing Programme), the inner North West (Westgate, Whenuapai, and Redhills), and Drury.

Infrastructure investment in Drury and the inner North West will take place over a 30-year horizon, with our Development Contributions policy being updated to reflect this. This long-term plan provides for $2.3

billion of infrastructure investment for Drury over the next 30 years and $2.5 billion for the inner North West over the same period.

It is estimated that $2-3 billion of infrastructure investment may be required to support the Auckland Housing Programme. Without additional funding, our investment in these areas will be limited to around $500 million over the next decade, across all infrastructure types. This is less than the indicative package of growth investment that has been developed between council asset groups and Kāinga Ora.

This strategy proposes that we continue to work with Kāinga Ora and central government to enable further investment using tools such as the Housing Acceleration Fund, additional National Land Transport Funding, and development contributions. Collaboration here could provide for investment of around $1.8 billion in transport, stormwater, parks, and community infrastructure in the Auckland Housing Programme areas within the next decade.

4.4. Transport

The draft financial strategy contains $14.7 billion of capital investment in our transport networks, which includes the investment required to complete the City Rail Link project and the additional housing related infrastructure discussed above. It is proposed this programme be focused on making the most of what we have, finishing existing projects, and improving our public transport network.

The government has announced the cancellation of one of the council's funding sources, the regional fuel tax (RFT), ending the scheme four years early. The council had initially budgeted for two more years of the RFT to support investment in specified transport infrastructure and services, but this funding is no longer available for this LTP. As a result, the central proposal in this plan has been updated with proposed RFT funding removed and a corresponding reduction in the level of investment in transport projects. The specific projects that would be affected have not yet been determined.

The National Land Transport Fund (NLTF) provides co-funding for transport investment from funds paid by road-users through petrol taxes and road user charges. The council is proposing to limit its funding to Auckland Transport, particularly for renewals, to only those projects where NLTF funding is committed by the government.

Auckland Transport have estimated levels of NLTF funding based on the current Government Policy Statement on Land Transport, commitments made by NZTA Waka Kotahi (as administers of the fund), and historical trends. A new Government Policy Statement is expected to be released soon and this is likely to impact future levels of funding and the focus areas of this funding.

Increase Auckland's financial and physical resilience

Operating costs for transport activities in this strategy is proposed to be around $28.4 billion over ten years. This includes significant increases due to the rising costs of public transport provisions. Key drivers for higher public transport operating costs are driven by an increase in maintenance costs to better align with asset management plan requirements, investment into the Open loop and National Ticketing System (NTS) transition costs, information technology costs to move to cloud based services and increase network optimisation.

Significant costs will also be incurred in the third year when the CRL is expected to begin operation and the council will begin funding. This will include an increase to the costs of the new line, stations, and the enhanced train frequency, but also the interest associated with the project and depreciation of the new assets.

While impacts of these cost pressures will flow to the overall rates funding requirement, they are being partially mitigated through cost reductions within Auckland Transport.

4.5. Storm response and resilience

The council is proposing a multi-faceted response to the impacts of the storm events in early 2023. This includes repairing our assets, supporting affected residents, and improving resilience to future events.

Repairing the significant damage to council assets, including the transport network, water networks and community infrastructure will take a number of years. This is primarily being funded through a reprioritisation of renewals expenditure, expected insurance payments, and specific funding from central government for transport infrastructure (both through Waka Kotahi and from the National Resilience Plan through our agreement with the Crown).

Support for affected residents has been provided, alongside central government partners, by the Recovery Office which continues to be funded through operating expenditure budgets for the first year of the long-term plan. The strategy also proposes continued funding towards completing the voluntary buy-out scheme for residential properties where there is an intolerable risk to life from continued habitation (Category 3), and the grant scheme to support property owners where on-site investment could reduce this risk (Category 2P). These schemes are co-funded by the Crown from the National Resilience Plan.

Improving our resilience to climate events is a key part of our financial strategy. This includes both financial and physical resilience. A $20 million dollar increase to operating revenue was agreed in the last annual budget which is a sustained fund to increase Auckland's resilience to future events including improving our emergency management response, undertaking proactive monitoring and maintenance of our assets, supporting our communities to respond, and speeding up adaptation planning. In this Long-term Plan, we propose to improve the financial resilience over the longer term through the creation of the Auckland Future Fund which could be drawn on to fund response actions. It is envisaged a portion of the fund will be ringfenced for self-insurance purposes. Physical resilience to the impacts of climate change is becoming a core part of our asset management plans and incorporated into both new builds and renewals investment (refer to the infrastructure strategy for more detail). Additionally, the council is proposing significant additional investment to specifically address flooding risk. The "Making Space for Water" programme includes seven initiatives with a proportion to be co-funded from the National Resilience Plan.

While this expenditure and investment provides for recovery from the 2023 storm events and provides a level of resilience to similar future events it is not sufficient to fully protect us from all the impacts we will see from our changing climate. There is a need for central and local government to take a coordinated approach to the assessment of risk from natural hazards and the effects of climate change. Managing risks from hazards requires a broader range of planning and funding tools than is currently available to local government.

4.6. Climate change

We propose to take a data-led approach to decisions around continued reduction of our carbon footprint and improved resilience of the council group and of the region. This includes prioritising capital projects, operating expenditure, and savings initiatives that are aligned with those outcomes. As a group we encourage climate initiatives in areas that will deliver the best return in terms of emission reductions, while avoiding and challenging investments and expenditures that are not aligned with positive climate outcomes. This will become a key part of the council's expectations around cost-benefit analysis going forward.

Operational and capital expenditure would be directed to target areas where both cost and whole-of-life greenhouse gas emissions can be reduced with further efforts and savings required for projects that are not aligned with these outcomes. Generally, these would not target well-performing emissions reduction projects or investments.

The investment proposed in this strategy also includes specific and ambitious investments and expenditures in operating spend towards our public transport network. A faster, more reliable, and easier to use public transport system will be more attractive to Aucklanders and this will be key to reducing regional emissions.

Renewable energy will also play a key part in a low emissions future and strengthen the climate and economical resilience of the region. Amongst other initiatives, Council is proposing to look at where its land and assets can be leveraged to generate electricity and reduce our emissions and energy costs.

4.7. Environmental degradation

The council has a number of programmes in place that look to address challenges in our natural environment.

The Natural Environment Targeted Rate and Water Quality Targeted Rate were temporarily reduced in the 2023/2024 financial year with the associated programmes being continued with funding from accumulated reserves. This strategy proposes that these programmes are continued with the Natural Environment Targeted Rate reinstated at its full level. The Water Quality Targeted Rate is proposed to be adjusted so that the programme is funded in the same way as other council capital expenditure (from borrowing so that the cost is spread over the generations that benefit), this would reduce the impact on ratepayers in 2024/2025.

The Waste Management and Minimisation Plan (WMMP) outlines the council's adopted approach to delivering waste services in the most efficient and effective way. This strategy proposes a move towards standardisation of waste charges across urban Auckland in line with this plan. This is projected to provide benefits in terms of cost to ratepayers, waste reduction, and emissions reduction.

5. Key settings that build increased sustainability

5.1. Key principles

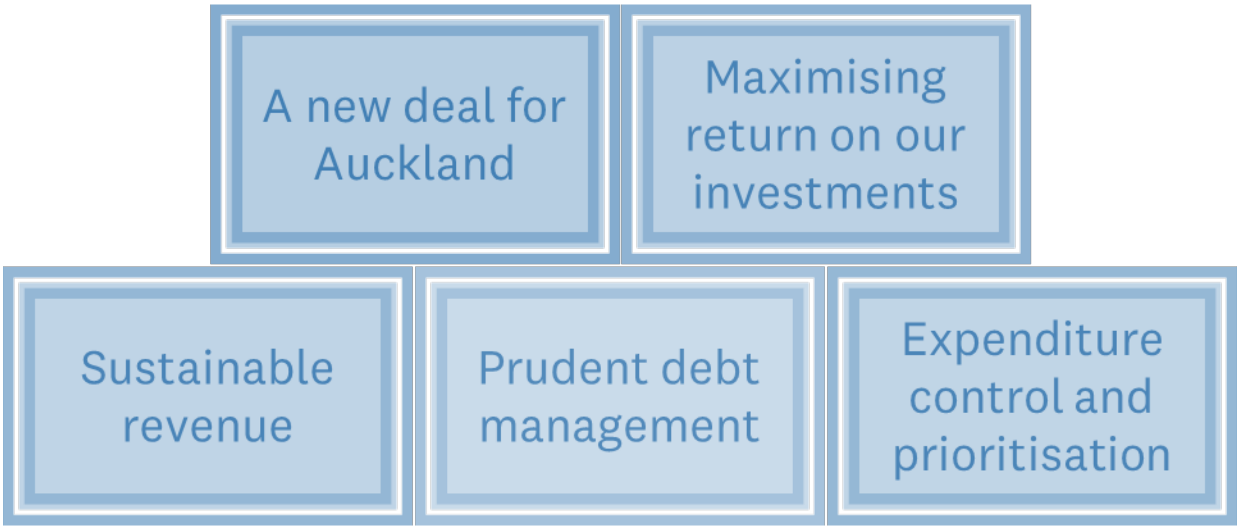
To help us decide on the best plan for improving physical and financial sustainability, we have focused on the below principles, which are informed by our Revenue and Financing Policy and legislative requirements:

- *A focus on long-term financial sustainability and prudence*
- *Improved transparency and accountability to the people of Auckland*
- *Consideration of the overall impact on community outcomes and the four well-beings*
- *Costs to the community are fair and acceptable*

5.2. Foundations

We are proposing a foundational approach to construct a robust plan for achieving improved sustainability. Each of these are discussed separately in the following sections, however they also need to be considered as an integrated whole.

Foundations of long-term financial sustainability:



5.3. Sustainable revenue

A balance of revenue streams that will fund our activities

The Auckland Council group maintains a highly diversified revenue base for a local authority with only around 41% of its revenue coming from rates. While this provides for more targeted charges for certain services, particularly water services and public transport, recent history has illustrated that many of these revenue streams are simultaneously susceptible to shocks (such as COVID-19) and economic cycles. The council needs to continue to work to find a sustainable balance between revenue sources.

General and targeted rates

To provide certainty and predictability to ratepayers around general council expenditure, Auckland Council is proposing to set a limit on overall average rates increases for residential ratepayers which is based on the projected level of inflation, noted in the below table. This limit would be that average rates increases for existing residential ratepayers should not exceed 1.5 per cent per annum above inflation.

Year	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Projected inflation	5.2%	2.7%	2.1%	2%	2%	2%	2%	2%	2%	2%
Margin	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Annual average rates increase limit	6.7%	4.2%	3.6%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%

Despite these proposed long-term policy limits, we are proposing average rates increases above this limit due to exceptional circumstances for two years of the plan:

- Year one – an average rates increase of 7.5 per cent as a result of the home buyouts and resilience work needed as a result of recent storms, and
- Year three – an average rates increase of 8 per cent to cover the first full year of additional operating costs from the City Rail Link project commencing operations

A limit on increases based on inflation reflects the impact of changing prices on the council's cost to deliver services to the community and provides a measure of affordability for ratepayers over time. For this purpose, inflation could be based on the Consumer Price Index (CPI) or the Local Government Cost Index. The CPI is widely recognised, reported, and forecasted. It also most closely links to movements in other costs ratepayers are facing and their affordability considerations. The Local Government Cost Index is probably more closely aligned to the movement in the council's cost base.

Under this approach, we would set the annual limit (expressed as a percentage from the provided table) based on the projected inflation for each year. If actual inflation exceeds the projection, our rate increase would surpass the limit, requiring explanation or disclosure in the relevant annual report.

If the council were to continue to provide the same service levels and assets then a limit at, or even just below, inflation could be possible, once the council is fully funding depreciation. However, this plan proposes continued significant levels of capital investment and notable increases in service levels (for example in public transport) and therefore a limited margin above inflation is included. Noting that an increase in capital investment leads to faster growth in operating expenditure costs due to the related impact on interest, depreciation, operating and maintenance costs of assets.

The above limits are based on the council's proposed budget. If, following consultation and consideration, the council departs from its proposed central budget scenario and moves to a "pay more, get more" or "pay less, get less" scenario then the financial strategy would be adjusted accordingly with higher or lower limits to increases in rates.

Rates for individual properties are not restricted by the average rates increase limit and will vary depending on a range of factors including property revaluations and whether the property is used for business, residential or farming purposes.

This limit includes general rates and targeted rates that apply generally across Auckland and refers to the overall average increase across all ratepayers (including different ratepayer groups such as business, farm, and lifestyle ratepayers). Targeted rates that apply to specific groups of ratepayers are excluded.

The rates included within the limit are:

- General rates (including both the Uniform Annual General Charge and the value-based charge)
- The Natural Environment Targeted Rate
- The Water Quality Targeted Rate
- The Climate Action Targeted Rate
- Refuse targeted rates (that will apply across most of the region within the first two years of the plan)

Targeted rates are considered separately where the charges relate to a specific group of ratepayers who benefit from the associated expenditure, for example targeted rates for swimming pool inspections that are charged to the properties that receive the service or Business Improvement District targeted rates that fund the activities that benefit a local business association.

We do not have a quantified limit on these targeted rates because the acceptability of their cost is viewed differently by the community. The costs and benefits of the rate are deemed appropriate and acceptable in the specific circumstances. They are specifically consulted on, along with the associated investment that they enable, and as a result provide greater transparency.

In addition, limiting these kinds of targeted rates would restrict the ability of specific groups of ratepayers (such as local communities or specific business sectors) to invest in increased service levels that they aspire to and are willing to contribute towards.

Charges to recover growth costs

A key driver of our investment demand is Auckland's growth and the need to provide infrastructure to support housing and development. While the council is not directly involved in building homes Eke Panuku play a number of key roles in the process, including the provision of bulk infrastructure for water supply, wastewater collection and treatment, stormwater management, roads and footpaths, public transport, parks and open spaces, and community infrastructure. The council group recovers a fair and appropriate proportion of this provision through Development Contributions (Council and Auckland Transport investment) and Infrastructure Growth Charges (Watercare investment).

To ensure that a fair and appropriate level of these costs continues to be collected from the beneficiaries we will be consulting on changes to our Development Contributions policy separately from this 10-year Budget. The council is undertaking a process to update its Development Contributions policy to recover the costs of growth more fairly. This includes moving from looking at a 10-year investment horizon to matching the full costs of infrastructure required (which usually takes much longer – up to 30 years) with the full development anticipated in the area serviced. These updates are focused on the priority infrastructure areas identified in the Future Development Strategy, with Drury being completed in 2023.

Additionally, the Watercare board have resolved to increase Infrastructure Growth Charges by 26% with the project likely to change from 2025/2026 onwards.

Fees and charges

A number of council activities are funded, in full or in part, through direct fees and charges to users or beneficiaries.

Adjustments to these charges take into account a number of factors including:

- Inflationary pressures on associated costs,
- The balance between private and public benefit (e.g. licencing and compliance fees),
- Ensuring broad-based accessibility to some services (e.g. aquatic and community facilities),
- Encouraging specific behaviour change (e.g. child discounts on public transport),
- Policy settings or legislative requirements (full cost recovery for consenting activities)

Other revenue streams

The Auckland Regional Fuel Tax has been a valuable source of revenue to support our investment in the transport network. Based on statements made by the new government (that legislation will be introduced to remove the tax) we have assumed that this revenue stream will cease from 30 June 2024.

5.4. Expenditure control and prioritisation

Setting sustainable levels of council spending and prioritising within them

Increase trust and confidence that we are delivering value for current and future residents

In an environment where we cannot afford to match the full demand for investment it is essential that we make sure that every dollar we do spend provides value for money. Operating budgetary reductions and structured prioritisation processes will support this.

To support long-term financial sustainability the council is proposing to change the way it sets budgets and the way in which it makes investment decisions within those budgets. Additionally, we need to clearly communicate to Aucklanders the value of our activities.

Operating budget reductions

To ensure we are continuing to make the best use of all our funding we are proposing to target permanent on-going savings of $20 million in year one of this budget, rising to $50 million in year three, which are over and above the existing operating expenditure cost reductions already included in the budget. Achieving this will come from a combination of service changes and efficiency savings.

Service changes would need to include the council stopping some services and activities. Like most organisations, over time we will have started services or activities in response to circumstances that existed at that time. It is important, particularly in the current situation of financial constraint, that we continue to review their current relevance and requirement, and how they are provided.

Since its establishment Auckland Council has continued to set savings targets in its budgets with a view to improved efficiency and value for money. The council continues to believe that further efficiencies can be realised and is focused on identifying these, particularly through greater shared services across the group, improved use of technology, alongside improved value from group procurement.

However, because operating costs are primarily a function of the quantity and quality of services prnovided, any further operating cost reductions beyond those already achieved and those proposed in this LTP will be very challenging to achieve without significant impacts on services delivered to the community.

Investment prioritisation

Delivering best value within constrained fiscal envelopes requires discipline around prioritisation. While specific prioritisation requires expert understanding of project interrelationships and network infrastructure, the council is working on tools that can be used to inform high-level resource allocation to best deliver on different sets of priorities. These can include health and safety, transport access, community wellbeing, or emissions reduction.

More detailed analysis of projects and their benefits can also support improved prioritisation with benefit-cost ratios and similar metrics assisting in the allocation of scarce resources.

New group budget responsibility and transparency rules

Fixed nominal baseline budgets

Future annual budget processes are proposed to be based on an initial assumption of no increase to operating budgets from the preceding year. This encourages council departments and CCOs to continue to seek out savings to offset the inflationary cost pressures they are facing.

Exceptions would likely apply for spending increases that are unavoidable due to contractual or similar commitments, or where the costs are necessary to implement specific council decisions or new Central Government legislation. Proposals for new discretionary expenditure, or requests for inflationary adjustments to avoid undesirable service reductions, would be subject to scrutiny and trade-off decisions through each year's annual plan process. This process would provide elected members with greater visibility and political oversight of the year-on-year operating budget changes.

Work on this is already underway, with some elements incorporated into the budget process for this LTP.

Despite some key cost pressures, this long-term plan has core direct operating costs growing by an average annual growth rate of 2 per cent. Specifically capital-driven costs of interest and depreciation grow by around 7 per cent per annum.

Advice on new expenditure

All advice to Elected Members on spending decisions is proposed to involve some effort to weigh costs and benefits, including some contestable advice (i.e. advice provided to Elected Members which is separate from the department asking to spend the money). This would require considering how we can understand and assess non-financial benefits.

For higher-value expenditure commitments a full cost-benefit analysis of the relevant options is proposed to be required. As a general rule, decision-makers would not approve investment where the benefit/cost ratio (BCR) is lower than 1.

All advice would need to take a "whole of life" approach to both costs and benefits. For capital investment this would need to include clear information on the consequential operating costs and depreciation.

It is proposed that operational initiatives need to be clear about whether the service is to be permanent or is addressing a specific, current issue. It may be appropriate for decisions to include sunset clauses or review periods.

Transparency and financial accountability

Service profiles are proposed to be generated regularly which provide the basic financial and non-financial information for each service area of the council group necessary for elected members to effectively carry out their governance oversight responsibilities. These are accompanied by granular (line-by-line) financial information.

The service profiles would be supplemented by a programme of regular reviews of the service and financial performance of individual departments. This would provide an opportunity for elected members to focus on individual service areas in exercising their oversight roles.

5.5. Prudent debt management

Maintaining prudent and responsible use of borrowing

Borrowing is an important tool in supplying capacity for investment. It enables the cost of investment to be spread across the different generations that benefit from it.

When considering prudent and sustainable levels of borrowings we must consider the costs of these borrowings both now and in the future. We must also consider how much capacity we leave to deal with future shocks. Higher borrowings can mean higher levels of financial risk and with this comes associated increases in interest and servicing costs.

In setting a prudential limit on our borrowing Auckland Council looks at the relationship between our debt and our revenue. This limit is an indicator of the ability of council to cover its borrowing costs from its different revenue sources.

This draft financial strategy proposes setting a prudential limit of group debt being less than 270 per cent of group revenue. When assessing our debt to revenue ratio against this limit, a number of adjustments are made which are consistent with S&P Global's approach when they undertake their credit rating assessment[1]. In order to maintain debt headroom to allow capacity to address future shocks, the council proposes to set a long-term target of maintaining debt-to-revenue levels below 250 per cent.

Given that interest costs are the key link between debt levels and the cost charged to ratepayers the council is proposing to introduce a limit on debt servicing cost. The limit on group debt servicing costs will be 15 per cent of group prices.

Watercare debt

Watercare have prepared a capital expenditure programme based on their latest asset management plan and updates to projected project costs. When this programme is combined with their existing price path, the resultant debt requirements grow from around 400 per cent of revenue in 2024/2025 to around 500 per cent by the end of the ten years.

To ensure the group remains within its proposed debt limits the council is proposing setting a borrowing limit for Watercare of 340 per cent of revenue. To achieve this the Watercare board has decided to increase price by 25.8% in 2025/2026.

Given the nature of Watercare's asset base and investment profile a much higher debt-to-revenue profile would be preferable as it allows for improved intergenerational equity while remaining consistent with the debt profile of comparable water utilities overseas. As the council cannot, within its proposed limits, accommodate these levels we are engaging with the government around opportunities that might provide for balance sheet separation or other arrangements to enable a better balance between the investment the city needs and acceptable price paths.

Treasury management

The council faces a number of key risks in relation to its borrowings. Our Treasury Management Policy details how we manage those risks. For further information this policy can be found on the Auckland

[1] The main adjustments are the exclusion of revenue related to capital expenditure, development contributions, vested assets and the sale of assets to total revenue and inclusion of the present value of lease commitments to debt.

Council website > Plans, policies, bylaws, reports, and projects > Our policies > Treasury Management Policy. Two of the most significant risks are the risk of rising interest rates and the risk that we are unable to borrow funds when needed.

In a similar way to how you might fix your mortgage, we protect the council from rises in interest rates using hedging to fix interest rates. This locks in council's future borrowing cost for a certain period to largely protect us from rising interest rates.

To ensure that we are not too dependent on the state of global financial markets, we ensure that we always have sufficient cash, liquid investments and committed lines of credit available to allow us to pay our bills for at least the next six months. We also source borrowings from a range of domestic and international lenders so that a problem with any one provider of borrowings does not have too large an impact.

In general, the council provides rates revenue as security for its borrowings including its borrowings through the New Zealand Local Government Funding Agency (NZLGFA), domestic and offshore borrowing programmes. However, in specific cases, the council may consider whether alternative security is appropriate, for example security over property that is specifically connected with the borrowing.

Sustainable finance

Growing our sustainable finance programme is one of the ways the council can respond to the risk of Inability to access capital and other financial products affordably and easily as a result of climate change.

Auckland Council has been issuing green bonds since 2018 and expanded its sustainable finance programme in 2022 to include the use of sustainability-linked financial products.

As a signatory to the C40 Divest/Invest declaration, the council has committed to issue the majority of its debt through sustainable finance mechanisms.

As a growing part of debt capital markets, sustainable finance products give access to a wider pool of investors and pricing can be more attractive.

To meet the growing demand for these financial products, the council should ensure that as many as possible of the assets we invest in meet our green bond and loan eligibility criteria set out in Auckland Council's Sustainable Finance Framework 2023.

The eligible asset criteria are in line with applicable market standards and are amended regularly to reflect evolving science and policies. Currently we do not have enough assets on our books that meet the applicable criteria to enable council to raise all of our debt in a green format.

The council has made public commitments around sustainability and our need to focus on adapting to climate change. If our capital investment programme is not delivering sufficient assets that meet the green bond criteria, we will not be able to continue to offer green bonds and other sustainable finance products in our key financial markets. This creates a risk that access to the financial markets becomes more restrictive and expensive and we suffer reputationally.

Balancing the budget and funding depreciation

Under the Local Government Act 2002, the council is required to ensure our operating revenues (under generally accepted accounting principles) are set at a level that is sufficient to meet operating expenditure for each financial year. As shown in Section 2 in this Volume, we plan to balance our budget under this measure for each year of the plan.

We are also moving towards a policy of fully funding depreciation. Depreciation is a non-cash charge that reflects the reduction in the usability of our assets over time. Because this is a non-cash expense, any revenue raised to cover depreciation generates a cash surplus which is used to fund capital expenditure.

Fully funding depreciation from rates and current revenue would mean that on average we are not relying on borrowing to fund asset replacement expenditure over the long run. This represents a sustainable approach, as it ensures that operating expenditure is covered by operating revenues and borrowing is only used to finance investment that will deliver enduring benefits. Prior to the formation of Auckland Council, the legacy councils only funded 63 per cent of depreciation and our previous policy is to progressively move to 100 per cent by 2028.

No changes to this policy are being considered.

5.6. Maximising return on our investments

Ensuring our assets and financial investments are delivering the best returns

Auckland Council holds assets worth over $70 billion for the benefit of Aucklanders. It is crucial we ensure all these assets are delivering best value. To do this we propose to continue our current programme of asset recycling and to leverage our financial investments to deliver improved financial and physical resilience through the establishment of the Auckland Future Fund.

Asset recycling

Balance sheet optimisation is an important lever for the council to release capital from poorly performing and/or non-service assets to allow greater investment in more strategically aligned activities without taking on additional debt.

It is proposed that the council continues to optimise the use of its balance sheet and include a target of selling $300 million of surplus property assets over the next 10 years.

To support the achievement of this target, the council will look to establish principles for asset ownership and a framework to support decision-making, refer to section 8.5 – Asset Recycling Framework of the Supporting Information.

Investment management We are proposing a diversified investment fund for Auckland (the Auckland Future Fund).

Increase Auckland's financial and physical resilience

The key objectives of this proposal are to:

- protect the value of the council's major investments
- provide a funding source to mitigate the risk posed by climate change and other major environmental challenges, and change how we manage our insurance
- enhance cash returns to council to help pay for council services

- spread the risk of council's investments over a range of different assets in different locations
- better provide for changing community needs and continuing to deliver our strategic objectives

The proposal includes the transfer of council's shareholding of just over 11 per cent in Auckland International Airport Limited (AIAL) to the fund to enable the subsequent sale of any or all the shares by the fund manager.

The fund is proposed to be structured as a trust (or similar structure), with clear rules and restrictions around what circumstances the funds can be accessed by the council in the future. This might be a Council Controlled Organisation. It would be managed by a professional fund manager(s) under a clear set of investment objectives and policies set by the council.

As the objectives for the fund would involve diversifying risk by spreading the fund across a range of investments, it is almost certain that most, if not all, of the AIAL shares would be sold over time.

A full proposal can be found at Section 6 – Major investment and Port land of the additional supporting information.

The table below details our current and proposed financial and equity investments and our targeted returns:

Investment	Objectives	Target returns
Auckland Future Fund Further information on the proposed Auckland Future Fund can be found in Section 6 of the Supporting Information.	To provide both financial and physical resilience for Auckland Council	The council has set a targeted average annual returns of at least 7.5per cent per annum. Of this 5.5 per cent will be returned to the council as a cash dividend each year with the remainder retained to provide for growth of the fund.
Port of Auckland Limited (POAL) The council is a 100% shareholder with 156,005,192 shares.	In the short term, the council's objective is to receive a commercial return on its investment to reduce the reliance on rates income. The council is proposing that POAL lease its operations to a third party with the proceeds of the lease being invested in the Auckland Future Fund.	Prior to any lease arrangement the council has set a return on investment target of dividend growth at a rate at least equivalent to the increase in the Consumer Price Index (CPI).
Auckland International Airport Limited (AIAL) The council is a shareholder with 163,231,466 shares (around 11% of the total shares).	In the short term, the council's objective is to receive a commercial return on its investment to reduce the reliance on rates income. The council is proposing that its shareholding in AIAL is transferred to the Auckland Future Fund with decisions around whether the fund continues to hold AIAL shares or diversify sitting with the fund managers.	Prior to transfer into the Auckland Future Fund the council has set a return on investment target of dividend growth at a rate at least equivalent to the increase in the Consumer Price Index (CPI).
New Zealand Local Government Funding Agency Limited (LGFA) The LGFA was established to provide funding facilities for local government. We hold xxx shares (including uncalled capital). The LGFA is owned by the Crown and	Obtain a return on the investment. Ensure that the Local Government Funding Agency has sufficient capital to remain viable, meaning that it continues as a source of debt funding for Council. Access loan funding at lower rates. Due to the overall benefit of these multiple objectives, we may invest in shares when the	The company's policy is to pay a dividend that provides an annual return to shareholders equal to the LGFA cost of funds plus 2 percent.

67 local authorities. We are a minority shareholder.	return on that investment is potentially lower than the return with alternative investments.	
Trusts and reserves The council administers several trusts and reserves that fund specific activities, mainly through endowments from private sources.	Returns generated are used to support the defined, specific activities. For this long-term plan, trust and reserve revenues are allocated to specific activities in the year received, and no changes in balances are projected.	The council has a target for the trust and reserve portfolio to outperform the Official Cash Rate (OCR).

5.7. A new deal for Auckland

Developing a fundamentally different relationship with central government

Support a new approach to partnering with central government to provide regional leadership and deliver better outcomes for Aucklanders

Auckland Council continues to look to work with central government to improve our long-term financial sustainability. The key difference in this draft financial strategy is that we are moving away from a "hand out" approach, which includes the replacement of funding for critical projects previously relied upon such as the Regional Fuel Tax, towards a partnership approach where structural change is required, to enable alignment with Auckland's goals. This structural change will involve the provision of new funding tools, joint prioritisation work, and governance changes.

Growth funding tools

The council is seeking changes to the law relating to development contributions and targeted rates to enable councils to adequately recover the costs of growth. This includes allowing us to charge development contributions based on an estimate of average infrastructure costs.

The council is also working with the Department of Housing and Urban Development and Kāinga Ora to support the intensification of priority areas with significant Kāinga Ora landholdings. This work includes development of an indicative package of infrastructure investment and enabling access to the Housing Acceleration Fund.

Funding major events and visitor attraction

The council continues to seek legislative change that would enable it to impose a "bed tax" to share the cost of attracting major events.

Rating Crown property and GST on rates

Crown properties continue to be non-rateable despite the Crown benefiting from the services the council provides. Removal of this status would improve the fairness of the rating structure.

Additionally, GST is charged on top of council rates. The Future of Local Government review recommended the removal of this "tax on a tax" and Auckland Council supports this proposal for central government to return the GST collected on rates, to enable Auckland's cost of growth.

Control over local fees, fines and penalties

A number of charges the council is empowered to use are prescribed strictly in legislation which limits the ability of the council to adjust them to incentivise and deliver key outcomes. For example, the council (or Auckland Council) cannot adjust parking fines to levels that would better incentivise good behaviour and create more equitable transport access.

An integrated transport plan and a review of transport governance

The council is advocating for a reform of how planning and governance for transport in Auckland is structured. This includes an Auckland Integrated Transport Plan which would provide an aligned and integrated policy and investment strategy. An aligned investment strategy would be supported by Crown commitments to levels of co-funding for transport investment through the National Land Transport Fund.

This should be accompanied by legislative change to enable Auckland Council to exercise greater democratic authority and strategic oversight of transport planning functions – in line with other councils around the country.

Improved transport funding

Empowering Auckland Council to introduce road pricing or “time of use charging” would enable the council to deliver more progress on key transport outcomes. Such as reducing congestion improved public transport patronage and emissions reductions, without relying on additional investment as well as behaviour change.

Governance of regional amenities

Legislation set up to ensure fair allocation of funding for regional amenities across councils prior to amalgamation in 2010 is still in place. This mandates a funding approach that is not accompanied by democratic accountability to Aucklanders. The council advocates for a review of this approach.

Joint initiatives for our environment and social development

The council is seeking a more structured, joint approach between local and central government towards environmental and social priorities of national concern. The council recognises that some communities experience intergenerational poverty and inequity of outcome which need to be addressed for the development of Auckland as a whole.

Major biosecurity threats, such as the exotic Caulerpa outbreak, present serious threats, and siloed approaches to addressing them will be less successful. The council also continues to work with central government, including through funding from the Climate Emergency Response Fund (CERF), to reduce the region’s carbon emissions. Continuation of this and/or similar funding initiatives will be key to delivering in line with Auckland’s plans to reach net-zero by 2050.

6. Bringing it all together

By prioritising prudent fiscal measures and long-term planning, the draft financial strategy seeks to ensure the city's economic prosperity while maintaining environmental and social equilibrium. Bringing together the responses to external and internal factors and the key draft financial strategy settings, we are proposing a budget that sets the council up for long-term financial sustainability and resilience, to reach our interrelated goals.

The key measures of this are our ability to continue to invest in assets and services, our projected rates requirements, and our forecast debt levels.

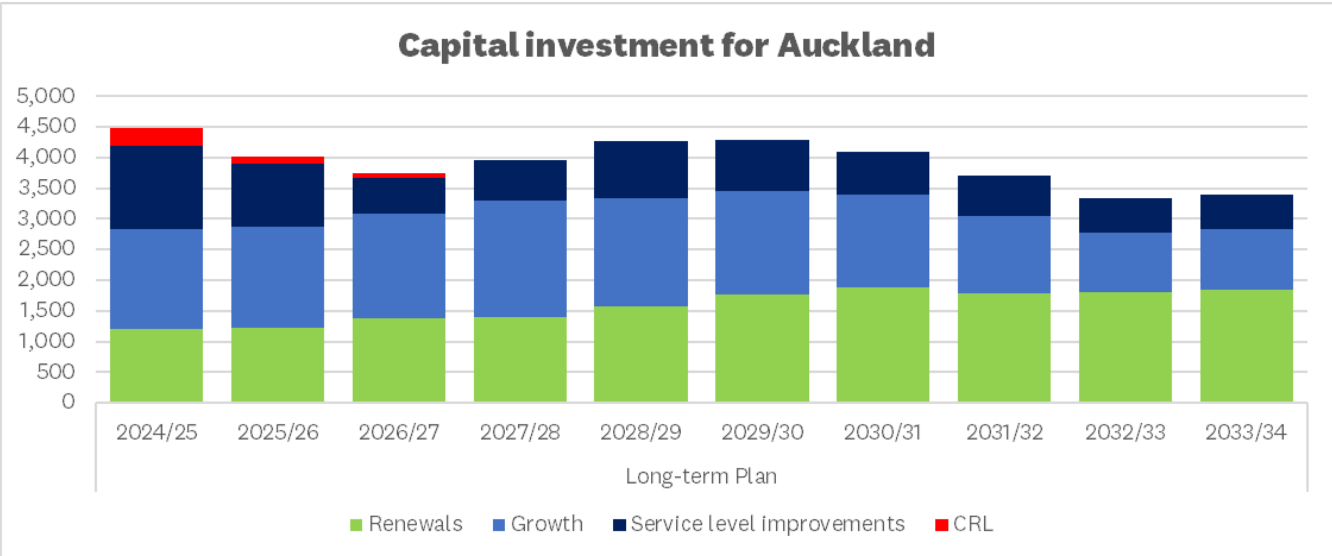
Moreover, the strategy advocates for collaboration with central government, emphasising a regional leadership approach that promises improved outcomes for the people of Auckland.

6.1. Investing in assets and services

While we are proposing increased cost control and prioritisation in both operating and capital spend, we are still proposing record levels of investment in new or renewed assets for the city, and significant spending on delivering services that Aucklanders value. Over the 10-year period 2024-2034 we are proposing a capital investment programme of around $39.3 billion.

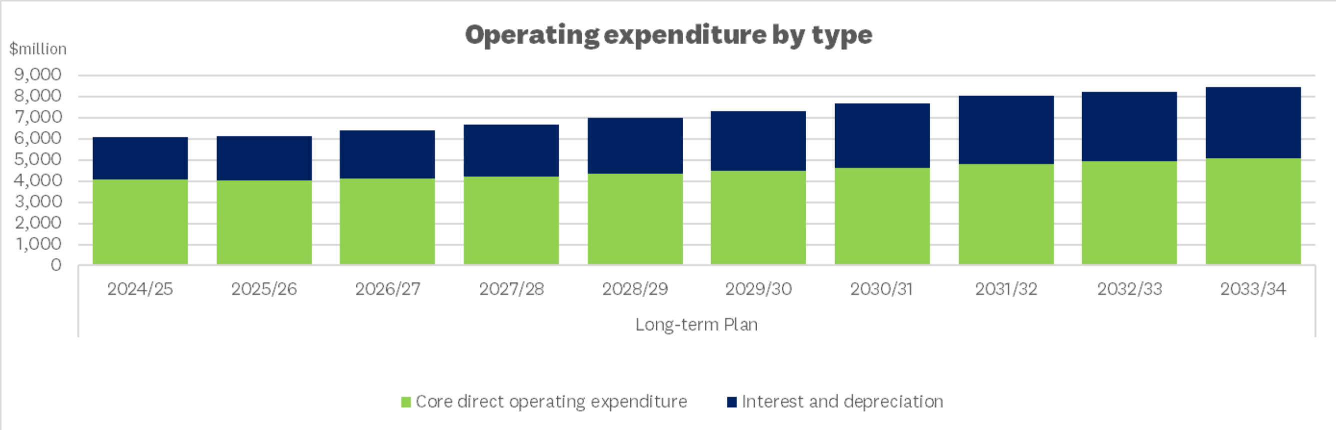
Investment is substantially focused on our core transport and water networks.

We intend to channel our capital expenditure towards completing ongoing projects, addressing maintenance needs, and optimising existing assets. As shown below, the profile of the program's composition underscores this strategy, with nearly 40% of our projected investment dedicated to renewals, which is set to increase from 27% in 2024/2025 and to nearly 54% by 2033/2034.



The substantial capital investment remains a pivotal factor contributing to the expansion of our operating cost base.

Despite facing notable cost pressures, the council aims to keep a check on essential direct operating costs, targeting an average annual growth rate of 2 percent. Notably, costs linked to capital, such as interest and depreciation, are anticipated to increase by approximately 6 percent annually.

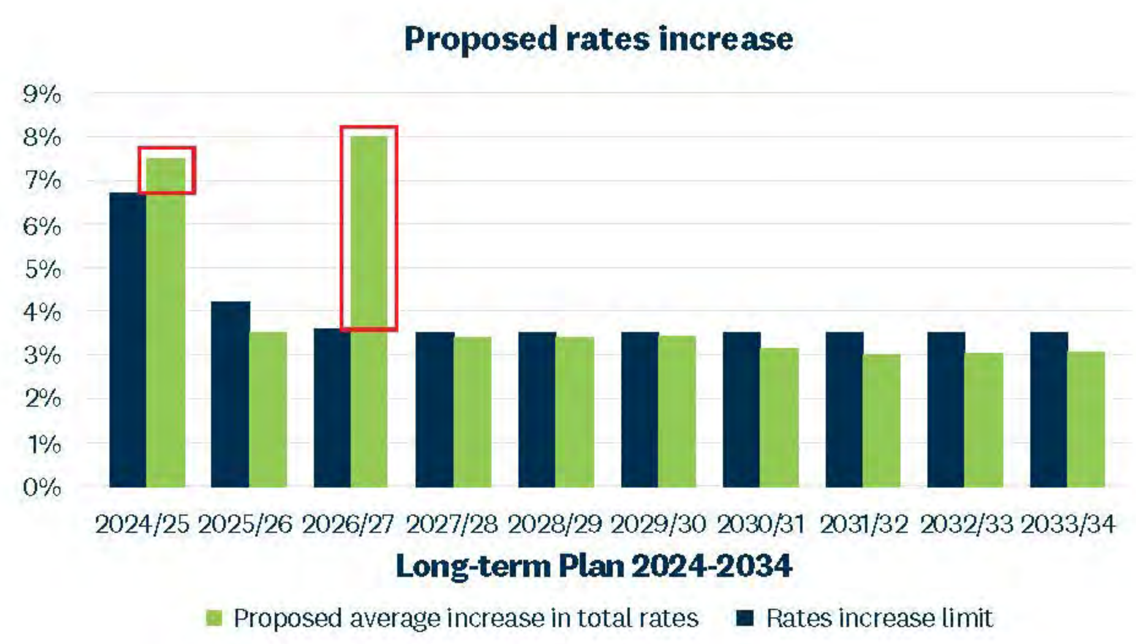


6.2. Rates increases

In order to establish stability in rates and ensure a sustainable revenue stream capable of supporting the specified investment levels, the council is suggesting a cap on overall average rate increases for residential ratepayers, linked to inflation. This limit would be set at 1.5 percent above the reported inflation level, based on the projected level of inflation (refer to section 5.3 General and Targeted rates of this financial strategy), whether based on the Consumer Price Index (CPI) or the Local Government Cost Index.

Despite these predetermined long-term policy constraints, we are proposing average rate increases surpassing this limit for two years within the plan (see highlighted boxes in the below graph).

- Year one – an average rates increase of 7.5 per cent as a result of the home buyouts and resilience work needed as a result of recent storms, and
- Year three – an average rates increase of 8 per cent to cover the first full year of additional operating costs from the City Rail Link project commencing operations

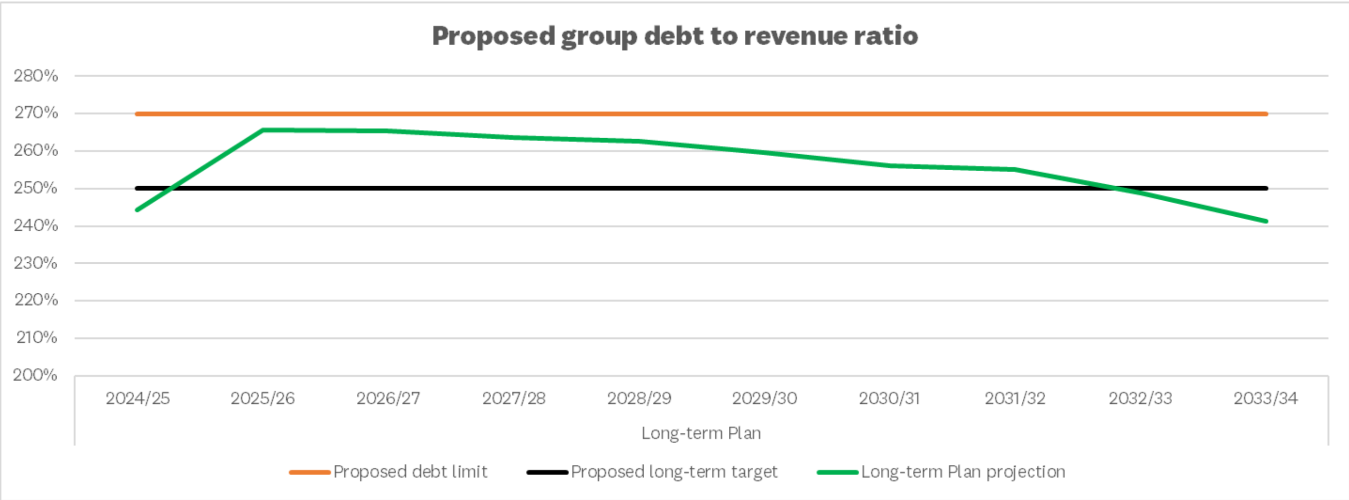


6.3. Debt projections

Utilising borrowing is a crucial means of creating capacity for investment, allowing the expenses associated with investment to be distributed across various generations that reap its benefits. The proposed budget will require group debt to grow from $11.9 billion to $20.1 billion over the 10-year period of this long-term plan.

To establish a prudent limit on borrowing, Auckland Council evaluates the correlation between its debt and revenue, and between its interest costs and revenue. The proposed limit signifies the council's ability to meet its borrowing costs using diverse revenue sources, with the council suggesting a cap wherein group debt remains below 270 percent of group revenue. To provide a buffer for unforeseen events, there is a proposal to maintain a long-term target, ensuring this ratio stays below 250 percent.

The accompanying chart illustrates that the proposed budget keeps debt below the 270 percent limit but falls short of reaching the 250 percent target.



A key factor in council debt to revenue levels is the debt borrowed to support Watercare's investment in water supply and wastewater networks. Given the nature of Watercare's asset base and investment profile a much higher debt-to-revenue profile would be preferable as it allows for improved intergenerational equity while remaining consistent with the debt profile of comparable water utilities overseas. As the council cannot, within its proposed limits, accommodate these levels we are engaging with the government around opportunities that might provide for balance sheet separation or other arrangements to enable a better balance between the investment the city needs and acceptable price paths.

7. Key Assumptions

The outlined capital and operating expenditures in the preceding section hinge on key assumptions with varying levels of uncertainty. These critical assumptions are:

- projected growth and development will occur, and consequently revenue forecasts for rates, consenting revenue, development contribution and growth-related user charges (e.g. water charges) will eventuate.
- inflation and interest rates will be in line with projections.
- the proposed plan to diversify the council's commercial investments through the establishment of the Auckland Future Fund which is expected to deliver improved financial returns.

Prior to the announcement by the Government to cancel the RFT, the central proposal assumed that the RFT would continue for another 2 years. The financial forecasts have been updated to reflect the cancellation leaving a shortfall in transport funding for Auckland of $600 million over the next 2 years. Furthermore, the loss in revenue will mean that Auckland Council's debt-to-revenue ratio has increased, meaning the council has less ability to borrow when it needs to.

The full set of our significant financial assumptions are available in Section 2.2 Prospective Financial Statements of the Supporting Information, along with an assessment of the level and impact of uncertainty on each assumption.

8. Continuous Monitoring

Given the high uncertainty during the preparation of this draft financial strategy and the draft budgets for the long-term plan, it relies on the best available information and assumptions. Thorough monitoring of the broader environment and financial conditions is crucial, due to the delicate balance between debt and revenue settings.

With our debt nearing the prudent threshold and constrained opportunities for revenue growth, it is essential to consider unforeseen circumstances.

While a significant portion of our revenue comes from sources other than rates (approximately 59 per cent on average), there is limited room for revenue expansion, making it likely that increased costs (due to population growth, evolving community needs, climate change adaption, maintenance, and renewal of assets) will be passed on to ratepayers. Despite successful cost-saving programs, maintaining low-rate increases will be challenging in the future, requiring rigorous cost-benefit analysis and discussions.

Any significant changes in our operations or financial settings will be subject to public consultation.

2.1 Financial overview

Introduction

This section provides a high-level overview of our key financial information and explains how we fund our activities. This should be read in conjunction with the Prospective financial statements in Section 2.2.

Key proposed financial parameters for 2024-2034

$ million	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Total capital investment	4,477	4,017	3,743	3,957	4,271	4,295	4,101	3,711	3,346	3,404	39,322
Total operating expenditure	6,068	6,120	6,392	6,696	7,004	7,320	7,674	8,033	8,214	8,475	71,996
Average general rates increase	7.9%	3.5%	8.7%	3.3%	3.3%	3.3%	3.0%	2.8%	2.8%	2.8%	
Rates revenue	2,796	2,949	3,239	3,391	3,553	3,721	3,894	4,037	4,210	4,392	36,183
Total operating funding sources	5,915	6,185	6,656	7,004	7,364	7,731	8,132	8,413	8,680	8,954	75,035
Total assets	83,667	88,065	93,343	96,366	100,327	105,473	109,079	112,052	115,637	118,059	
Total borrowing	13,786	15,208	16,264	17,077	17,975	18,773	19,514	19,989	20,126	20,124	
Total equity	61,710	64,696	68,564	70,526	73,313	76,971	79,685	82,060	84,901	87,114	
Debt to revenue ratio	244%	266%	266%	264%	263%	260%	256%	255%	249%	241%	

Capital investment and debt levels

Capital expenditure is for purchasing, building, replacing or developing the city's assets (for example roads, libraries, parks and sports fields).

Over the next 10-years, our total capital expenditure programme is planned to be $38.8 billion, in addition we plan to invest $474 million in City Rail Link Limited. The total capital investment for Auckland over 2024-2034 is projected to be $39.3 billion.

Delivered by:	$ billion
Auckland Council	10.1
Auckland Transport	13.4
Watercare	13.8
Auckland Unlimited	0.6
Ports of Auckland Limited	0.04
Eke Panuku Development Auckland	0.9
Total capital expenditure	38.8
Investment in City Rail Link Limited	0.5
Total capital investment	39.3

The following table shows how we plan to fund our capital expenditure and other capital outflows in 2024-2034.

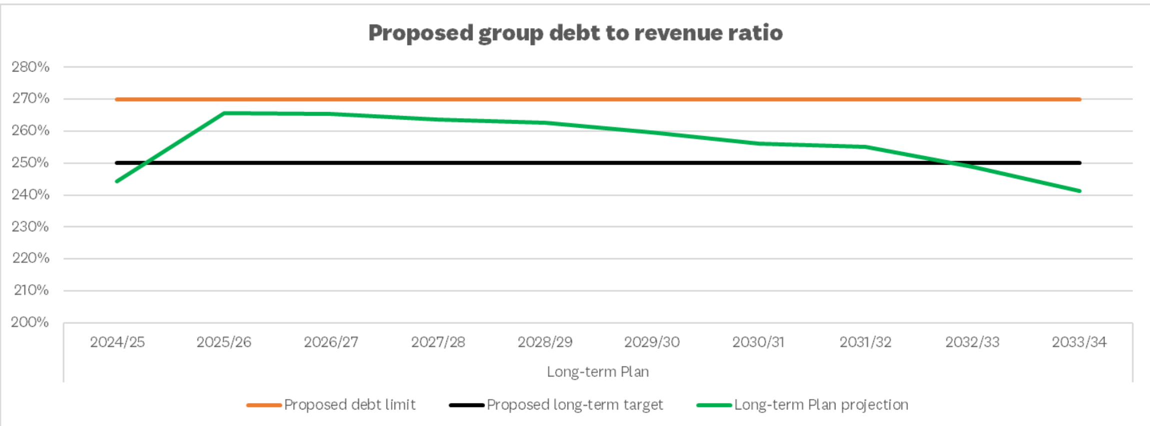
Capital expenditure and other outflows $ billion	10-year Budget 2024-2034
Growth	15.0
Service level improvement	7.9
Renewals	15.9
Investment in City Rail Link Limited	0.5
Capital investment	**39.3**
Weathertightness claims	0.1
Other	1.2
Total	40.5

Funding sources $ billion	10-year Budget 2024-2034
Capital subsidies	9.0
Development contributions	1.9
Asset sales	0.7
Operating cash surplus	21.4
Borrowings	7.5
Total	40.5

The continued investment in Auckland will see us increasing council debt from $13.8 billion to $20.1 billion.

Our Financial Strategy sets a limit on the council's borrowing, to maintain debt at a prudent and sustainable level. Previously, this limit was set to 290 per cent of revenue.

We consider that, after working with our credit agencies, we can potentially lower our debt to revenue ratio limit to 270 per cent for the next ten years. However, we need to keep a careful eye on our interest cost levels, annual cashflow position and the degree of flexibility in our capital programme.



To help mitigate the impact on debt, the council considered its asset portfolio. Asset recycling was a key lever as changing asset ownership has minimal impact on jobs and employment compared to spending reductions.

We propose setting an asset recycling target over the decade of $300 million ($30 million each year). This is on top of other asset sales programmes across the group such as those undertaken by Eke Panuku, including as part of the Transform and Unlock programme, and as part of our corporate property optimisation strategy.

Operating expenditure and revenue sources

It is forecast that the Auckland Council group will spend $72.0 billion in operating expenditure over the next 10 years. This covers the council's day-to-day operations and services, from collecting rubbish to maintaining parks and issuing building consents. It includes costs related to the capital expenditure programme such as interest, maintenance, and depreciation (a non-cash cost).

The $75.0 billion of operating revenue sources covers $53.6 billion of cash operating expenditure (depreciation is excluded as it is a non-cash item), leaving a cash surplus of $21.4 billion to fund capital expenditure.

Operating funding expenditure $ billion	10-year Budget 2024-2034
Staff	12.4
Interest	8.8
Other	32.5
Total cash operating expenditure	**53.7**
Depreciation and amortisation	18.3
Total operating expenditure	**72.0**

Operating funding sources $ billion	10-year Budget 2024-2034
Rates	36.2
Fees and user charges	23.2
Subsidies and grants	6.8
Other	8.8
Total operating funding source	**75.0**

Balanced budget and funded depreciation

The Local Government Act 2002 requires that each local authority ensures that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses. Additionally, however, it provides that a local authority may set projected operating revenues at a different level if it resolves that it is financially prudent to do so, having regard to -

a) the estimated expenses of achieving and maintaining the predicted levels of service provision set out in the 10-year Budget, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and
b) the projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and
c) the equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life; and
d) the funding and financial policies adopted under section 102 of the Local Government Act 2002.

As shown in section 2 in the Supporting Information, we plan to balance our budget under this measure for each year of the plan.

We are also moving towards a long-term policy of fully funding depreciation, and plan to achieve this by 2028 Fully funding depreciation from rates and current revenue would mean that on average we are not relying on borrowing to fund asset replacement expenditure over the long run. This additional borrowing would have left a legacy of additional debt for future generations to service. Fully funding represents a sustainable approach, as it ensures that operating expenditure is covered by operating revenues and borrowing is only used to finance investment that will deliver enduring benefits.

2.2 Prospective financial statements

Prospective statement of comprehensive revenue and expenditure

Auckland Council group consolidated

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Revenue											
Rates	2,524,291	2,792,523	2,946,398	3,236,779	3,389,985	3,552,573	3,721,178	3,894,360	4,037,108	4,210,026	4,392,248
Fees and user charges	1,646,497	1,953,188	1,781,973	1,939,169	2,080,964	2,237,983	2,404,297	2,584,948	2,687,610	2,764,003	2,827,915
Grants and subsidies	1,179,450	2,003,699	1,712,368	1,508,216	1,641,267	1,741,142	1,700,986	1,530,568	1,409,522	1,267,778	1,259,987
Development and financial contributions	268,545	200,000	195,000	190,000	185,000	185,000	185,000	190,000	195,000	200,000	200,000
Other revenue	758,569	553,886	795,771	822,173	852,761	884,268	908,506	939,694	973,496	989,731	1,005,818
Vested assets	456,083	451,838	461,824	462,389	463,205	461,856	460,656	459,461	463,482	467,274	471,346
Finance revenue measured using effective interest method	7,071	7,128	6,994	6,877	6,801	6,763	5,500	5,500	5,500	5,501	5,501
Other finance revenue	774	859	965	1,071	1,157	1,239	1,323	1,403	1,455	1,475	1,496
Total revenue	**6,841,280**	**7,963,121**	**7,901,292**	**8,166,673**	**8,621,139**	**9,070,824**	**9,387,446**	**9,605,933**	**9,773,173**	**9,905,789**	**10,164,311**
Expenditure											
Employee benefits	1,146,181	1,237,783	1,140,357	1,162,593	1,184,385	1,210,840	1,239,292	1,266,941	1,299,704	1,326,894	1,358,125
Depreciation and amortisation	1,292,763	1,386,584	1,400,817	1,553,506	1,665,448	1,787,429	1,887,009	2,026,550	2,153,939	2,192,470	2,282,439
Grants, contributions and sponsorship	170,067	190,286	185,652	196,490	187,635	190,758	191,603	208,341	203,730	217,214	220,785
Other operating expenses	2,391,795	2,663,987	2,724,833	2,742,819	2,857,470	2,954,346	3,062,549	3,171,678	3,322,771	3,406,595	3,518,752
Finance costs	536,241	589,020	668,700	736,726	800,643	860,352	940,005	1,000,331	1,053,065	1,070,961	1,094,463
Total expenditure	**5,537,048**	**6,067,659**	**6,120,359**	**6,392,134**	**6,695,580**	**7,003,726**	**7,320,458**	**7,673,841**	**8,033,209**	**8,214,135**	**8,474,564**

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Operating surplus/(deficit) before gains and losses	**1,304,233**	**1,895,462**	**1,780,933**	**1,774,538**	**1,925,560**	**2,067,098**	**2,066,988**	**1,932,092**	**1,739,964**	**1,691,654**	**1,689,747**
Net other gains	(26,785)	(14,005)									
Share of surplus/(deficit) in associates and joint ventures	(6,864)	1,023	8,022	(70,110)	(69,833)	(69,833)	(69,833)	(69,833)	(69,667)	(69,498)	(69,326)
Surplus/(deficit) before income tax	**1,270,584**	**1,882,479**	**1,788,955**	**1,704,428**	**1,855,726**	**1,997,265**	**1,997,155**	**1,862,259**	**1,670,296**	**1,622,155**	**1,620,421**
Income tax expense	100,996	117,819	145,645	166,955	176,490	200,170	221,461	238,984	258,941	250,637	227,355
Surplus/(deficit) after income tax	**1,169,588**	**1,764,660**	**1,643,310**	**1,537,473**	**1,679,237**	**1,797,095**	**1,775,694**	**1,623,275**	**1,411,355**	**1,371,518**	**1,393,066**
Surplus after income tax is attributable to:											
Ratepayers of Auckland Council	1,169,588	1,764,660	1,643,310	1,537,473	1,679,237	1,797,095	1,775,694	1,623,275	1,411,355	1,371,518	1,393,066
Other comprehensive revenue/ (expenditure)											
Net gain on revaluation of property, plant and equipment	3,590,178	262,113	1,342,823	2,646,482	282,899	990,383	2,354,572	1,090,524	964,405	1,970,687	819,958
Tax on revaluation of property, plant and equipment	(292,654)	0	0	(316,275)	0	0	(472,721)	0	0	(501,656)	0
Total other comprehensive revenue	**3,297,525**	**262,113**	**1,342,823**	**2,330,207**	**282,899**	**990,383**	**1,881,851**	**1,090,524**	**964,405**	**1,469,031**	**819,958**
Total comprehensive revenue/(expenditure)	**4,467,113**	**2,026,772**	**2,986,133**	**3,867,680**	**1,962,136**	**2,787,477**	**3,657,544**	**2,713,799**	**2,375,760**	**2,840,549**	**2,213,024**

Prospective Statement of Financial Position

Auckland Council group consolidated

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Assets											
Cash and cash equivalents	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Receivables and prepayments	651,589	912,804	904,650	938,183	995,235	1,051,406	1,091,219	1,118,064	1,137,709	1,153,087	1,184,689
Derivative financial instruments	732	110,147	110,147	110,147	110,147	110,147	110,147	110,147	110,147	110,147	110,147
Other financial assets	59,507	109,675	109,675	109,675	109,675	109,675	109,675	109,675	109,675	109,675	109,675
Inventories	58,978	40,606	41,418	42,246	43,091	43,953	44,832	45,729	46,643	47,576	8,528
Income tax receivable	2,328	-	-	-	-	-	-	-	-	-	-
Non-current assets held-for-sale	135,785	93,862	58,347	79,210	41,100	127,762	56,441	36,500	30,000	30,000	-
Total current assets	**1,008,919**	**1,367,093**	**1,324,237**	**1,379,461**	**1,399,248**	**1,542,943**	**1,512,314**	**1,520,114**	**1,534,175**	**1,550,485**	**1,553,039**
Non-current assets											
Receivables and prepayments	56,006	68,078	67,470	69,971	74,226	78,415	81,385	83,387	84,852	85,999	88,356
Derivative financial instruments	526,816	625,667	625,667	625,667	625,667	625,667	625,667	625,667	625,667	625,667	625,667
Other financial assets	1,354,174	3,625,913	3,704,711	3,783,325	3,862,659	3,944,951	4,028,588	4,113,499	4,193,167	4,276,817	4,358,568
Property, plant and equipment	71,864,783	74,675,506	78,884,804	83,998,363	86,974,169	90,755,866	95,886,203	99,449,374	102,384,299	105,920,554	108,316,153
Intangible assets	260,956	527,783	557,533	593,674	614,706	641,433	677,693	702,876	723,619	748,613	765,544
Investment property	729,295	654,607	654,607	654,607	654,607	654,607	654,607	654,607	654,607	654,607	654,607
Investments in associates and joint ventures	1,927,754	2,111,203	2,234,334	2,225,150	2,146,968	2,068,785	1,990,603	1,912,421	1,834,237	1,756,053	1,677,867
Other non-current assets	11,432	11,119	11,992	12,882	13,791	14,717	15,662	16,626	17,590	18,554	19,518
Total non-current assets	**76,731,216**	**82,299,876**	**86,741,118**	**91,963,639**	**94,966,792**	**98,784,442**	**103,960,408**	**107,558,457**	**110,518,039**	**114,086,863**	**116,506,279**
Total assets	**77,740,135**	**83,666,969**	**88,065,355**	**93,343,100**	**96,366,040**	**100,327,385**	**105,472,722**	**109,078,571**	**112,052,213**	**115,637,348**	**118,059,318**

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Liabilities											
Current liabilities											
Payables and accruals	1,258,574	1,795,064	1,735,470	1,688,763	1,784,175	1,885,728	1,918,500	1,902,366	1,842,900	1,777,215	1,819,593
Employee entitlements	134,041	133,161	122,680	125,072	127,416	130,262	133,323	136,297	139,822	142,747	146,107
Borrowings	1,041,153	2,662,952	2,937,613	3,141,504	3,298,508	3,471,956	3,626,277	3,769,235	3,861,146	3,887,552	3,887,084
Derivative financial instruments	2,634	1,546	1,546	1,546	1,546	1,546	1,546	1,546	1,546	1,546	1,546
Provisions	114,251	117,652	112,148	105,749	102,462	98,717	94,342	90,341	86,554	82,937	79,685
Total current liabilities	**2,550,652**	**4,710,375**	**4,909,457**	**5,062,634**	**5,314,106**	**5,588,209**	**5,773,988**	**5,899,785**	**5,931,967**	**5,891,997**	**5,934,016**
Non-current liabilities											
Payables and accruals	237,775	2,385,059	2,313,097	2,243,735	2,225,189	2,205,391	2,174,628	2,110,289	2,038,349	1,965,319	1,911,330
Employee entitlements	6,155	5,068	4,669	4,760	4,849	4,958	5,074	5,187	5,321	5,433	5,561
Borrowings	10,861,942	11,123,342	12,270,619	13,122,286	13,778,102	14,502,608	15,147,217	15,744,364	16,128,280	16,238,581	16,236,628
Derivative financial instruments	637,180	567,459	567,459	567,459	567,459	567,459	567,459	567,459	567,459	567,459	567,459
Provisions	180,048	163,655	156,263	147,526	143,008	137,788	131,656	126,005	120,652	115,533	110,920
Deferred tax liabilities	2,654,182	3,002,177	3,147,822	3,631,052	3,807,542	4,007,712	4,701,895	4,940,878	5,199,819	5,952,112	6,179,466
Total non-current liabilities	**14,577,282**	**17,246,760**	**18,459,930**	**19,716,818**	**20,526,150**	**21,425,915**	**22,727,928**	**23,494,182**	**24,059,881**	**24,844,436**	**25,011,363**
Total liabilities	**17,127,934**	**21,957,134**	**23,369,387**	**24,779,452**	**25,840,256**	**27,014,124**	**28,501,916**	**29,393,967**	**29,991,848**	**30,736,433**	**30,945,379**
Net assets	**60,612,201**	**61,709,835**	**64,695,968**	**68,563,648**	**70,525,784**	**73,313,261**	**76,970,806**	**79,684,605**	**82,060,365**	**84,900,914**	**87,113,939**
Equity											
Contributed equity	26,693,179	26,693,179	26,693,179	26,693,179	26,693,179	26,693,179	26,693,179	26,693,179	26,693,179	26,693,179	26,693,179
Accumulated funds	8,371,818	10,628,636	12,315,441	13,851,771	15,508,534	17,272,722	19,010,136	20,597,863	21,978,070	23,313,235	24,661,798

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Reserves	25,547,204	24,388,020	25,687,348	28,018,697	28,324,071	29,347,360	31,267,490	32,393,563	33,389,116	34,894,500	35,758,962
Total equity	**60,612,201**	**61,709,835**	**64,695,968**	**68,563,648**	**70,525,784**	**73,313,261**	**76,970,806**	**79,684,605**	**82,060,365**	**84,900,914**	**87,113,939**

Prospective Statement of Changes in Equity

Auckland Council group consolidated

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Contributed equity											
Opening balance	**26,693,179**	**26,693,179**	**26,693,179**	**26,693,179**	**26,693,179**	**26,693,179**	**26,693,179**	**26,693,179**	**26,693,179**	**26,693,179**	**26,693,179**
Surplus after income tax	0	0	0	0	0	0	0	0	0	0	0
Other comprehensive revenue	0	0	0	0	0	0	0	0	0	0	0
Total comprehensive revenue	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Transfer to/ (from) reserves	0	0	0	0	0	0	0	0	0	0	0
Balance as at 30 June	**26,693,179**	**26,693,179**	**26,693,179**	**26,693,179**	**26,693,179**	**26,693,179**	**26,693,179**	**26,693,179**	**26,693,179**	**26,693,179**	**26,693,179**
Accumulated funds											
Opening balance	**6,855,642**	**8,375,014**	**10,628,636**	**12,315,441**	**13,851,771**	**15,508,534**	**17,272,722**	**19,010,136**	**20,597,863**	**21,978,070**	**23,313,235**
Surplus/ (deficit) after income tax	1,169,588	1,764,660	1,643,310	1,537,473	1,679,237	1,797,095	1,775,694	1,623,275	1,411,355	1,371,518	1,393,066
Other comprehensive revenue	0	0	0	0	0	0	0	0	0	0	0
Total comprehensive revenue	**1,169,588**	**1,764,660**	**1,643,310**	**1,537,473**	**1,679,237**	**1,797,095**	**1,775,694**	**1,623,275**	**1,411,355**	**1,371,518**	**1,393,066**
Transfer to/ (from) reserves	346,588	488,962	43,494	(1,142)	(22,474)	(32,906)	(38,280)	(35,549)	(31,148)	(36,353)	(44,503)
Balance as at 30 June	**8,371,818**	**10,628,636**	**12,315,441**	**13,851,771**	**15,508,534**	**17,272,722**	**19,010,136**	**20,597,863**	**21,978,070**	**23,313,235**	**24,661,798**
Reserves											
Opening balance	**22,596,267**	**24,614,869**	**24,388,020**	**25,687,348**	**28,018,697**	**28,324,071**	**29,347,360**	**31,267,490**	**32,393,563**	**33,389,116**	**34,894,500**
Surplus after income tax	0	0	0	0	0	0	0	0	0	0	0
Other comprehensive revenue	3,297,525	262,113	1,342,823	2,330,207	282,899	990,383	1,881,851	1,090,524	964,405	1,469,031	819,958
Total comprehensive revenue	**3,297,525**	**262,113**	**1,342,823**	**2,330,207**	**282,899**	**990,383**	**1,881,851**	**1,090,524**	**964,405**	**1,469,031**	**819,958**
Transfer to/ (from) reserves	(346,588)	(488,962)	(43,494)	1,142	22,474	32,906	38,280	35,549	31,148	36,353	44,503
Balance as at 30 June	**25,547,204**	**24,388,020**	**25,687,348**	**28,018,697**	**28,324,071**	**29,347,360**	**31,267,490**	**32,393,563**	**33,389,116**	**34,894,500**	**35,758,962**
Total equity											
Opening balance	**56,145,088**	**59,683,063**	**61,709,835**	**64,695,968**	**68,563,648**	**70,525,784**	**73,313,261**	**76,970,806**	**79,684,605**	**82,060,365**	**84,900,914**

Financial year ending 30 June $000	**Annual Plan 2023/24**	**LTP 2024/25**	**LTP 2025/26**	**LTP 2026/27**	**LTP 2027/28**	**LTP 2028/29**	**LTP 2029/30**	**LTP 2030/31**	**LTP 2031/32**	**LTP 2032/33**	**LTP 2033/34**
Surplus after income tax	1,169,588	1,764,660	1,643,310	1,537,473	1,679,237	1,797,095	1,775,694	1,623,275	1,411,355	1,371,518	1,393,066
Other comprehensive revenue	3,297,525	262,113	1,342,823	2,330,207	282,899	990,383	1,881,851	1,090,524	964,405	1,469,031	819,958
Total comprehensive revenue	**4,467,113**	**2,026,772**	**2,986,133**	**3,867,680**	**1,962,136**	**2,787,477**	**3,657,544**	**2,713,799**	**2,375,760**	**2,840,549**	**2,213,024**
Transfer to/ (from) reserves	0	0	0	0	0	0	0	0	0	0	0
Balance as at 30 June	**60,612,201**	**61,709,835**	**64,695,968**	**68,563,648**	**70,525,784**	**73,313,261**	**76,970,806**	**79,684,605**	**82,060,365**	**84,900,914**	**87,113,939**

Prospective Statement of Cash Flows

Auckland Council group consolidated

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Cash flows from operating activities											
Receipts from rates revenue	2,524,291	2,792,523	2,946,398	3,236,779	3,389,985	3,552,573	3,721,178	3,894,360	4,037,108	4,210,026	4,392,248
Receipts from grants and other services	3,797,953	6,681,170	4,169,437	4,094,167	4,389,853	4,671,401	4,834,895	4,864,559	4,886,751	4,841,483	4,890,229
Interest received	7,845	7,987	7,958	7,948	7,959	8,002	6,823	6,903	6,955	6,976	6,997
Dividends received	36,092	33,960	269,947	275,370	280,991	286,444	292,006	297,679	303,809	309,717	315,918
Payments to suppliers and employees	(3,625,178)	(3,943,110)	(4,110,434)	(4,142,760)	(4,180,042)	(4,303,498)	(4,482,440)	(4,663,723)	(4,867,195)	(4,995,560)	(5,078,095)
Income tax refund/(paid)	0	0	0	0	0	0	0	0	0	0	0
Interest paid	(535,664)	(588,650)	(668,480)	(736,613)	(800,614)	(860,393)	(940,088)	(1,000,447)	(1,053,182)	(1,071,077)	(1,094,579)
Net cash inflow from operating activities	**2,205,340**	**4,983,880**	**2,614,824**	**2,734,891**	**3,088,133**	**3,354,529**	**3,432,374**	**3,399,331**	**3,314,245**	**3,301,565**	**3,432,718**
Cash flows from investing activities											
Sale of property, plant and equipment, investment property and intangible assets	164,207	148,474	93,862	58,347	79,210	41,100	127,762	56,441	36,500	30,000	30,000
Purchase of property, plant and equipment, investment property and intangible assets	(2,717,048)	(4,007,168)	(3,928,826)	(3,701,181)	(3,900,829)	(4,211,290)	(4,275,428)	(4,110,966)	(3,746,904)	(3,384,622)	(3,378,547)
Acquisition of other financial assets	(25,491)	(3,474,932)	(81,251)	(80,437)	(80,395)	(82,667)	(83,642)	(84,911)	(79,668)	(83,650)	(81,751)
Proceeds from Sale of other financial assets	866,039	1,386,521	0	0	0	0	0	0	0	0	0
Investment in joint associates and ventures	(346,000)	(282,000)	(123,000)	(69,000)	0	0	0	0	0	0	0
Advances to external parties	0	0	0	0	0	0	0	0	0	0	0
Proceeds from community loan repayments	2,462	2,875	2,453	1,823	1,061	375	5	0	0	0	0
Net cash outflow from investing activities	**(2,055,830)**	**(6,226,229)**	**(4,036,762)**	**(3,790,448)**	**(3,900,953)**	**(4,252,482)**	**(4,231,304)**	**(4,139,436)**	**(3,790,072)**	**(3,438,272)**	**(3,430,297)**
Cash flows from financing activities											
Proceeds from borrowings	904,720	3,665,330	4,084,890	3,993,170	3,954,324	4,196,461	4,270,886	4,366,382	4,245,062	3,997,852	3,885,131
Repayment of borrowings	(1,054,230)	(2,422,981)	(2,662,952)	(2,937,613)	(3,141,504)	(3,298,508)	(3,471,956)	(3,626,277)	(3,769,235)	(3,861,146)	(3,887,552)
Net cash inflow from financing activities	**(149,510)**	**1,242,349**	**1,421,938**	**1,055,557**	**812,820**	**897,953**	**798,930**	**740,106**	**475,827**	**136,707**	**(2,421)**

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Net increase/(decrease) in cash and cash equivalents and bank overdrafts	**(0)**	**(0)**	**(0)**	**0**	**(0)**	**(0)**	**0**	**0**	**(0)**	**0**	**0**
Opening cash and cash equivalents and bank overdrafts	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Closing cash and cash equivalents and bank overdrafts	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**

Notes to the prospective financial statements

Note 1: Statement of significant accounting policies

Basis of reporting

Auckland Council (the council) is a local authority domiciled in New Zealand and governed by the Local Government Act 2002 (LGA 2002), the Local Government (Auckland Council) Act 2009 (LGACA 2009) and Local Government (Rating) Act 2002. The council is an FMC Reporting entity under the Financial Markets Conducts Act (FMCA) 2013. The council's principal address is 135 Albert Street, Auckland Central, New Zealand.

The Auckland Council Group (the group) consists of the council, its subsidiaries, associates and joint ventures. A summary of subsidiaries (including substantive council-controlled organisations, or CCOs[1)] is provided in the table below. All group entities are domiciled in New Zealand. The council considers that presenting group information enhances transparency of information about cost of services provided to Auckland ratepayers and enables ratepayers to make more informed decisions about the impact of delivering the Auckland Plan.

The primary objective of the group and the council is to provide services and facilities to the Auckland community for social benefit rather than to make a financial return. Accordingly, the council has designated itself and the Group as public benefit entities (PBEs) and applies New Zealand Tier 1 Public Benefit Entity accounting standards (PBE Accounting Standards). These standards are based on International Public Sector Accounting Standards (IPSAS), with amendments for the New Zealand environment.

The Group and council have a balance date of 30 June and these prospective financial statements are for the period from 1 July 2024 to 30 June 2034. The actual results achieved for the period covered by this plan are likely to vary from the information presented in this document, and these variances may be material. The Group and council do not intend to update the prospective financial statements after publication.

The prospective financial statements have been prepared to ensure accountability of the group and the council to the Auckland community. Information in the financial statements may not be suitable for use in any other context.

The governing body is responsible for the prospective financial statements included in this plan, including the appropriateness of the significant financial assumptions these are based on, and the other disclosures in the document.

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[1] Section 4(1) of the LGACA 2009 defines substantive CCOs as a CCO that is either wholly owned or wholly controlled by Auckland Council and either is responsible for the delivery of a significant service or activity on behalf of Auckland Council; or owns or manages assets with a value of more than $10 million. It includes Auckland Transport and excludes entities exempted from CCO status.

These consolidated perspective financial statements are prepared:

Basis of preparation

- in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP), the LGA 2002, the LGACA 2009 and the Local Government (Financial Reporting and Prudence) Regulations 2014 and comply with PBE Accounting Standards;
- on a historical cost basis, except for certain financial instruments which have been measured at fair value, certain classes of property, plant and equipment and investment property which have been subsequently measured at fair value;
- on a going concern basis and the accounting policies have been applied consistently throughout the periods; and
- in New Zealand dollars (NZD), rounded to the nearest million dollars, unless otherwise stated.

All items in the financial statements are stated exclusive of Goods and Services Tax (GST), except for receivables and payables, which include GST.
The preparation of the financial statements requires judgements, estimates and assumptions. Application is based on future expectations as well as historical experience and other factors, as appropriate to the particular circumstances. Judgements and estimates which are considered material to understanding the performance of the group include:

- Property, plant and equipment
- Derivative financial instruments
- Provisions and financial guarantees
- Classification of joint arrangements

Refer to note 2 for significant forecasting assumptions.

Comparative information

The Annual Plan 2023/2024 adopted by the council on 29 June 2023 has been provided as a comparator for these consolidated prospective financial statements. The closing balance in this comparative differs from the opening position used to prepare these consolidated prospective financial statements which is based on the most up-to-date forecast information.

Basis of consolidation

The consolidated financial statements include the forecasts of Auckland Council and its CCOs and subsidiaries.

CCOs and subsidiaries are entities controlled by the group. Control is achieved when the group has the power to govern their financial and operating policies. In order to establish control, the controlling entity presently have exercisable power to govern decision making to be able to benefit from the activities of the other entity.

Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements from the date the group gains control until the date the group ceases to control the subsidiary. The accounting policies of controlled entities are consistent with the policies adopted by the controlling entity, or if not, adjustments are made to the consolidated financial statements to bring alignment of subsidiaries with the group's accounting policies. All intra-group balances, transactions, income, expenses, and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

The substantive CCOs within the Group comprise the following:

Name	Principal activity and nature of relationship where there is no direct ownership	CCO	Percentage ownership %	
			2020/2021	2030/2031
Auckland Transport	Owns the public transport network and manages the transport infrastructure and services in Auckland. **Auckland Transport is a body corporate with perpetual succession and is treated under the LGACA 2009 as if the council is its sole shareholder.*	Yes	100*	100*
Eke Panuku Development Auckland Limited	Facilitates the redevelopment and rejuvenation of urban locations including the Auckland waterfront. Optimises the council's property portfolio. of urban locations. Contributes to accommodating residential and commercial growth. Optimises the council's property portfolio.	Yes	100	100
Port of Auckland Limited	Owns and operates Auckland's port which provides container bulk cargo handling, freight hubs, cruise industry facilities, and other services.	No	100	100
Tataki Auckland Unlimited Limited	Manages projects for economic development, tourism and events promotion in the Auckland region.	Yes	100	100
Tataki Auckland Unlimited Trust	Supports and promotes the arts, culture, heritage, leisure, sports and entertainment, and owns and manages the venues for these activities. ** Tataki Auckland Unlimited Trust is a charitable trust of which Tataki Auckland Unlimited Limited, a 100% owned subsidiary of Auckland council, is the sole trustee.*	Yes	100*	100*
Watercare Services Limited (Watercare)	Provides water and wastewater services and owns and operates the water and wastewater infrastructure.	Yes	100	100

Significant restrictions

Despite Auckland Council's ability to control its subsidiaries, there are significant restrictions on the ability to access the assets of Auckland Unlimited Trust and Watercare Services Limited.

- Tataki Auckland Unlimited Trust is a charitable trust, Auckland Council is unable to access its assets.
- In accordance with the Local Government (Auckland Council) Act 2009 section 57(1)(b), Auckland Council may not receive a dividend or distribution of surpluses from Watercare Services Limited.

Implementation of new and amended standards

Standards issued but not yet effective

The group will adopt the following accounting standard in the reporting period after the effective date.

2022 Omnibus Amendments to PBE Standards, issued June 2022

The 2022 Omnibus Amendments include several general updates and amendments to several Tier 1 and Tier 2 PBE accounting standards. The revised PBE standards are effective from the year ending 30 June 2024. They are not expected to have any significant impact on the group financial statements.

PBE IFRS 17 Insurance Contracts

PBE IFRS 17 Insurance Contracts for public sectors was issued in June 2023. This standard establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts. It is effective for reporting periods beginning on or after 1 January 2026 with early adoption permitted. The group has not assessed in detail the effect of the new standard.

Summary of significant accounting policies

Item	Policy
Prospective statement of comprehensive revenue and expenditure	
Revenue	The Auckland Council Group (the group) and Auckland Council (the council) receive their revenue from exchange and non-exchange transactions. Exchange transaction revenue arises when the group and the council provide goods or services directly to a third party and receive approximately equal value in return. Non-exchange transaction revenue arises when the group and the council receive value from another party without having to directly provide goods or services of equal value. Non-exchange revenue comprises rates and transfer revenue. Transfer revenue includes grants, subsidies, fees and user charges derived from activities that are partially funded by rates. The group and the council's significant items of revenue are recognised and measured as follows:

Type	Recognition & measurement
Rates	Rates are set annually by resolution of the council and relate to a particular financial year in accordance with the Local Government (Rating) Act 2002. Rates comprise general and targeted rates and are stated net of rates remissions. Rates revenue is recognised at the date of issuance of ratings notice and is measured at the present value of cash received or receivable.
Grants and subsidies	Grants and subsidies are recognised when they become receivable unless there is an obligation in substance to return the funds if conditions of the grants and subsidies are not met. If there is such an obligation, the grants and subsidies are initially recorded in the statement of financial position when received at fair value as grants and subsidies received in advance. As the conditions are satisfied, the carrying amount of the liability is reduced and an equal amount is recognised as revenue.
Development contributions	Development contributions are charged for new property developments to contribute to the group's costs of building supporting infrastructure such as stormwater, roads and footpaths. Revenue is recognised at the later of the point when the group is entitled to issue an invoice to developers for the contribution in accordance with milestones set out in the group's development contributions policy, and the point at which the group can provide the service for which the contribution was charged. The timing of recognition is dependent on the type of consent granted and the nature of the development.
Vested assets	Vested asset revenue represents infrastructure received from property developers who construct the infrastructure as a condition of development. Vested asset revenue is recognised when control of the asset is transferred to the group and the council and is measured at the fair value of the asset received.
Finance revenue	Finance revenue comprises interest revenue and realised gains from the early closeout of derivatives. Revenue is recognised using the effective interest method.
Dividend revenue	Dividend revenue is recognised when the group and the council's right to receive the dividend is established.
Fees and user charges	
Water and wastewater	Water revenue comprises the amounts received and receivable at balance date for water supplied to customers in the ordinary course of business. Wastewater revenue is a combination of a fixed charge and a volumetric charge based on a percentage of water used. Water and wastewater revenue includes estimated unbilled amounts for unread meters at balance date. As meter reading is cyclical, management applies judgment when estimating the daily average water consumption of customers between meter readings. Unbilled amounts from the last bill reading date to the end of the month are recognised as revenue.
Sale of goods	Sales revenue is recognised when the substantial risks and rewards of ownership have been passed to the buyer.

Item	Policy
	Port operations: Revenue from port operations includes revenue from marine services, ship exchange, berthage, goods wharfage, and collection and transport of containers. Revenue is recognised when the services are provided, by reference to the stage of completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.
	Consents: Building consents provide approval for specific building works on a specific site, and resource consents provide approval for projects that impact the environment or others. Consent revenue is recognised when consents are provided at the fair value of the amount receivable.
	Licences and permits: Revenue is recognised on receipt of application as these are non-refundable.
	Other revenue
	Infrastructure growth charge revenue: Infrastructure growth charge revenue is recognised when payment is received for approved connections.
	Regional fuel tax: Regional fuel tax is a tax of 10 cents per litre of fuel (plus GST) which is collected to fund transport projects. Revenue is recognised when the supply of fuel occurs in the Auckland region at the fair value of the amount received or receivable.
Expenditure	
Employee benefits	Employee entitlements for salaries and wages, annual leave, long service leave and other similar benefits are recognised as an expense and liability when they accrue to employees.
Grants and subsidies	Discretionary grants and subsidies are recognised as expenses when the group and the council have advised their decision to pay and when the attached conditions, if any, are satisfied. Non-discretionary grants are recognised as expenses on receipt of an application that meets the specified criteria.
Finance Costs	Finance costs include interest expense, amounts paid or payable on interest rate swaps, amortised borrowing costs, net realised losses on the early close-out of derivatives and costs directly incurred in managing funding. Interest on debt and finance leases is recognised using the effective interest method.
Income tax	Income from the council and some CCOs is exempt from income tax under the Income Tax Act 2007, except for certain income received from CCOs and port-related commercial undertakings. Income tax comprises current tax and deferred tax calculated using the tax rate that has been enacted or substantively enacted by the balance date. Income tax is charged or credited to the surplus or deficit, except when it relates to items that are recognised in other comprehensive revenue and expenditure or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive revenue and expenditure or directly in equity. Current tax is the amount of income tax payable or refundable in the current period, plus any adjustments to income tax payable in respect of prior periods. Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Item	Policy
	Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised. Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit.
Operating Leases	Lessee The group and the council lease property, plant and equipment from third parties in the normal course of business with lease terms varying from 1 month to 150 years. Payments made under operating leases (net of any incentives received from the lessor) are expensed on a straight-line basis over the lease term. Lessor The group and the council lease certain property, plant and equipment to third parties including land and buildings and some commercial and residential property. The leases have non-cancellable periods ranging from 1 month to 100 years with subsequent renewals negotiated with the lessee. Rental revenue (net of any incentives given to lessees) is recognised as revenue on a straight-line basis over the lease term

Prospective statement of financial position	
Cash and cash equivalents	Cash and cash equivalents are made up of cash on hand, on-demand deposits and other short-term highly liquid investments, net of bank overdraft classified under current liabilities. The carrying value of cash at bank and short-term deposits with maturities less than three months approximates their fair value.
Receivables and prepayments	Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. The provision for impairment of receivables is determined based on an expected credit loss model. In assessing credit losses for receivables, the group and the council apply the simplified approach and record lifetime expected credit losses (ECLs) on receivables. Lifetime ECLs result from all possible default events over the expected life of a receivable. The group and the council use the provision matrix based on historical credit loss experience upon initial recognition of the receivable, based on reasonable and available information on the customers. In assessing ECLs on receivables the group and the council consider both quantitative and qualitative inputs. Quantitative data includes past collection rates, ageing of receivables, and trading outlook. Qualitative inputs include past trading history with the group and the council. To measure the expected credit losses, all receivables have been grouped based on shared credit risk characteristics and the days overdue. Expected loss rates are applied based on payment profiles and corresponding historical credit losses experienced within the year. Expected loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the debtors to settle their debt.

Derivative financial instruments	The group and the council use derivative financial instruments, such as forward foreign currency contracts and interest rate swaps to mitigate risks associated with foreign currency and interest rate fluctuations. The group and the council do not hold or issue derivative financial instruments for trading purposes. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured to fair value. Any gains or losses arising from changes in the fair value of derivatives are taken directly to surplus or deficit, except for the effective portion of derivatives designated in cash flow hedges. Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Derivative assets and derivative liabilities are classified as current when the maturity is 12 months or less from balance date or non-current when the maturity is more than 12 months from balance date. Cash flow hedges The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges are recognised directly in other comprehensive revenue and expenditure. The gain or loss relating to the ineffective portion is recognised immediately in surplus or deficit. On derecognition, amounts accumulated in cash flow hedge reserve are transferred to surplus or deficit. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in the cash flow hedge reserve at that time remains in equity and is recognised when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the cumulative gain or loss in cash flow hedge reserve is recognised immediately in the surplus or deficit. When a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the associated gains and losses that were recognised in other comprehensive revenue and expenditure are transferred to the initial cost of the carrying amount of the non-financial asset or liability.
Other financial assets	The group and the council's other financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit. Other financial assets of the Group include unit trusts, loans to related parties, credit support annex, bonds, borrower notes, community loans and listed and unlisted shares. Impairment of loans to related parties Impairment of loans to related parties reflect the group and the council's expected credit losses (ECLs). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group and the council expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL). For those financial instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

<table>
<tr>
<td></td>
<td>Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities. The quoted market price used for financial assets held by the Group is the bid price at reporting date.
Level 2- Inputs other than quoted prices included within level 1 using observable market inputs for the asset or liability, either directly or indirectly.
Level 3- Inputs for the asset or liability that are not based on observable market data.

For the purpose of measurement, the group and the council's financial assets and liabilities are classified into categories. The classification depends on the purpose for which the financial assets and liabilities are held. Management determines the classification of financial assets and liabilities and recognises these at fair value at initial recognition. Subsequent measurement and the treatment of gains and losses are presented below:
<table>
<tr><th>Categories</th><th>Subsequent measurement</th><th>Treatment of gains and losses</th></tr>
<tr><td>Fair value through surplus or deficit</td><td>Fair value</td><td>Surplus or deficit</td></tr>
<tr><td>Fair value through other comprehensive revenue and expenditure</td><td>Fair value</td><td>Other comprehensive revenue and expenditure</td></tr>
<tr><td>Amortised cost</td><td>Amortised cost less provision for impairment</td><td>Surplus or deficit</td></tr>
<tr><td>Financial liabilities at amortised cost</td><td>Amortised cost</td><td>Surplus or deficit</td></tr>
</table>
Derivatives are, by their nature, categorised as fair value through surplus or deficit unless they are designated into a hedge relationship for which hedge accounting is applied. Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when offset is legally enforceable and there is an intention to settle on a net basis. Revenue and expenses arising as a result of financial instrument earnings or fair value adjustments are recognised on a net-basis for like items.</td>
</tr>
<tr>
<td>Non-current assets held for sale</td>
<td>Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Non-current tangible and intangible assets
Non-current tangible and intangible assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses, if any, are recognised in the surplus or deficit. Increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised. They are not depreciated or amortised while they are classified as held for sale.

Financial assets
Financial assets held for sale are measured at fair value, determined according to the following hierarchy:
• Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities. The quoted market price used for financial assets held by the group and the council is the bid price at balance date.
• Level 2 - Inputs other than quoted prices included within Level 1 using observable market inputs for the asset or liability, either directly or indirectly.</td>
</tr>
</table>

• Level 3 - Inputs for the asset or liability that are not based on observable market data.
Fair value movements are recognised in surplus or deficit except for the investments in listed shares, which are measured at fair value through other comprehensive revenue and expenses.

Property, plant and equipment

The property, plant and equipment of the group and the council are classified into three categories:

- **Infrastructure assets** include land under roads and systems and networks integral to the city's infrastructure. These assets are intended to be maintained indefinitely, even if individual assets or components are replaced or upgraded.
- **Operational assets** include property, plant and equipment used to provide core council services, either as a community service, for administration, or as a business activity. Other operational assets include landfills, motor vehicles, office equipment, library books and furniture and fittings.
- **Restricted assets** include property and improvements where the use or transfer of title outside the group or the council is legally restricted.

Initial recognition and subsequent measurement
Property, plant and equipment is initially recognised at cost, unless acquired through a non-exchange transaction, in which case the asset is recognised at fair value at the date of acquisition. The cost of third party constructed assets generally comprises the sum of costs invoiced by the third party. The cost of self-constructed assets comprises purchase costs, time allocations and excludes, where material, any abnormal costs and internal surpluses. Subsequent costs that extend or expand the asset's future economic benefits and service potential are capitalised. After initial recognition, certain classes of property, plant and equipment are revalued. Work in progress is recognised at cost less impairment, if any, and is not depreciated.
Depreciation
Depreciation is provided on all property, plant and equipment except for land, works of art and specified cultural heritage assets.
Depreciation is calculated to write down the cost or revalued amount of the assets on a straight-line basis over their useful economic lives
Useful lives
The useful lives used to calculate the depreciation of property, plant and equipment are as follows:

Asset class	Estimated useful life (years)	Asset class	Estimated useful life (years)
Infrastructure		**Operational (continued)**	
Land and road formation	Indefinite	Bus stations and shelters	10 - 640
Roads	5 - 100	Marinas	9 - 45
Water and wastewater	5 - 200	Rolling stock	14 - 35
Machinery	5 - 200	Wharves	54 - 100
Stormwater	12 - 150	Works of art	13 to Indefinite

Other infrastructure	10 - 69	Other operational assets	1 - 50
Operational		**Restricted**	
Land	Indefinite	Parks and reserves	Indefinite
Building	10 - 100	Buildings	5 - 100
Specialised sporting and cultural venues	3 - 100	Improvements	3 - 87
Train stations	7 - 100	Specified and cultural heritage assets	Indefinite

Disposals

Gains and losses on the disposal of property, plant and equipment are recognised in surplus or deficit. Any amounts included in the asset revaluation reserve in respect of the disposed assets are transferred to accumulated funds on disposal.

Impairment

Property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in surplus or deficit for the amount by which the carrying amount of property, plant and equipment exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Assets are considered cash generating if their primary objective is to provide a commercial return. The value in use for cash-generating assets is the present value of expected future cash flows. For non-cash generating assets, value in use is determined using an approach based on a depreciated replacement cost.

Revaluation

Infrastructure assets (except land), restricted assets (except improvements and specified cultural and heritage assets) and operational assets (except other operational assets) are revalued with sufficient regularity, and at least every five years to ensure that their carrying amounts do not differ materially from fair value. The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then those asset classes are revalued. Revaluations are accounted for on an asset class basis.

Net revaluation gains are recognised in other comprehensive revenue and expenditure and are accumulated in the asset revaluation reserve in equity for each class of asset. Revaluation losses that result in a debit balance in an asset class's revaluation reserve are recognised in surplus or deficit. Any subsequent gain on revaluation is recognised first in surplus or deficit up to the amount previously expensed and then recognised in other comprehensive revenue and expenditure

Intangible assets

Initial recognition and subsequent measurement

Purchased intangible assets are initially recognised at cost. For internally generated intangible assets, the cost includes direct employee costs, a reasonable portion of overhead and other direct costs that are incurred within the development phase of the asset. Intangible assets acquired at no cost are initially recognised at fair value where they can be reliably measured. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

	Amortisation Amortisation is provided on intangible assets, except rights to acquire, and is calculated to write down the cost of the assets on a straight-line basis over their useful economic lives. Useful lives The useful lives used to calculate the amortisation of intangible assets are as follows:

Class of intangible asset	Estimated useful life (years)
Community rights	4 - 35
Computer software	3 - 15
Intellectual property	3 - 35
Other intangible assets	6 - 63

	Disposals Gains and losses from the disposal of intangible assets are recognised in surplus or deficit. Impairment Intangible assets are tested annually for impairment. An impairment loss is recognised in surplus or deficit for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and its value in use. Assets are considered cash generating if their primary objective is to provide a commercial return. The value in use for cash-generating assets is the present value of expected future cash flows. For non-cash generating assets, value in use is determined using an approach based on a depreciated replacement cost.
Investment property	Investment property includes land, commercial buildings and water space licences held to generate income. Investment property is initially recognised at cost and subsequently measured at fair value. Valuations are undertaken, annually by independent registered valuers with appropriate recognised professional qualifications and recent experience in Auckland and in investment properties. Gains or losses arising from changes in fair value are included in surplus or deficit. Investment properties are valued individually and not depreciated.
Investment in joint ventures and associates	Investments in associates and joint ventures are accounted for using the equity method in the group and the council financial statements. The investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the share of the surplus or deficit of the associate or joint venture after the date of acquisition. Distributions received reduce the carrying amount of the investment. Where necessary, adjustments are made to the financial statements of associates and joint ventures to bring their accounting policies in line with the group.
Payables and accruals	Current payables and accruals represent amounts payable within 12 months of balance date and are recognised at cost. Current payables and accruals are non-interest bearing and normally settled on 30-day terms; therefore, the carrying value approximates fair value.

	Non-current payables and accruals represent amounts payable more than 12 months from balance date and are measured at the present value of the estimated future cash outflows.
Employee entitlements	Employee benefits to be settled within 12 months of balance date are reported within current liabilities at the amount expected to be paid. All other employee benefits are reported within non-current liabilities and are measured at the present value of estimated future cash outflows.
Borrowings	Borrowings are initially recognised at face value plus transaction costs and are subsequently measured at amortised cost using the effective interest method. Foreign currency borrowings are translated into NZD using the spot rates at balance date. Foreign exchange gains and losses resulting from the settlement of borrowings and from translation are recognised in the surplus or deficit.
Provisions	Provisions are recognised in the statement of financial position where the group and the council have a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be estimated reliably. Provisions are measured at the present value of the expected future cash outflows required to settle the obligation. The increase in the provision due to the passage of time is recognised as a finance cost in surplus or deficit,
Contingent assets and liabilities	A contingent liability is a possible or present obligation that arises from past events but is not recognised because an outflow of resources is not probable or inability to measure reliably. A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by one or more uncertain future events not wholly within the control of the entity. The group and the council do not recognise contingent liabilities and contingent assets in the financial statements due to their uncertainty or because they cannot be reliably measured. However, they are disclosed as follows: • contingent liabilities are disclosed unless the possibility that these will crystallise is remote; and • contingent assets are only disclosed when it is probable that they will crystallise. Contingent liabilities and assets are assessed continually to ensure that developments are appropriately reflected in the financial statements
Related party transactions	Related parties include subsidiaries, associates, joint ventures, key management personnel, the elected representatives of the council and their close family members and entities controlled by them. Close family members include spouses or domestic partners, children and dependants. Apart from the disclosure of key management personnel remuneration, transactions with related parties that are on an arm’s length basis are not disclosed.
Ratepayer equity	Related parties include subsidiaries, associates, joint ventures, key management personnel, the elected representatives of the council and their close family members and entities controlled by them. Close family members include spouses or domestic partners, children and dependants. Apart from the disclosure of key management personnel remuneration, transactions with related parties that are on an arm’s length basis are not disclosed.

Note 2: Significant forecasting assumptions

The level of uncertainty for each assumption refers to the difficulty of predicting outcomes because of limited or inexact knowledge. The council cannot control all the variables that affect future outcomes, such as the wider economy and changes in legislation.

Low level of uncertainty – information available to council point to a high likelihood of the assumption being accurate and/ or most of the variables are under council's control.

Moderate level of uncertainty – council has most of the information available on the assumption but variables outside of council's control may still affect the accuracy of the assumption.

High level of uncertainty – council has some of the information on the assumption but there is a high likelihood that variables outside of council's control will impact on the accuracy of the assumption.

Note: the forecasting assumptions specifically related to the proposed Auckland Future Fund are included within Part six of this Supporting Information.

Assumption	Assumption data for 10-year Budget 2024-2034 and source	Risks and impacts
Population and development growth (including growth in the rating base)	Population growth and the consequential demand for residential housing is a key driver for many of the council's activities and asset management plans (for example the number and type of community facilities the council provides). The council is in the process of updating its population and development growth forecasts based on the latest Statistics NZ population forecasts and its recently adopted Future Development Strategy. The updated forecasts will be completed in March 2024 and will be included in the finalised Long-term Plan 2024-2034. For this consultation, the population and development forecasts are based on the forecast data used for the Long-term Plan 2021-2031. The council has estimated the population will increase by around 246,000 (14.2 per cent) by 30 June 2034.	**Risk** - Growth differs significantly from forecasted Level of uncertainty - Moderate **Impacts** - If actual population and/or development growth is higher, it may put pressure on the council's existing and planned infrastructure and services. If actual population growth is lower, it may result in surplus capacity in existing or planned infrastructure and services. Population and development growth is affected by a range of external factors, most of which are outside the council's control or influence. The council will continue to monitor growth on an annual basis. If there is a significant change, appropriate amendments will be made as part of subsequent annual plan or long-term processes. The council may choose to increase its

Assumption	Assumption data for 10-year Budget 2024-2034 and source	Risks and impacts
	The population projections are used to forecast the level and location of development growth (the number of dwellings and floor space area). This information is a key driver for some of the council's activities such as managing the stormwater from developed properties. Growth in the rating base is driven by property development, including new buildings and subdivisions, which increase the size of the rating base over which the rates requirement is spread. The council looks at projections for these factors and makes adjustment for prudence and timing lags. This is used, alongside the agreed average rates increase to existing ratepayers, to project the total rates revenue.	investment in growth and fund this by looking at using one or more of the financial levers available to it. If the growth in the rating base is higher or lower than this projection, this will result in rates revenue above or below that projection. A 0.1 per cent variance in the growth experienced would result in a movement in total general rates revenue of approximately $3 million per annum.

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Population (millions)	1.753	1.779	1.807	1.836	1.865	1.890	1.917	1.935	1.954	1.976
Dwellings	597,977	608,564	620,171	632,249	643,888	654,288	665,383	673,629	682,411	691,867
Business floor space (million sq metres)	33.230	33.719	34.269	34.836	35.384	35.879	36.402	36.747	37.113	37.504
Separately used or inhabited part (SUIP) rateable properties	710,012	720,165	732,048	743,175	754,769	766,845	779,498	792,750	803,452	814,620
Rating units (rateable properties)	670,560	680,149	691,371	701,880	712,830	724,235	736,185	748,700	758,807	769,355
Growth in the rating base (GIRB)	1.60%	1.43%	1.65%	1.52%	1.56%	1.60%	1.65%	1.70%	1.35%	1.39%

Assumption	Assumption data for 10-year Budget 2024-2034 and source	Risks and impacts
Economic growth and return on investments	Employment numbers and gross domestic product indicate how well the region's economy is doing. The state of the economy is doing could influence the council's return on its investments. The council currently is a minority shareholder in Auckland International Airport Limited and a 100 percent shareholder in Port of Auckland Limited. This plan proposes to diversify the council's commercial investments through the establishment of the Auckland Future Fund (see section 6.1).	**Risk -** That economic growth differs significantly from that forecasted in this plan Level of uncertainty – High **Impacts** - New Zealand's economic outlook, while outside the council's control, will affect the council's commercial investments such as Port of Auckland Limited and Auckland International Airport. Economic growth also impacts on affordability of the council's rates and user charges. Revenue impacts may drive changes to both operational and capital

Assumption	Assumption data for 10-year Budget 2024-2034 and source	Risks and impacts
	A diversified fund should reduce specific company risk but will remain subject to national and international economic cycles and impacts.	expenditure. The economic outlook also affects local businesses, the region's level of employment and the rate of development.
Development contribution revenue	Auckland Council's current Financial Strategy and Revenue and Financing Policy state that a fair and appropriate proportion of growth-related infrastructure investment should be funded from development contributions (Council and Auckland Transport investment) and Infrastructure Growth Charges (Watercare investment). The council adopted a new Development Contributions Policy in December 2021 to enable the fair recovery of this investment. This policy came into effect from January 2022. In order to recover the costs more fairly, the council is moving to matching the full costs of infrastructure required (which can take up to 30 years) with the full development anticipated in the area serviced. This change will take time and is being completed in stages with the first update to the policy, for Drury, being adopted in April 2023. Updates for other areas are planned for 2025. The Development Contributions Policy will be further updated separately from this 10-year Budget, informed by final decisions on the capital programme. Revenue projections included in this proposed budget are based on estimates of development activity and expected changes to the policy based on the proposed investment in growth infrastructure.	**Risk** - that development growth occurs at a different pace than projected or the new Development Contributions Policy does not enable a fair recovery of growth costs. **Level of uncertainty** – High for pace of growth and low for the policy. **Impacts** - If development occurs more slowly than projected, the recovery period will be extended, and the delay may need to be covered by additional borrowing. It may also be that the capital programme needs to be slowed. If development occurs earlier than projected revenue levels will increase, and the capital programme may need to be accelerated to support the development.

<table>
<tr><th>Assumption</th><th>Assumption data for 10-year Budget 2024-2034 and source</th><th>Risks and impacts</th></tr>
<tr><td></td><td colspan="2">
<table>
<tr><th>$million</th><th>2024/25</th><th>2025/26</th><th>2026/27</th><th>2027/28</th><th>2028/29</th><th>2029/30</th><th>2030/31</th><th>2031/32</th><th>2032/33</th><th>2033/34</th></tr>
<tr><td>Development contribution revenue</td><td>200</td><td>195</td><td>190</td><td>185</td><td>185</td><td>185</td><td>190</td><td>195</td><td>200</td><td>200</td></tr>
</table>
</td></tr>
<tr><td>Housing Acceleration Fund</td><td>Infrastructure to support housing and growth in spatial priority areas as set out in the Auckland Future Development Strategy has been prioritised within this LTP. This includes the Auckland Housing Programme (Mt Roskill, Māngere, Northcote and Tāmaki regeneration area).

We are working with the Ministry of Housing and Urban Development and Kainga Ora - Homes and Communities to use the Housing Acceleration Fund (HAF) to support intensification of the Auckland Housing Programme areas.

This plan assumes $1,451 million of additional investment in infrastructure to support these areas will be enabled by the use of the HAF. This includes $228 million of HAF grant funding, $36 million of Kāinga Ora development mitigation, $938 million of limited recourse HAF financing, and $250m of assumed National Land Transport Fund co-funding.</td><td>Risk – HAF funding and financing is not available to the extent anticipated

Level of uncertainty – High

Impacts – If less HAF funding and financing is realised, then less infrastructure will be able to be delivered for these areas within this LTP period. This could have a material impact on the rate of housing delivery for Auckland and urban development outcomes for these areas.</td></tr>
<tr><td>Inflation</td><td>Auckland Council uses a number of information sources (both internal and external) to inform projections of inflationary impacts on its costs and revenues.

Central projections for the consumer price index (CPI) are established and distributed around the council group. This consistent base for underlying inflationary trends is then adjusted, in response to other information, to reflect specific price movements faced by the council.

The projections included in the budget are particularly informed by inflation reported by Statistics NZ and the inflation projections included in the Reserve Bank of New Zealand's November 2023 Monetary Policy Statement. These included annual movements in the Consumer Price Index (CPI) of 5.6 per cent for the year to September 2023, and then projected to return to within the 1 to 3 percent target range in the second half of 2024, and to 2 percent by the second half of 2025.</td><td>Risk - Actual inflation is different from forecast inflation

Level of uncertainty – High

Impacts - If inflation is higher than projected the cost of providing services would be higher than planned. If inflation is lower than projected, the cost of providing services would be lower.

The council will continue to monitor price movements on an annual basis and any significant changes will be addressed in subsequent annual plans or long-term plans.</td></tr>
</table>

Assumption	Assumption data for 10-year Budget 2024-2034 and source	Risks and impacts
	The table below is based on market expectations of CPI growth for the year to the end of the December preceding the relevant financial year.	

Inflator	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
CPI	5.20%	2.70%	2.10%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

Assumption	Assumption data for 10-year Budget 2024-2034 and source	Risks and impacts
Interest rates	The council's treasury department has provided interest rate projections based on an assessment of market rates and anticipated borrowing requirements. The council manages its interest rate exposure to provide some certainty for cost of its borrowings over the short to medium term. The council has assumed that it maintains its AA/Aa2 credit rating in preparing the interest rate projections. The following average interest rates have been assumed in this plan:	**Risk** - Prevailing interest rates differ significantly from those forecasted **Level of uncertainty** – High **Impacts** - Increases in interest rates flow through to higher debt servicing costs and higher rates funding requirements. For every 1.0 percentage point change in market interest rates, the council's debt servicing costs would change by less than $20 million, due to the level of interest rate hedging currently in place. For every one notch change from the current credit rating, we would expect a change in interest rates of between 0.05 per cent and 0.15 per cent per annum.

Average interest rates	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Borrowings	4.62%	4.71%	4.81%	4.92%	5.02%	5.18%	5.33%	5.40%	5.47%	5.52%
Cash holdings	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%

Assumption	Assumption data for 10-year Budget 2024-2034 and source	Risks and impacts
Government transport funding	The National Land Transport Fund (NLTF) provides co-funding for transport investment from funds paid by road-users through petrol taxes and road user charges. The council is proposing to limit its funding to Auckland Transport, particularly for renewals, to only those projects where NLTF funding is committed by the government. Auckland Transport have estimated levels of NLTF funding based on the current Government Policy Statement, commitments made by Waka Kotahi (as administers of the fund), and historical trends.	**Risk** - That assumed funding levels cannot be achieved through Waka Kotahi processes. **Level of uncertainty** – High **Impacts** – If the capital contribution level is lower than assumed, then transport capital expenditure would be less than projected. Conversely, if the level of capital contribution is higher than assumed this would enable an increase in transport capital expenditure.

Assumption	Assumption data for 10-year Budget 2024-2034 and source	Risks and impacts
	For the Long-term Plan 2024-2034 we are assuming the council will receive: • $6.2 billion of operating funding • $7.0 billion of capital funding A new Government Policy Statement is expected to be released soon and this is likely to impact future levels of funding and the focus areas of this funding.	If the level of operating subsidy available increases this would reduce the amount of rates funding required for operating costs and free up this funding to invest in additional infrastructure or services. A reduction may necessitate reduced services or investment, or additional funding from another source such as rates.
Regional Fuel Tax	The Regional Fuel Tax (RFT) has been a key funding source, introduced in the 10-year Budget 2018-28, to support investment in additional transport infrastructure and services. The tax is set at 10 cents plus GST per litre of fuel (both petrol and diesel), with appropriate rebates for non-transport and off-road uses. The government has announced the cancellation of one of the council's funding sources, the regional fuel tax (RFT). The council had initially budgeted for two more years of RFT to support investment in specified transport infrastructure and services, but this funding is no longer available for this LTP. As a result, the central proposal in this plan has been updated with proposed RFT funding removed and a corresponding reduction in the level of investment in transport projects ($600 million, including matching NLTF funding). The specific projects that would be affected is still to be determined. Furthermore, the loss in revenue has meant that Auckland Council's debt-to-revenue ratio has increased, giving the council less ability to borrow when it needs to. The introduction of time-of-use charging could mitigate some of this impact, but there is not yet enough certainty around this to incorporate projections into this plan.	Risk -that the required reduction in transport investment will impact intended service levels. Level of uncertainty – High Impacts – Depending on which projects are affected there could be adverse impacts on outcomes such as congestion, safety, emissions, and mode shift. If projects are significantly delayed the future delivery costs is likely to be higher.

Assumption	Assumption data for 10-year Budget 2024-2034 and source	Risks and impacts
Revaluation of PPE and investments	Auckland Council's accounting policy provides for most fixed assets to be revalued with sufficient regularity (at least every five years) to ensure that the carrying value does not differ materially from fair value. Land under roads are held at cost and not revalued. Where significant the projected impact of asset revaluation on fixed assets values and depreciation expense has been reflected in this plan. Auckland Council would normally expect to recognise income from a gain in value from its investment properties and assets of its associate entities. For the purposes of this plan, the council does not have sufficiently reliable market information on which to forecast this income. Accordingly, no such income is forecast in the prospective financial statements.	**Risk** - That actual revaluation movements differ significantly from those forecasted in this plan. Level of uncertainty – Moderate **Impacts** - If the revaluations are different from those forecasted it will affect asset values and total comprehensive income. In the case of depreciable assets this will flow through to changed levels of depreciation expense.
City Rail Link (CRL) accounting treatment	The City Rail Link (CRL) is forecast to be complete and open in 2026. The final decisions on ownership of the associated assets upon completion are yet to be made. Until these decisions are made the appropriate accounting treatment is for the assets (and the associated costs) to remain in City Rail Link Limited. This is accounted for in Auckland Council using equity-accounting. Once open the full operating costs will need to be funded from operating revenue, including maintenance costs, interest on the debt to fund construction, depreciation, running facilities such as new stations, track access charges from Kiwirail, and the operational costs of running the increased services that the project will enable.	**Risk** – The decisions on ownership result in a different accounting treatment needing to be used. Level of uncertainty - High **Impacts** – A different accounting treatment could affect the council's asset's, revenue and expenditure in our projected financial statements. Different projected costs and/or ownership structures could affect the council's overall funding requirement.
Capital project projections	Cost projections for individual capital projects are based on the best available information at the time of adoption and are set at a mid-point of the expected total project cost. For more complex projects a formal estimation process may be undertaken whereby a range of cost outcomes are estimated and budgets are set at a P50 level, being a level under which there is 50 per cent confidence the final cost will sit. Supporting information to inform projections can include historical costs of similar projects, supplier quotes or estimates, independent cost estimations, or expert advice. By using a midpoint (or P50) projection across our significant, and broad-based, investment programme the expected	**Risk** – The variance above and below estimated midpoints is not even. This could include any additional COVID-19 related contractual claims. Level of uncertainty – Moderate **Impact** – If the total cost of capital investment is significantly higher or lower than the budget it will result in changes to the mix of financial levers the council uses to fund it's capital programme.

Assumption	Assumption data for 10-year Budget 2024-2034 and source	Risks and impacts
	outcome is that the overall cost of investment should equal the total of the mid-point estimates.	
Timing of capital expenditure	This 10-year budget has been developed based on the best available information on the likely timing of capital projects and programmes.	**Risk** – That the actual timing of the capital programme is different from that forecasted. Level of uncertainty – Moderate **Impacts** – Delivery of capital expenditure to a different time frame than projected would have both a financial impact and could impact when the proposed level of service improvements would be achieved. The financial implications would depend on the planned funding sources for the relevant capital expenditure and its associated expenses. The financial impact would be on funding requirements, borrowings, interest expense, depreciation expense and consequential operating costs. The actual timing of capital expenditure (and the achievement of related service level improvements) will be impacted by a number of factors. One of the key areas under the control of council is the quality of project management. Other areas such as the market's response to the increased programme certainty are beyond the control of the council.
Weathertight-ness and other building defect claims	The council has considered the financial impact of weathertightness and other building defect claims, including those already lodged and potential claims. On the basis of an actuarial assessment, a provision was established at 1 November 2010 for future weathertightness claims. Based on an updated assessment completed in June 2023, the council is forecasting claim payments of $134 million over the period of this plan. The cost of funding these settlements should not fall unfairly on ratepayers in the year of settlement. Rather than penalising current ratepayers with the full impact of these settlements, it is assumed they	**Risk** - The council's exposure to claims is different than the potential liability forecasted in this plan. Level of uncertainty – Moderate **Impacts** - If claims are higher or lower than forecast, then the council's levels of borrowing and the associated borrowing costs will also be higher or lower than forecast. Depending on how large the variance is, it may affect future forecast rate requirements.

Assumption	Assumption data for 10-year Budget 2024-2034 and source	Risks and impacts
	will be funded from borrowings and the repayment of these borrowings spread over 30 years.	
Asset sales	Asset recycling is an important lever for the council as it allows capital to be re-invested in assets that support more strategically important activities. In this 10-year budget, the council continues to optimise the use of its balance sheet and include and target of selling asset sales target of $300 million of surplus property assets, to be delivered over the next 10 years. For an analysis of asset recycling opportunities, please see Section 7.5 of the Supporting Information. The council also plans to dispose of property assets as part of its property and urban development activities (including Panuku's Unlock and Transform programmes and the Strategic Development Fund).	**Risk** - That sufficient disposals are not identified or realised to achieve the targets set. Level of uncertainty – Moderate **Impacts** - If the level of asset sales is higher or lower than forecast it will result in changes to the level, and pace, of capital investment that the council can prudently undertake

$million	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	10-year total
Asset recycling	30	30	30	30	30	30	30	30	30	30	300
Reinvestment sale	99	54	21	49	11	37	26	7	-	-	304
Strategic development fund	20	10	7	-	-	61	-	-	-	-	97

Assumption	Assumption data for 10-year Budget 2024-2034 and source	Risks and impacts
Useful lives of assets and sources of funding of replacements	The useful lives of significant assets are shown in the statement of significant accounting policies. The useful life is used to determine the timing of renewing the asset and the level of depreciation for the asset. Renewals of most categories of council assets are to be funded by depreciation funding as set out in our Revenue and Financing Policy. As we are moving towards fully funding depreciation, in the long-run this is expected to match our renewals requirement. Any timing differences between when assets need renewing and depreciation funding collected is to be covered through borrowings.	**Risk** - Assets wear out and need to be replaced earlier than estimated. **Level of uncertainty** – Low **Impacts** - Depreciation costs would change with updated information about the remaining useful life of an asset and borrowing costs would increase if capital expenditure was required earlier than anticipated. However, these impacts could be mitigated by reprioritising the capital expenditure programme.

Assumption	Assumption data for 10-year Budget 2024-2034 and source	Risks and impacts
	Other funding sources for the replacement of assets include: Watercare Services Limited will continue to fund depreciation to meet forecast average renewal requirements. Port of Auckland will fully fund their depreciation from commercial revenues. The council receives some subsidies for renewing assets such as the Waka Kotahi subsidy for renewing some roads (see transport government funding assumption).	
Climate change	Climate change is expected to have a variety of implications for Auckland's infrastructure networks. The most recent climate change projections indicate warming temperatures, more frequent hot days, and longer dry periods. More frequent and severe weather events causing flooding and slips are expected. The specifications of some infrastructure may no longer be adequate to deal with more rainfall, or a warmer climate. Sea-level rise will increase risks for assets on the coast from inundation and erosion. The council is responding to the risk of climate change by increasing knowledge of risks to infrastructure networks, such as implementing the Natural Hazards Risk Management Action Plan and developing a framework for adaptive planning in Auckland. An Auckland Council Coastal Management Framework was developed to help the council better manage its coastal assets, and to better mitigate the risks associated with coastal erosion and the combined effects of predicted climate change. This framework will enable the council to move from the current default position of reactionary 'like-for-like' renewals to a prioritised work programme that is based on improved asset management planning underpinned by business cases leading to improved asset investment.	**Risk** – with ongoing climate warming, there will be increased surface flooding, damage to infrastructure due to extreme weather events and greater risk to public safety and private property. **Level of uncertainty** – Moderate **Impacts** –Increased investment in new or improved infrastructure may be required and the timing of maintenance and replacement of assets may be affected. The Infrastructure Strategy reflects the current council infrastructure investment approach to climate change and sets out how this can be improved.
Foreign exchange risk	The council manages foreign currency risk of the group apart from Port of Auckland. Foreign exchange risk of all entities under the group is managed through derivative financial instruments. The risk is mitigated by entering into forward foreign currency exchange contracts where the	**Risk** – That group and council transactions that are denominated in a foreign currency other than NZD. The NZD may deteriorate against the relevant foreign currency from the period between

Assumption	Assumption data for 10-year Budget 2024-2034 and source	Risks and impacts
	threshold is set by the treasury management policies. The risk on offshore borrowings is offset by cross-currency interest rate swaps over the life of the borrowings. The group and council are not planning to have any material exposure to foreign exchange as all foreign currency denominated borrowings and material purchases will be hedged.	when the transaction was entered and when foreign currency payments are made. Level of uncertainty – Low Impacts – The group and council are not planning to have any material exposure to foreign exchange as all foreign currency denominated borrowings and material purchases will be hedged.
Legislation	The current government is embarking on an ambitious programme of regulatory reform which includes reviewing areas directly relevant to Auckland Council. Apart from those mentioned above (e.g. Regional Fuel Tax) the council has not assumed any specific other material changes to existing legislation or other national standards applicable to Auckland Council.	Risk - New legislation or changes to existing legislation may alter the nature and scope of services currently being provided. Level of uncertainty – High Impacts - If changes in legislation require the council to provide further services, or significantly increase levels of compliance or operating costs then this will need to be offset by an increase in fees and charges and or an increase in rates. It is not possible to quantify the potential financial impact of such changes at this time.
Cost reduction targets	The council is proposing cost reduction targets in this plan that will grow to see $50 million of annual cost reductions identified by year three (2026/2027). These are in addition to existing savings targets. Achievement of these targets would be through a combination of increased efficiencies (doing the same for less) and through decisions to reduce investment in some areas, with some associated service level impacts.	Risk – that the targets are not achieved in every year Level of uncertainty –Low Impacts – If the council is unable to achieve its cost reduction targets, we would need to look to alternative budget levers. This could lead to higher borrowings, delayed investment and/or higher rates.

$million	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Cost reduction target	20	30	50	50	50	50	50	50	50	50

Assumption	Assumption data for 10-year Budget 2024-2034 and source	Risks and impacts
Unforeseen events	Events in recent years (the COVID pandemic and the 2023 storm events) have highlighted the risks to long-term planning and budgeting. Council plans, budgets, and these forecasting assumptions are based on the best information available at any time.	Risk – that unforeseen events occur that will require significant financial response, beyond existing budgets. Level of uncertainty – Moderate Impacts – Alongside any external insurance claims and funding contributions from central government, immediate responses

Assumption	Assumption data for 10-year Budget 2024-2034 and source	Risks and impacts
	The council's financial strategy includes a long-term debt-to-revenue target below its limit so that debt headroom is retained to address unforeseen events. Additionally, one of the objectives of the proposed Auckland Future Fund is to provide additional financial resilience.	may require additional borrowing, within limits, and/or a drawdown of funds from the Auckland Future Fund. The impacts of these would be increased interest costs, reduced returns from the future fund, and/or reduction in the value of the fund over time.

Note 3: Reconciliation between Prospective Statement of comprehensive revenue and expenditure and Prospective funding impact statement

This statement is prepared on a group basis. This statement should be read in conjunction with the Prospective Funding Impact Statement (group consolidated).

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Operating surplus/ (deficit) after income tax per Prospective Statement of comprehensive revenue	**1,169,588**	**1,764,660**	**1,643,310**	**1,537,473**	**1,679,237**	**1,797,095**	**1,775,694**	**1,623,275**	**1,411,355**	**1,371,518**	**1,393,066**
Items recognised as income in Statement of comprehensive revenue and as capital expenditure funding sources in Funding Impact Statement:											
Capital subsidies	(617,099)	(1,405,717)	(1,068,611)	(866,929)	(977,591)	(1,068,000)	(1,017,716)	(832,140)	(709,193)	(565,917)	(546,894)
Insurance recovery revenue funding capital projects	(110,000)	0									
Development contributions	(268,545)	(200,000)	(195,000)	(190,000)	(185,000)	(185,000)	(185,000)	(190,000)	(195,000)	(200,000)	(200,000)
Non-cash items recognised in Statement of comprehensive revenue and not included in Funding Impact Statement:											
Depreciation	1,292,763	1,386,584	1,400,817	1,553,506	1,665,448	1,787,429	1,887,009	2,026,550	2,153,939	2,192,470	2,282,439
Depreciation of make good provision added back in funding impact statement	(315)	(315)	(315)	(315)	(315)	(315)	(315)	(315)	(315)	(315)	(315)
Discounting of provisions	(1,082)	(858)	(873)	(890)	(908)	(926)	(945)	(964)	(964)	(964)	(964)
Recognition of revenue from vested assets	(456,083)	(451,838)	(461,824)	(462,389)	(463,205)	(461,856)	(460,656)	(459,461)	(463,482)	(467,274)	(471,346)
Un-realised fair value gains and losses	892	684	534	428	343	273	232	198	198	198	198
Other reconciling items:											
Retro-fit your home targeted rate included in funding impact statement but not recognised as revenue in the statement of comprehensive income	3,044	3,241	2,683	1,944	1,108	385	5	0	0	0	0
Retro-fit your home targeted rate interest component recognised as revenue in the statement of comprehensive income	(582)	(365)	(230)	(122)	(48)	(10)	(0)	0	0	0	0
Share of equity accounted (surplus) /deficit from associates not distributed by way of dividends to Auckland Council	15,049	6,291	(131)	78,184	78,183	78,182	78,182	78,182	78,183	78,185	78,186

Income tax recognised in statement of comprehensive revenue not included in the funding impact statement	100,996	117,819	145,645	166,955	176,490	200,170	221,461	238,984	258,941	250,637	227,355
Net other gains recognised in statement of comprehensive revenue not included in the funding impact statement	26,785	14,005	0	0	0	0	0	0	0	0	0
Operating funding surplus/ (deficit) per Prospective Funding Impact Statement	**1,155,413**	**1,234,191**	**1,466,005**	**1,817,845**	**1,973,743**	**2,147,428**	**2,297,952**	**2,484,310**	**2,533,663**	**2,658,539**	**2,761,725**

Note 4: Reserve Funds

Auckland Council group

The Local Government Act 2002 requires the Long-term Plan to identify each reserve set aside by the council, the purpose of each fund, the activities to which each fund relates and funding flows for the period of the plan.

Reserve	Purpose	Activities
Cash flow hedge reserve	Gains from revaluation of the Diversified Financial Assets portfolio	Organisational support
Available-for-sale investment revaluation reserve	Recognition in group accounts of associated' reserves	Organisational support
Share of associates' reserves	Accumulated gains from asset revaluation	Investment
Asset revaluation reserve	Accumulated gains from asset revaluation	Various
Restrict equity reserves		
Statutory funds (Off street parking)	Funds accumulated under legislation (primarily related to subdivisions or off-street parking).	Parking and enforcement
Trust and bequests	These trusts are primarily related to assets held by council. The trust deeds restrict council's action in relation to these assets.	Various
Regional fuel tax reserve	Fuel tax collected for specific transport projects.	Roads and footpaths and Public transport and travel demand management
Other restricted equity	Reserve funds related to particular projects or assets whereby council is restricted in its decision-making ability.	Various
Targeted rates reserves		
Central City targeted rate reserve	Targeted rate collected for enhancement of central business district as a place to work, live, visit and do business.	Regional planning
Riverhaven Drive targeted rate reserve	Targeted rate being collected to recover the costs of the construction of a road.	Roads and footpaths
Jackson Crescent wastewater targeted rate reserve	Targeted rate collected to recover the cost of the council providing financial assistance to connect to a wastewater scheme.	Wastewater treatment and disposal
Point Wells wastewater targeted rate reserve	Targeted rate collected to recover the cost of the council providing financial assistance to connect to a wastewater scheme.	Wastewater treatment and disposal

Harbourview Orangihina Park targeted rate reserve	Targeted rate collected for development of Harbourview Orangihina Park.	Regional community services
Open space/ Volcanic cones	Legacy targeted rates. No longer levied.	Regional community services
Water quality targeted rate reserve	Targeted Rate collected to help fund the capital costs of investment in cleaning up Auckland's waterways.	Stormwater management
Natural environment targeted rate reserve	Targeted Rate collected to help fund the capital and operating costs of investment to deliver enhanced environmental outcomes.	Development Auckland
Accommodation provider targeted rate reserve	A targeted rate that helps fund the costs of visitor attraction, major events and destination and marketing.	Economic development and destination
Rodney Local Board transport targeted rate reserve	A targeted Rate that helps fund the capital and operating costs of additional transport investment and services.	Roads and footpaths and Public transport and travel demand management
Electricity network resilience targeted rate		
Climate change targeted rate reserve		Public transport and travel demand management

The funding flows for these reserves are:

$000 As at 30 June	Annual Plan 2023/24	Closing balance 2023	Deposits	Withdrawals	Closing balance 2034
Cash flow hedge reserve	8,519	0	0	0	0
Available-for-sale investment revaluation reserve	347,308	704,683	0	0	704,683
Share of associates' reserves	0	0	0	0	0
Asset revaluation reserve	24,756,957	20,772,584	13,568,720	0	34,341,304
Restricted equity reserves					
Statutory funds	3,734	4,083	0	(349)	3,734
Trust and bequests	1,331	1,387	104	(255)	1,235
Regional fuel tax reserve	266,286	328,008	150,000	(138,034)	339,974
Other restricted equity	51,782	52,948	469,567	(182,933)	339,582
Total restricted equity	**323,133**	**386,426**	**619,671**	**(321,571)**	**684,525**
Targeted rates reserves					
Central City targeted rate reserve	75,893	74,468	249,387	(358,193)	(34,338)
Riverhaven Drive targeted rate reserve	(174)	(270)	444	(79)	95
Jackson Crescent wastewater targeted rate reserve	2	(1)	1	-	0
Point Wells wastewater targeted rate reserve	2	(8)	0	(1)	(9)
Open space/ Volcanic cones	2,459	2,537	1,550	(1,500)	2,587
Water quality targeted rate reserve	28,232	56,344	243,708	(300,053)	(0)
Natural environment targeted rate reserve	22	14,180	365,980	(443,064)	(62,904)
Accommodation provider targeted rate reserve	0	0	0	0	0
Rodney Local Board transport targeted rate reserve	(13,369)	5,046	39,847	0	44,893
Electricity network resilience targeted rate	4,148	2,165	142,435	(117,665)	26,935
Climate action targeted rate reserve	14,073	37,166	679,714	(665,689)	51,191
Total targeted rates reserves	**111,288**	**191,627**	**1,723,067**	**(1,886,245)**	**28,449**
Total reserves	**25,547,204**	**22,055,320**	**15,911,458**	**(2,207,816)**	**35,758,962**

Note 5: Auckland Council (Parent) financial statements

Prospective statement of comprehensive revenue and expenditure

Auckland Council parent

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Revenue											
Rates	2,535,907	2,805,256	2,959,477	3,250,004	3,403,496	3,566,398	3,735,298	3,908,692	4,051,440	4,224,358	4,406,580
Fees and user charges	312,133	353,248	352,829	359,914	367,467	377,792	386,904	396,198	405,452	414,958	424,491
Grants and subsidies	79,615	443,020	297,839	290,287	324,149	315,921	339,528	213,188	86,693	142	(31,633)
Development and financial contributions	268,545	200,000	195,000	190,000	185,000	185,000	185,000	190,000	195,000	200,000	200,000
Other revenue	345,485	164,323	362,360	373,406	381,399	388,807	397,379	405,047	411,964	420,466	429,402
Vested assets	124,701	110,446	121,206	123,000	124,830	124,830	124,830	124,830	126,731	128,685	130,695
Finance revenue measured using effective interest method	34,879	34,576	33,896	33,208	32,590	31,832	29,877	29,140	29,140	29,140	29,141
Other finance revenue	151,434	176,595	200,532	225,051	252,171	278,247	308,670	338,434	363,302	374,149	377,083
Total revenue	**3,852,699**	**4,287,464**	**4,523,139**	**4,844,870**	**5,071,102**	**5,268,828**	**5,507,487**	**5,605,529**	**5,669,722**	**5,791,899**	**5,965,759**
Expenditure											
Employee benefits	661,845	723,580	742,705	756,742	770,053	789,232	807,950	827,586	848,808	864,735	884,301
Depreciation and amortisation	353,499	384,944	407,603	521,567	547,873	588,821	635,198	680,930	722,712	750,029	778,654
Grants, contributions and sponsorship	1,291,870	1,548,323	1,681,717	1,538,524	1,645,647	1,740,948	1,671,767	1,631,131	1,607,874	1,552,356	1,579,579
Other operating expenses	880,814	939,464	983,124	960,105	989,075	1,033,499	1,086,685	1,142,823	1,250,388	1,283,707	1,340,243
Finance costs	527,569	587,297	666,821	734,564	798,193	857,552	936,726	996,602	1,049,508	1,068,054	1,092,240
Total expenses	**3,715,597**	**4,183,607**	**4,481,970**	**4,511,502**	**4,750,841**	**5,010,053**	**5,138,327**	**5,279,073**	**5,479,290**	**5,518,880**	**5,675,016**
Operating surplus/ (deficit)	**137,102**	**103,858**	**41,169**	**333,369**	**320,262**	**258,775**	**369,160**	**326,456**	**190,432**	**273,019**	**290,742**
Other gains and losses	(26,785)	(14,005)									

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Share of surplus/ (loss) in associates and joint ventures	(9,408)	(1,557)	8,022	(70,110)	(69,833)	(69,833)	(69,833)	(69,833)	(69,667)	(69,498)	(69,326)
Operating surplus/ (deficit) before income tax	**100,909**	**88,295**	**49,191**	**263,258**	**250,429**	**188,941**	**299,327**	**256,623**	**120,765**	**203,520**	**221,416**
Income tax expense	0	0	0	0	0	0	0	0	0	0	0
Surplus/ (deficit) after income tax	**100,909**	**88,295**	**49,191**	**263,258**	**250,429**	**188,941**	**299,327**	**256,623**	**120,765**	**203,520**	**221,416**
Other comprehensive revenue											
Fair value movement on revaluation of financial assets held at fair value through other comprehensive revenue and expenditure											
Net gain on revaluation of property, plant and equipment	421,603	211,947	549,469	1,449,727	243,463	18,272	582,328	1,067,350	0	15,222	786,017
Total other comprehensive revenue	**421,603**	**211,947**	**549,469**	**1,449,727**	**243,463**	**18,272**	**582,328**	**1,067,350**	**0**	**15,222**	**786,017**
Total comprehensive revenue/ (expenditure)	**522,512**	**300,243**	**598,660**	**1,712,986**	**493,892**	**207,214**	**881,654**	**1,323,972**	**120,765**	**218,743**	**1,007,434**

Prospective statement of financial position

Auckland Council parent

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Assets											
Current assets											
Cash and cash equivalents	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Receivables and prepayments	546,477	431,574	455,257	489,765	513,017	532,776	556,864	564,200	567,916	579,878	599,236
Derivative financial instruments	1,008	110,160	110,160	110,160	110,160	110,160	110,160	110,160	110,160	110,160	110,160
Other financial assets	63,860	116,742	116,742	116,742	116,742	116,742	116,742	116,742	116,742	116,742	116,742
Inventories	19,512	323	329	336	342	349	356	363	370	378	385
Income tax receivable	0	0	0	0	0	0	0	0	0	0	0
Non-current assets held for sale	135,785	93,862	58,347	79,210	41,100	127,762	56,441	36,500	30,000	30,000	0
Total current assets	**846,642**	**832,660**	**820,836**	**876,213**	**861,362**	**967,789**	**920,563**	**907,966**	**905,189**	**917,158**	**906,523**
Non-current assets											
Receivables and prepayments	25,874	44,997	47,466	51,064	53,489	55,549	58,060	58,825	59,213	60,460	62,478
Derivative financial instruments	527,796	625,976	625,976	625,976	625,976	625,976	625,976	625,976	625,976	625,976	625,976
Other financial assets	5,168,002	7,787,670	8,277,431	8,811,121	9,360,483	9,891,642	10,428,280	10,891,539	11,101,724	11,102,228	11,077,164
Property, plant and equipment	21,998,901	22,165,840	23,423,830	25,403,817	26,243,540	26,793,522	27,997,837	29,558,192	29,929,747	30,250,901	31,329,094
Intangible assets	96,179	228,746	241,728	262,161	270,826	276,502	288,930	305,033	308,867	312,181	323,308
Investment property	593,110	519,778	519,778	519,778	519,778	519,778	519,778	519,778	519,778	519,778	519,778
Investments in subsidiaries	19,956,613	20,008,334	20,008,334	20,008,334	20,008,334	20,008,334	20,008,334	20,008,334	20,008,334	20,008,334	20,008,334
Investments in associates and joint ventures	1,921,247	2,103,043	2,226,174	2,216,990	2,138,807	2,060,625	1,982,443	1,904,260	1,826,077	1,747,892	1,669,706
Other non-current assets	4,838	4,166	5,039	5,929	6,838	7,764	8,709	9,673	10,637	11,601	12,565
Total non-current assets	50,292,560	53,488,550	55,375,756	57,905,170	59,228,071	60,239,692	61,918,348	63,881,611	64,390,352	64,639,351	65,628,403
Total assets	**51,139,202**	**54,321,210**	**56,196,591**	**58,781,382**	**60,089,433**	**61,207,481**	**62,838,911**	**64,789,576**	**65,295,541**	**65,556,509**	**66,534,926**
Liabilities											

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Current liabilities											
Payables and accruals	1,264,810	1,513,276	1,449,822	1,355,891	1,413,380	1,481,194	1,497,536	1,458,359	1,438,013	1,414,486	1,447,717
Employee entitlements	69,560	70,182	72,037	73,399	74,690	76,550	78,366	80,270	82,329	83,873	85,771
Borrowings	1,068,393	2,661,234	2,939,232	3,145,601	3,304,513	3,480,069	3,636,265	3,780,961	3,873,988	3,900,715	3,900,242
Derivative financial instruments	2,677	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060
Provisions	93,177	95,393	89,889	83,490	80,203	76,458	72,083	68,082	64,295	60,678	57,426
Total current liabilities	**2,498,617**	**4,342,144**	**4,553,041**	**4,660,440**	**4,874,846**	**5,116,330**	**5,286,310**	**5,389,731**	**5,460,685**	**5,461,813**	**5,493,216**
Non-current liabilities											
Payables and accruals	219,238	2,293,475	2,222,407	2,146,024	2,096,051	2,047,879	1,990,730	1,923,896	1,860,348	1,796,244	1,742,040
Employee entitlements	1,198	1,144	1,174	1,197	1,218	1,248	1,278	1,309	1,342	1,367	1,398
Borrowings	10,665,701	10,950,744	12,094,683	12,943,872	13,597,780	14,320,178	14,962,911	15,558,321	15,941,121	16,051,101	16,049,153
Derivative financial instruments	637,204	567,831	567,831	567,831	567,831	567,831	567,831	567,831	567,831	567,831	567,831
Provisions	167,324	152,903	145,826	137,404	133,201	128,295	122,477	117,141	112,103	107,299	103,000
Total non-current liabilities	**11,690,665**	**13,966,097**	**15,031,922**	**15,796,328**	**16,396,081**	**17,065,431**	**17,645,227**	**18,168,498**	**18,482,745**	**18,523,842**	**18,463,423**
Total liabilities	**14,189,282**	**18,308,241**	**19,584,962**	**20,456,768**	**21,270,927**	**22,181,761**	**22,931,537**	**23,558,230**	**23,943,430**	**23,985,655**	**23,956,639**
Net assets	**36,949,919**	**36,012,969**	**36,611,629**	**38,324,614**	**38,818,506**	**39,025,720**	**39,907,374**	**41,231,346**	**41,352,111**	**41,570,854**	**42,578,288**
Equity											
Contributed equity	26,538,778	26,538,778	26,538,778	26,538,778	26,538,778	26,538,778	26,538,778	26,538,778	26,538,778	26,538,778	26,538,778
Accumulated funds	1,081,025	1,462,137	1,554,822	1,816,938	2,044,892	2,200,928	2,461,975	2,683,048	2,772,665	2,939,832	3,116,745
Reserves	9,330,116	8,012,054	8,518,029	9,968,898	10,234,836	10,286,014	10,906,621	12,009,520	12,040,669	12,092,244	12,922,765
Total ratepayers equity	**36,949,919**	**36,012,969**	**36,611,629**	**38,324,614**	**38,818,506**	**39,025,720**	**39,907,374**	**41,231,346**	**41,352,111**	**41,570,854**	**42,578,288**
Minority interests	0	0	0	0	0	0	0	0	0	0	0
Total equity	**36,949,919**	**36,012,969**	**36,611,629**	**38,324,614**	**38,818,506**	**39,025,720**	**39,907,374**	**41,231,346**	**41,352,111**	**41,570,854**	**42,578,288**

Prospective statement of movement in equity

Auckland Council parent

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Contributed equity											
Opening balance	**26,538,778**	**26,538,778**	**26,538,778**	**26,538,778**	**26,538,778**	**26,538,778**	**26,538,778**	**26,538,778**	**26,538,778**	**26,538,778**	**26,538,778**
Surplus after income tax	0	0	0	0	0	0	0	0	0	0	0
Other comprehensive revenue	0	0	0	0	0	0	0	0	0	0	0
Total comprehensive revenue	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Transfer to/ (from) reserves	0	0	0	0	0	0	0	0	0	0	0
Balance as at 30 June	**26,538,778**	**26,538,778**	**26,538,778**	**26,538,778**	**26,538,778**	**26,538,778**	**26,538,778**	**26,538,778**	**26,538,778**	**26,538,778**	**26,538,778**
Accumulated funds											
Opening balance	**633,529**	**884,879**	**1,462,137**	**1,554,822**	**1,816,938**	**2,044,892**	**2,200,928**	**2,461,975**	**2,683,048**	**2,772,665**	**2,939,832**
Surplus/ (deficit) after income tax	100,909	88,295	49,191	263,258	250,429	188,941	299,327	256,623	120,765	203,520	221,416
Other comprehensive revenue	0	0	0	0	0	0	0	0	0	0	0
Total comprehensive expenditure	**100,909**	**88,295**	**49,191**	**263,258**	**250,429**	**188,941**	**299,327**	**256,623**	**120,765**	**203,520**	**221,416**
Transfer to/ (from) reserves	346,588	488,962	43,494	(1,142)	(22,474)	(32,906)	(38,280)	(35,549)	(31,148)	(36,353)	(44,503)
Balance as at 30 June	**1,081,025**	**1,462,137**	**1,554,822**	**1,816,938**	**2,044,892**	**2,200,928**	**2,461,975**	**2,683,048**	**2,772,665**	**2,939,832**	**3,116,745**
Reserves											
Opening balance	**9,255,100**	**8,289,069**	**8,012,054**	**8,518,029**	**9,968,898**	**10,234,836**	**10,286,014**	**10,906,621**	**12,009,520**	**12,040,669**	**12,092,244**
Surplus after income tax	0	0	0	0	0	0	0	0	0	0	0
Other comprehensive revenue	421,603	211,947	549,469	1,449,727	243,463	18,272	582,328	1,067,350	0	15,222	786,017
Total comprehensive revenue	**421,603**	**211,947**	**549,469**	**1,449,727**	**243,463**	**18,272**	**582,328**	**1,067,350**	**0**	**15,222**	**786,017**
Transfer to/ (from) reserves	(346,588)	(488,962)	(43,494)	1,142	22,474	32,906	38,280	35,549	31,148	36,353	44,503
Balance as at 30 June	**9,330,116**	**8,012,054**	**8,518,029**	**9,968,898**	**10,234,836**	**10,286,014**	**10,906,621**	**12,009,520**	**12,040,669**	**12,092,244**	**12,922,765**
Total equity											
Opening balance	**36,427,407**	**35,712,726**	**36,012,969**	**36,611,629**	**38,324,614**	**38,818,506**	**39,025,720**	**39,907,374**	**41,231,346**	**41,352,111**	**41,570,854**

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Surplus/ (deficit) after income tax	100,909	88,295	49,191	263,258	250,429	188,941	299,327	256,623	120,765	203,520	221,416
Other comprehensive revenue	421,603	211,947	549,469	1,449,727	243,463	18,272	582,328	1,067,350	0	15,222	786,017
Total comprehensive revenue/ (expenditure)	**522,512**	**300,243**	**598,660**	**1,712,986**	**493,892**	**207,214**	**881,654**	**1,323,972**	**120,765**	**218,743**	**1,007,434**
Transfer to/ (from) reserves	0	0	0	0	0	0	0	0	0	0	0
Balance as at 30 June	**36,949,919**	**36,012,969**	**36,611,629**	**38,324,614**	**38,818,506**	**39,025,720**	**39,907,374**	**41,231,346**	**41,352,111**	**41,570,854**	**42,578,288**

Prospective statement of cash flows

Auckland Council parent

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Cash flows from operating activities											
Receipts from rates revenue	2,535,907	2,805,256	2,959,477	3,250,004	3,403,496	3,566,398	3,735,298	3,908,692	4,051,440	4,224,358	4,406,580
Receipts from grants and other services	913,688	3,162,055	858,947	847,315	898,787	906,681	937,610	846,038	738,748	660,362	632,862
Interest received	186,313	211,171	234,428	258,258	284,761	310,079	338,547	367,574	392,443	403,290	406,224
Dividend received	66,539	70,407	269,947	275,370	280,991	286,444	292,006	297,679	303,809	309,717	315,918
Payments to suppliers and employees	(2,591,166)	(2,833,236)	(3,450,105)	(3,328,700)	(3,367,498)	(3,470,512)	(3,528,705)	(3,481,703)	(3,611,612)	(3,637,169)	(3,665,344)
Interest paid	(526,677)	(586,613)	(666,287)	(734,136)	(797,849)	(857,279)	(936,495)	(996,404)	(1,049,310)	(1,067,856)	(1,092,042)
Net cash from operating activities	**584,604**	**2,829,040**	**206,407**	**568,112**	**702,689**	**741,811**	**838,261**	**941,875**	**825,518**	**892,702**	**1,004,198**
Cash flows from investing activities											
Proceeds from Sale of other financial assets	866,039	1,386,521	0	0	0	0	0	0	0	0	0
Acquisition of other financial assets	(25,491)	(3,474,932)	(81,251)	(80,437)	(80,395)	(82,667)	(83,642)	(84,911)	(79,668)	(83,650)	(81,751)
Advances of loans to related parties	(441,567)	(479,751)	(454,161)	(505,932)	(446,316)	(469,435)	(480,092)	(551,803)	(256,807)	(15,170)	1,235
Sale of property, plant and equipment, investment property and intangible assets	114,207	148,474	93,862	58,347	79,210	41,100	127,762	56,441	36,500	30,000	30,000
Purchase of property, plant and equipment, investment property and intangible assets	(604,744)	(1,372,576)	(1,066,247)	(1,028,470)	(1,069,069)	(1,129,138)	(1,201,223)	(1,101,707)	(1,001,370)	(960,589)	(951,261)
Proceeds from community loan repayments	2,462	2,875	2,453	1,823	1,061	375	5	0	0	0	0
Investment in associates and joint ventures	(346,000)	(282,000)	(123,000)	(69,000)	0	0	0	0	0	0	0
Advances to external parties	0	0	0	0	0	0	0	0	0	0	0
Net cash from investing activities	**(435,094)**	**(4,071,389)**	**(1,628,345)**	**(1,623,669)**	**(1,515,509)**	**(1,639,764)**	**(1,637,191)**	**(1,681,981)**	**(1,301,345)**	**(1,029,409)**	**(1,001,777)**
Cash flows from financing activities											
Proceeds from borrowings	932,497	3,660,695	4,083,172	3,994,790	3,958,421	4,202,466	4,278,999	4,376,370	4,256,788	4,010,695	3,898,294
Repayment of borrowings	(1,082,006)	(2,418,346)	(2,661,234)	(2,939,232)	(3,145,601)	(3,304,513)	(3,480,069)	(3,636,265)	(3,780,961)	(3,873,988)	(3,900,715)
Net cash from financing activities	**(149,510)**	**1,242,349**	**1,421,938**	**1,055,557**	**812,820**	**897,953**	**798,930**	**740,106**	**475,827**	**136,707**	**(2,421)**

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Net increase/(decrease) in cash and cash equivalents and bank overdraft	**(0)**	**(0)**	**0**	**0**	**(0)**	**0**	**0**	**(0)**	**0**	**(0)**	**(0)**
Opening cash and cash equivalents and bank overdrafts	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Closing cash and cash equivalents and bank overdrafts	**80,000**	**80,000**	**80,000**	**80,000**	**80,000**	**80,000**	**80,000**	**80,000**	**80,000**	**80,000**	**80,000**

Note 6: Group depreciation and amortisation by group of activity

Financial year ending 30 June	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Roads and Footpaths	442,942	453,608	473,277	493,566	520,606	583,672	618,929	646,001	704,827	698,737	687,284
Public Transport and travel demand management	106,044	110,750	106,464	178,127	179,291	176,805	173,110	172,647	177,294	175,865	174,777
Wastewater	161,725	190,593	203,174	218,226	251,604	264,463	278,516	318,026	328,910	336,411	375,954
Water supply	128,365	145,413	151,441	159,816	183,317	190,653	198,541	226,975	239,010	251,091	286,021
Stormwater	91,466	104,752	115,053	129,365	144,023	157,733	172,268	184,133	187,816	191,572	195,403
Local Council Services	11,256	17,213	24,228	33,226	45,203	59,580	76,608	95,690	100,822	106,230	111,931
Regionally delivered council services	271,943	283,891	242,500	253,249	249,798	259,402	271,898	284,061	315,091	331,210	348,168
Council controlled services	78,707	80,050	84,366	87,616	91,292	94,806	96,825	98,703	99,854	101,038	102,587
	1,292,448	**1,386,270**	**1,400,502**	**1,553,191**	**1,665,133**	**1,787,114**	**1,886,694**	**2,026,235**	**2,153,624**	**2,192,156**	**2,282,124**

Groups of Activities

Overview

Groups of Activities (GOA or GOAs) are activities that are provided by council and comprise its service delivery. There are eight GOAs which are defined by the Local Government Act (LGA) and by the council and these are aligned to the Auckland Plan outcomes.

- Roads and footpaths
- Public transport and travel demand management
- Water supply
- Wastewater
- Stormwater management
- Local council services
- Regionally delivered council services
- Council-controlled services

Each GOA contains the following information:

- **Statement of service provision**. A summary is presented in Table 1 under the services we are providing heading below.
- **Key activities and key projects** which are included in the central proposal of the consultation document.
- **Things we are keeping an eye** on which discusses the significant effects the GOA may have on the social, economic, environmental, and cultural well-being of local community. A summary is presented in Table 2
- **Financial information.** A summary is presented in Table 3 under the Summary of revenue and expenditure by group of activity.
- **Funding Impact Statement**
- **Service performance measures** with annual targets/baselines, which are based on the central proposal and are aligned to the statement of service provision. They will enable you to assess the level of service for major aspects of the groups of activities (part of legislative requirements).

GOA Trade-off Choices

The council is taking an options and trade-offs approach to this LTP consultation. This means that while a central budget has been proposed, we are also consulting on a range of options to **pay more, get more** or **pay less, get less.**

Each GOA contains a table of the **trade-off choices** for ‘pay less, get less’ and ‘pay more, get more’ scenarios, including a list of potential impacts of changes to the service levels, finance impacts and the implementation risks.

Services we are providing

Table 1 - Overview of Groups of activities by themes (or council services)

Themes	Group of activity	Statements of service provision
Transport	Roads and footpaths	• Provide safe local roads, footpaths and cycle ways for pedestrians, cyclists, public transport users and drivers
	Public transport and travel demand management	• Provide public transport services and infrastructure
Water	Water supply	• Provide reliable supply of safe water
	Wastewater treatment and disposal	• Collect and treat wastewater
	Stormwater management	• Manage stormwater network to minimise risks of flooding
Community and parks	Regionally delivered council services	• Protect and provide access to distinctive and unique environments through regional parks • Provide urban green spaces (local parks, paths and ngahere) and access to the coast • Enable a range of choices to access community services and recreation opportunities
	Local council services	
City centre and local development	Regionally delivered council services	• Provide enabling infrastructure (Transport and three waters) and ensure quality of vested assets • Transform City Centre and regenerate urban centres in locations with significant land holdings
	Council controlled services	
Environment and regulation	Regionally delivered council services	• Integrate land use and infrastructure planning and regulate development through consenting process • Regulate activities to safeguard public health and safety • Manage the collection and processing of household waste and minimise waste to landfill • Protect, improve and minimise risks to the natural environments and cultural heritage • Provide opportunities for communities to lead and deliver their own initiatives
	Local council services	
Economic and cultural development	Council controlled services	• Provide access to regional facilities • Facilitate economic development opportunities and promote Auckland as a destination
Well-managed local Government/Council support	Regionally delivered council services	• Lead council group response to partnership and participation of Māori in decision making and deliver Māori outcomes • Support effective governance, provide quality advice and advocate for Auckland's interests • Provide leadership in building resilience and responding to emergency and lead recovery
	Local council services	

Themes	Group of activity	Statements of service provision
		• Engage with Aucklanders to have their say, participate in decision-making and stay informed • Operate a fit-for-purpose organisation and make it easy to get things done with council • Manage long-term finances sustainably and maximise returns on council's investment

Things we are keeping an eye on

The GoA information in the LTP is required to outline any significant negative effects that any activity within the GoA may have on the social, economic, environmental, and cultural well-being of local community (clause 2(1)(c) of Schedule 10 of the Local Government Act 2002).

Table 2 - Outline of significant effects of the groups of activity

Groups of activities	Things we are keeping an eye on (Significant negative impacts)
Roads and footpaths **Public transport and travel demand management**	
Health and safety of road users • Reducing injuries on the city's roads by improving road designs to make roads and footpaths safer for all users. • Reducing speed limits on rural roads and most inner-city roads to reduce the impact of accidents.	**Impacts on the environment** • Managing run-off and discharges of pollutants and sediments to the receiving environment with adequate environmental controls. AT monitors work sites using purpose-designed traffic management systems to minimise the environmental impact of this work and reduce disruption to Aucklanders. We also keep residents informed about the work being done.
Disruption to road users, residents and businesses due to road works • Reducing travel disruptions through public information campaigns, schedule changes, traffic management systems and alternative public transport services, and keeping affected residents and businesses informed about the work being done.	**Carbon emissions and impacts of climate change** • Operating the public transport system, building and maintaining roads can cause carbon emissions. We provide safe, reliable and frequent public transport to reduce the need for light vehicle trips. • The changing climate might accelerate wear and tear of our roading infrastructure. More frequent and extreme weather events mean more regular maintenance to minimise blockages.
Water supply **Wastewater treatment and disposal** **Stormwater management**	
Impacts on the environment • Ensuring sustainable consumption of water and managing discharges to the receiving environments, by meeting relevant standards and requirements which reduce the overall environmental impact of three water services.	**Carbon emissions and impacts of climate change** • Building, operating and maintaining the water infrastructure can cause carbon emissions. The changing climate means that we are more exposed to changing weather patterns such as drought and more frequent/ severe events that put pressure on water infrastructure and ability to deliver services to our communities.

<table>
<tr><th>Groups of activities</th><th colspan="2">Things we are keeping an eye on (Significant negative impacts)</th></tr>
<tr><td colspan="2">Health and safety for the public
• Ensuring drinking water are safe for consumption, minimising the risks for wastewater overflows, and managing the conveyance of stormwater to protect public safety and minimise damages to properties.</td><td>Central Government Policy Programme
• As part of its 100-day plan the government has repealed the Three Waters legislation. This means the council will still own and control water assets and continue to deliver water services.</td></tr>
<tr><td colspan="3">Regionally delivered council services
Local council services</td></tr>
<tr><td colspan="2">Services not accessible/excluding some communities
• Ensuring services adequately consider and address the diverse needs of our community by removing barriers through service design.
• Providing options to access services not limited to physical access and ensuring the local community needs and voices are heard.</td><td>Carbon emissions and impacts of climate change
• Directing growth and development away from areas vulnerable to climate change and integrating land-use and infrastructure planning to minimise emissions.
• Building, operating and maintaining the community infrastructure can cause carbon emissions. Our park network plays a vital role for stormwater conveyance and provide cooling for hot days. The changing climate means that we are more exposed to changing weather patterns such as drought and more frequent/ severe events that put pressure on community infrastructure and ability to deliver services to our communities.</td></tr>
<tr><td colspan="2">Impacts on the environment
• Minimising environmental impacts of land-use activities by ensuring our planning and regulatory levers are working effectively.
• Protecting our significant environments by managing pests, enhancing biodiversity, encouraging communities-led actions, minimising waste to landfill and monitoring the state of the environment.</td><td>Central Government Policy Programme
• Decisions on Resource Management, Freshwater management, Climate, Natural Hazards and any other reform will potentially impact on compliance requirements with council’s planning and regulatory rules.</td></tr>
<tr><td colspan="3">Council-controlled services</td></tr>
<tr><td colspan="3">Carbon emissions and impacts of climate change
• Managing and minimising the embedded emissions in operating and maintenance of regional facilities, and creating the need for infrastructure to support growth and development in strategic locations.</td></tr>
</table>

Summary of revenue and expenditure by group of activity

Group of Activity	Activity	Non-rates revenue	Direct operating expenditure	Capital investment
Roads and footpaths (GoA)	Roads and footpaths	1,121,096	2,463,991	9,002,369
Public transport & travel demand management (GoA)	Public transport and travel demand management	10,377,799	14,516,084	5,746,868
Water supply (GoA)	Water supply	6,405,461	1,806,737	7,237,710
Wastewater GoA)	Wastewater	11,665,800	2,713,990	6,629,997
Stormwater (GoA)	Stormwater management	26,542	1,145,514	3,301,526
Local council services	Local community services	565,323	3,841,660	2,657,172
	Local environmental management	-	58,094	168,126
	Local governance	-	262,072	-
	Local planning	-	269,043	19
Council delivered services (GoA)	Auckland emergency management	-	115,388	7,969
	Investment	362,944	212,398	44,000
	Environmental services	14,730	613,680	5,766
	Regional community services	549,081	3,967,152	1,587,642
	Regional governance	25,545	495,270	-
	Regional planning	55,851	990,929	348,806
	Waste services	332,602	2,504,766	338,504
	Third party amenity and grant	-	857,762	-
	Organisational support	53,196	2,619,829	753,773
	Regulatory services	2,869,747	2,599,684	18,557
Council controlled services (GoA)	Development Auckland	108,460	395,334	-
	Property Development	437,936	333,148	897,400
	Regional facilities	718,912	1,252,710	575,617
	Economic development and destination	428,204	809,976	-
Grand Total		**36,119,229**	**44,845,210**	**39,321,821**

Direct operating expenditure does not include interest and depreciation.

Roads and footpaths

Auckland Transport (AT) is a council-controlled organisation that manages, maintains and develops most of Auckland's transport infrastructure and services, except for state highways and rail corridors.

AT operates and maintains Auckland's roads, streets, and footpaths, and develops the road and footpath network to support Auckland Council's priorities. Priorities include managing congestion, reducing emissions, improving safety, cycling, and travel times – especially for public transport. While many AT projects fall into the 'roads' category, in many cases these projects are supporting mode shift and may not be focused on increasing general traffic capacity. Overall, a well-performing network improves wellbeing and helps build a stronger economy.

Key activities: Roads and footpaths

Maintain the network

We must make the best use of the existing network by maintaining and renewing existing assets so that we can support Aucklanders and our growing city with a safe, reliable and efficient transport network. In recent years the level of transport asset renewals has fallen behind what is required to support the right level of service and avoid higher whole of life costs. A key priority for Council is increasing the amount we invest in renewals to ensure AT's Asset Management Plan is fully funded (subject to government support) and our transport infrastructure is safe and fit for purpose.

We design, build, and manage our local and arterial roads, cycleways, footpaths, and shared paths to improve safety and traffic flow, and to minimise congestion. We manage roading infrastructure, maintain surface quality and road markings, street lighting, traffic signals, intersection optimisation, incident response and road safety initiatives.

We plan to minimise emissions, protect the environment and find the balance for the needs of all road users. We monitor work sites with traffic management systems to minimise the environmental impact of this work and reduce disruption to Aucklanders and inform residents about the work being done.

Road Safety

Safety is a top priority for AT and we are continuing to work on reducing injuries on the city's roads. Too many people die or are seriously injured on our roads. We are continuously improving the design to make roads and paths safer for all users. We have also reduced the speed limits on many rural roads and most inner-city roads to prevent accidents and to reduce the impact in situations when accidents do occur.

Resilience

The changing climate might accelerate damage to roading infrastructure. Flood events and other disruptions may become more frequent with climate change. More frequent and extreme weather events mean more repairs and planning (design) to prevent damage.

Optimise and Develop

Auckland has an extensive transport network. Optimising the network we have, and deploying technology to improve movement in corridors for all traffic is an important focus to support growth and reduce emissions, especially for public transport and freight.

AT builds new infrastructure where it is necessary and considered a priority to help facilitate urban regeneration, deliver transport choices, and encourage cycling and walking.

We will also undertake limited work to support investment in priority housing areas, including $866 million of transport investment for the Auckland Housing Programme areas supported by the Housing Acceleration Fund.

Things we are keeping an eye on: Roads and footpaths

Safety is a top priority for AT and we are continuing to work on reducing injuries on the city's roads. To this end, we are improving road designs to make roads and footpaths safer for all users and reducing speed limits on rural roads and most inner-city roads to reduce the impact of accidents.

The changing climate might accelerate wear and tear of our roading infrastructure. More frequent and extreme weather events mean more regular maintenance to minimise blockages. Looking after our environment and minimising emissions and other impacts of climate change are also priorities. Building and maintaining roads and footpaths causes carbon emissions and run-off sediments, so AT monitors work sites using purpose-designed traffic management systems to minimise the environmental impact of this work and reduce disruption to Aucklanders. We also keep residents informed about the work being done.

Key projects: Roads and footpaths

Improving safety and efficiency for Auckland's transport network.

The proposed capital spend of $13.4 billion would include programmes for both groups of activities (Roads and footpaths and Public transport and travel demand) delivered by Auckland Transport. Over the next 10 years, Auckland Transport will:

Maintain the network

- We have allocated a budget of $5.5 billion for road renewals, including resealing roads to maintain the condition and safety of the network. The level of investment may change depending on the level of government funding that is available.
- Invest in the unsealed roads improvements programme ($124 million)
- Network management and operations by working with partners to manage incidents and planned events on our transport network.

Road Safety

- Vision Zero for Tāmaki Makaurau Transport Safety Strategy 2030 which aims for a safe transport network, free from death and serious injuries on Auckland's roads by 2050
- Delivering safety improvements to high-risk roads and intersections, including improved signage, surface treatments, road markings and lighting
- Other safety improvement projects include the:
    - pedestrian programme which includes slowing the speed of vehicles at zebra crossings
    - safe speeds programme to address our commitment to safer speed limits on Auckland roads

- road safety behaviour change initiatives aim to raise road safety awareness by working alongside the NZ Police and our work with many community groups. It also includes promoting safe driving and road safety promotion for cyclists and pedestrians.
- school safety projects that are committed to increased safety outside schools, help reduce congestion and create a safer space for parents and children as they walk, cycle and catch public transport to school.

Resilience

- Develop and implement the unsealed road improvement framework, supporting innovative and low-cost techniques to treat a wide range of issues occurring on Auckland's unsealed roads.
- Flood recovery and other works in various locations across Auckland

Optimise and Develop

- Invest in optimising the transport network and use of dynamic lanes to reduce congestion ($400 million)
- Remove the level crossings including those to make the most of CRL to allow quick and easy access to town centres ($190 million)
- Investment in cycling will be focussed on completing existing projects and delivering lower cost cycleways
- Road corridor improvements for Carrington Road, Lake Road, Glenvar/East Coast Road intersection and Hill Street intersection.
- Network capacity and performance improvements to improve the movement of people and goods around Auckland including:
  - Optimisation of traffic lights and investment in Intelligent Transport Systems
  - Physical improvements to enhance people movement capacity, general traffic flow and safety
  - Transit lanes and targeted freight movement improvements on the freight network.

Some projects that were included in the previous LTP 2021 are no longer affordable in the proposed LTP:

- Improvements to Lincoln Road, New North Road, Smales Allens Roads
- Some city centre improvements for bus services/reliability and access for everyone
- Some localised initiatives – with some possibly now deliverable via other programmes
- Significant reductions to infrastructure projects supporting housing priority areas

Regional Fuel Tax

On 8 February 2024, the government announced the cancellation of the regional fuel tax (RFT) resulting in a $600 million reduction in available funding under the central proposal. Projects will need to be re-scoped, deferred or stopped as a result. Auckland Transport will need to undertake a detailed reprioritisation of its capital programme, which will also need to consider changes in government transport policy.

Additionally, with the removal of the RFT and resulting funding impacts, all of AT's performance measures targets are subject to be lowered. AT will continue to work through these impacts and update as soon as possible.

Trade-offs: Pay less, get less

Table 3 - Trade-offs - Get less

What changes	
Service levels	**Financial Impacts and implementation risks**
Capital expenditure (Capex) - Investment reduction in overall transport programme by $2.4 billion over the 10 years, delivering a smaller $11 billion total capital programme for Auckland Transport.	
At this level of investment, no commencement of big new projects in the near future and the programme would be significantly reduced with many projects removed including: • 50 per cent reduction in the local board transport capital fund and cycleways • Around 50 per cent reduction in cycleway programme implementation • Removal of Glenvar and Lake Road improvements • Removal of network resilience and some adaptation projects • Removal of Takanini level crossings and some other rail improvements • Removal of investment in support for priority housing growth areas	Lower borrowing and consequential operating costs such as interest, running costs maintenance and depreciation which are funded through rates.
Operating expense (Opex) - No increase in the level of Auckland Council operating funding from the 2023/2024 levels	
A lower level of operating funding would impact the ability to continue to deliver the same level of services. While the key impacts of this reduction would be felt in the Public Transport and Travel Demand Management activity, it would have some impacts on the Roads and footpaths activity and AT may need to revisit road maintenance and safety programmes	Lower Auckland Council funding requirements

Trade-offs: Pay more, get more

Table 4 - Trade-offs - Get more

What changes	
Service levels	**Financial Impacts and implementation risks**
Capital expenditure (Capex)- Additional $10.6 billion investment in transport projects with a $24 billion total capital programme for Auckland Transport over the LTP.	
The additional investment would fund many additional programmes and projects including: • Lincoln and New North Road corridor upgrades	Higher borrowing and consequential operating costs such as interest, running costs maintenance and depreciation which are funded through rates.

• Airport to Botany busway (Stage 3 and 4) and future integration works for rapid transit network mega projects • more investment in residential speed management and road safety programmes • further removal of rail crossings to ensure the benefits from the City Rail Link investment are realized • The URIP could be accelerated or increased compared to the central scenario which has a lower level of investment planed in the first two years of around $6 million per annum.	Increased uncertainty and risks with regards to central government co-funding and ability to deliver a much larger capital programme.
Operating expenditure (Opex) – provide a higher level of council funding paid for through higher general rates.	
While the key impacts of this increase would be felt in the Public Transport and Travel Demand Management activity it would have some impacts on the Roads & Footpaths activity and the higher funding would enable AT to revisit road maintenance and safety programmes	A $131 million increase in the level of Auckland Council operating funding to Auckland Transport for the 2024/2025 from the 2023/24 levels, mostly supporting higher costs in the Public transport and travel demand management activity.

Key performance measures: Roads and footpaths

Table 5 - Roads and Footpaths: Level of Service and Performance measures

Performance measure	**Notes / Reference**	**Actual (Result)**	**Target**	**Indicative Long-term Plan Targets**			
		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027-2034
1. Provide safe local roads, footpaths and cycle ways for pedestrians, cyclists, public transport users and drivers							
Deaths and serious injuries on the road network	New	649	No more than 640	616	591	567	542
The change from the previous financial year in the number of deaths and serious injuries on the local road network, expressed as a number	1.1	January to December 2022: 510 DSI crashes	Reduce by 9	Reduce by 24	Reduce by 25	Reduce by 24	Reduce by 25
The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	DIA measure – Does not have a target. Further information is provided by above measure						
Average AM peak period lane productivity across 32 monitored arterial routes	1.2	27,882	28,000	30,000	32,000	32,000	32,000

Proportion of the level 1A and 1B freight network operating at Level of Service C or better during the inter-peak	1.3	87%	85%	85%	85%	85%	85%
Number of cycle movements past 26 selected count sites	1.4	3.043m	3.12m	3.20m	3.28m	3.36m	3.44m
Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all sealed rural roads	1.5	92%	92%	92%	92%	92%	92%
Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all sealed urban roads	1.5	84%	81%	81%	81%	81%	81%
The average quality of ride on a sealed local road network, measured by smooth travel exposure	DIA measure – Does not have a target. Further information is provided by above two measures						
Percentage of the sealed local road network that is resurfaced	n/a	4.60%	6.00%	6.50%	7.00%	7.50%	7.50%
Percentage of footpaths in acceptable condition	1.6	98%	95%	95%	95%	95%	95%
Proportion of road assets in acceptable condition	1.6	78%	85%	85%	85%	85%	85%
Percentage of customer service requests relating to roads and footpaths which receive a response within specific timeframes	1.7	95%	95%	95%	95%	95%	95%

Table 6 - Roads and Footpaths: Additional notes to Performance measures table

References	To be read in conjunction with table “Performance measure” above
1.1	The reduction targets are aligned to achieving the Vision Zero for Tāmaki Makaurau target of a 60% reduction on 2017 numbers by 2027 *The target trajectory for future years reflects the 10-year target for Deaths and Serious Injuries as set out in ATAP and endorsed by the 10-year budget and RLTP. The 12-month total (January to December) number of deaths and serious injuries on local roads are according to NZ Transport Agency’s Crash Analysis system.*
1.2	Road productivity is a measure of the efficiency of the road in moving people during the peak hour. It is measured as the product of number of motorised vehicles (cars, buses, and trucks), their average journey speed and average vehicular occupancy per lane in one hour. It is measured across 32 arterial routes. These routes comprise all Primary Arterials of the Road Network, as defined in the One Network Road Classification (ONRC). The monitored arterial routes are defined in the Auckland Transport 2019 Statement of Intent Route Productivity map. These targets assume bus patronage will return to pre-COVID-19 levels. Road productivity is a measure of the efficiency of the road in moving people during the AM peak hour and is measured in people-km/hour/lane.
1.3	The monitored freight network is the Future Connect Strategic Freight Network. The monitored freight network is defined in the Auckland Transport 2019 Statement of Intent Freight Network map. Level of Service measured by median speed as a % of the posted speed limit. LoS C or better = >50%.
1.4	Auckland Transport uses the following sites to monitor cycle movements: Beach Road, Curran Street, East Coast Road, Grafton Bridge, Grafton Gully, Grafton Road, Great South Road, Highbrook shared path, Hopetoun Street, Karangahape Road, Lagoon Drive, Lake Road, Lightpath, Māngere Bridge, Northwestern cycleway – Kingsland, Northwestern cycleway – Te Atatū, Orewa shared path, Quay Street (Spark Arena), SH20 shared path (near Dominion Road), Symonds Street, Tāmaki Drive (both sides of the road), Te Wero Bridge (Wynyard Quarter), Twin Streams shared path, Upper Harbour Drive, Upper Queen Street, Victoria

	Street West. Note: some trips may be counted more than once across the cycle network. Micromobility devices are not captured at our count sites.
1.5	Smooth Travel Exposure (STE) is a customer outcome measure indicating ‘ride quality’. It is an indication of the percentage of vehicle kilometres travelled on a road network with roughness below a defined upper threshold level. The threshold varies depending on the traffic volume band and urban/rural environment of the road
1.6	As defined in the Auckland Transport's Asset Management plans.
1.7	Specified time frames are defined in Auckland Transport's customer service standards; one hour for emergencies, two days for incident investigation as a high priority, and three days for an incident investigation as a normal priority.

Prospective Financial Information

Activity	Operating cost and revenue $000 Financial year ending 30 June	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28-2033/34	10-years Total
Roads and footpaths	Non-rates revenue	101,210	100,494	102,411	107,848	810,342	1,121,096
	Direct operating expenditure	210,316	218,536	222,834	234,706	1,787,914	2,463,991
	Capital expenditure	618,835	675,405	913,325	839,525	6,574,114	9,002,369

*Direct operating expenditure does not include interest and depreciation

Prospective Funding Impact Statement

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Sources of operating funding:											
General rates, UAGCs, rates penalties	378,622	411,930	441,151	445,581	477,770	521,882	552,083	574,477	616,972	621,433	626,771
Targeted rates	1,963	1,763	1,791	1,821	1,855	40	40	40	40	40	40
Subsidies and grants for operating purposes	77,139	76,364	77,967	83,069	82,812	85,138	87,459	89,817	92,057	94,286	96,696
Fees and charges	6,432	6,592	6,751	6,919	7,079	7,234	7,386	7,541	7,692	7,846	8,004
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	98,639	17,538	17,693	17,860	18,016	18,170	18,319	18,472	18,620	18,772	18,926
Total operating funding	**562,795**	**514,187**	**545,352**	**555,250**	**587,531**	**632,463**	**665,287**	**690,348**	**735,382**	**742,377**	**750,437**
Applications of operating funding:											
Payment to staff and suppliers	210,316	218,536	222,834	234,706	235,509	242,127	248,871	255,393	261,971	268,552	275,491
Finance costs	77,037	84,576	89,785	95,134	101,357	108,236	118,945	126,868	134,140	138,617	146,674
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	**287,353**	**303,113**	**312,619**	**329,841**	**336,866**	**350,363**	**367,816**	**382,261**	**396,112**	**407,170**	**422,165**
Surplus (deficit) of operating funding	275,441	211,074	232,733	225,410	250,666	282,101	297,471	308,086	339,270	335,207	328,272
Sources of capital funding:											
Subsidies and grants for capital expenditure	292,559	394,705	526,579	488,294	513,676	591,355	575,658	501,586	465,505	441,056	436,001
Development and financial contributions	44,173	32,754	32,028	30,463	29,794	29,776	29,678	30,529	31,333	32,136	32,136
Increase (decrease) in debt	6,661	36,873	121,985	95,359	73,114	130,658	110,557	99,845	75,911	93,234	109,503
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**343,393**	**464,332**	**680,592**	**614,115**	**616,584**	**751,789**	**715,893**	**631,961**	**572,749**	**566,426**	**577,640**
Application of capital funding:											
Capital expenditure:											
- to meet additional demand	186,536	155,528	227,621	228,202	239,845	228,895	213,758	168,911	139,559	117,129	103,303
- to improve the level of service	64,992	161,560	222,754	60,070	60,028	217,987	194,999	149,756	129,048	121,479	114,869
- to replace existing assets	367,306	358,317	462,950	551,254	567,377	587,007	604,607	621,380	643,412	663,025	687,739
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	**618,835**	**675,405**	**913,325**	**839,525**	**867,250**	**1,033,890**	**1,013,364**	**940,047**	**912,019**	**901,633**	**905,911**
Surplus (deficit) of capital funding	**(275,441)**	**(211,074)**	**(232,733)**	**(225,410)**	**(250,666)**	**(282,101)**	**(297,471)**	**(308,086)**	**(339,270)**	**(335,207)**	**(328,272)**
Funding balance	-	-	-	-	-	-	-	-	-	-	-

Public transport and travel demand management

Auckland Transport (AT) manages, maintains and develops the Auckland public transport network, comprising the rail, bus and ferry networks.

AT operates and develops the public transport network and invests to make it easier and more reliable for more people to use public transport and active modes, to make travelling around Auckland more efficient, convenient and sustainable. The goal is to move people quickly and reliably around the city, switching easily from one mode of transport to another. AT also works to improve people's overall experience when moving around and delivering goods and services on Auckland's transport network.

AT provides safe, reliable and frequent public transport to reduce the need for light vehicle trips that account for one third of Auckland's total emissions (refer to the Auckland's Greenhouse Gas emissions statistics - Transport Breakdown for 2016). AT works hard to minimise any environmental impacts and travel disruptions to public transport and seeks to minimise environmental impacts by building a sustainable transport network that reduces carbon emissions.

The council will also continue its significant investment in the City Rail Link (CRL).

Key activities: Public transport and travel demand management

Rapid and Frequent Transit

- High quality, rapid transit services (bus and rail) that bypass congestion and allow people a quick and easy access to town centres and work locations across the city and between sub-regions.
- Our largest rapid transit development is the City Rail Link. This will double the capacity of the rail network and deliver transport benefits across the whole of Auckland. Over the next ten years, patronage on the rail network is expected to continue to grow as the network becomes more convenient to more people.
- With an increasing population and demand for travel across the region, congestion is increasingly affecting travel plans for Aucklanders. Expanding public transport usage with a rapid and frequent transit network will give Aucklanders travel choices that are faster and avoid congestion with dedicated lanes/corridors (such as the rail system or busways) and bus priority lanes. More road space allocated to public transport, cycling and walking provides customers with a more reliable journey.
- As Auckland accommodates more growth, developments in both existing urban areas and 'greenfield' growth areas will require an expanded and improved transport network to support the new housing and business opportunities. The transport network will be designed for an increased use of rapid and frequent public transport and active modes. This will also help to reduce emissions from the transport network as we transition from diesel to electric and hydrogen buses.

Public transport

- Public transport contributes significantly to the quality of life of Aucklanders by increasing genuine and flexible travel choices for a healthy, vibrant, and equitable Auckland. Public transport, in tandem with walking and cycling, has strong potential to become the preferred travel choice for many more Aucklanders. While we have made significant improvements to the public transport systems across Auckland, there are still many more improvements that need to be made to improve the speed and reliability of public transport and reduce Auckland's emissions.

Cycling and Walking

- Cycling and walking (active modes) have many benefits, both for the people who use these modes, and to others through reduced emissions and road congestion. We are expanding the cycleway network to cover more of the city, add connections between the key existing cycleways, and provide improving experience and safety to cyclists. We are also improving footpath and walking connections, especially in the city centre.

Parking

- AT provides parking buildings in the city centre, Park-and-Ride facilities and some major stations, and parking management services across the city. Parking is an important part of a vehicle network, and often an important part of decisions to drive vehicles instead of using public transport or active modes. This is especially true in city and town centres where many journeys are for regular commuting. Parking capacity and pricing can influence travel choices, public transport patronage and congestion on the road network.
- Park and Ride facilities located at the right locations can effectively increase public transport patronage, provide emission and decongestion benefits, and improve accessibility for commuters who are not well served by public transport feeder services.

Things we are keeping an eye on: Public transport and travel demand management

Works on the public transport network can create emissions and run-off sediments and disrupt commuter travel. We seek to minimise environmental impacts by building a sustainable transport network that reduces carbon emissions and by ensuring adequate sediment controls are in place.

Auckland Transport provides safe, reliable and frequent public transport to reduce the need for light vehicle trips that account for one third of Auckland's total emissions*. We mitigate disruptions through public information campaigns, schedule changes, traffic management systems and alternative public transport services. These measures also keep work areas safe.
* Per Auckland's Greenhouse Gas emissions statistics - Transport Breakdown for 2016.

Key projects: Public transport and travel demand management

Accelerating better travel choice for Aucklanders.

Over the next 10 years, Auckland Transport will:

Rapid and Frequent Transit:

- Finish existing rapid transit network projects including CRL and Eastern Busway. The Eastern busway project will mean faster, reliable connected transport options for communities in east and south Auckland.
- City centre projects including projects to support the City Rail Link and to expand the electric trains fleet.
- Bus, rail, and ferry network improvements which also includes faster and more reliable services.
  - Bus and trains station improvements, including new bus stations at Rosedale and Whangaparaoa.

Public Transport

- Zero emissions bus fleet – we have stopped adding diesel buses to our fleet (from 2021), and we work with central government to make 50 per cent of our bus fleet electric or hydrogen vehicles by 2030
- enable payment for standard adult public transport fares with Apple and Google Pay, debit cards and most credit cards in addition to the current HOP card, and transition to the National Ticketing Solution (NTS)
- Introduce a $50 weekly public transport pass.

Cycling and Walking

- New cycleways and shared paths to provide a more connected network.
- Investigate the feasibility of a low-cost bike ferry connecting Northcote and the city centre
- Delivering new and improved footpaths across Auckland

Parking and Time-of-use charging

- Developing a 'time-of-use' pricing scheme to help manage traffic congestion.
- Developing the 'Room to move' programme to review parking in critical areas. This is expected to include increasing the number of paid parking areas and charging for some Park & Rides
- Continue delivering initiatives to improve parking outcomes across Auckland.

Current Challenges

To meet the current cost challenges and support delivery of the proposed initiatives, we will need to:

- Remove or reduce lower performing bus services
- delaying paying the full requested increase in KiwiRail track maintenance costs
- Introduce higher fares for more expensive Ferry services
- Increase the number of paid parking areas and start charging for some Park & Rides
- Expand the type of infringement issued to vehicles incorrectly using Special Vehicle Lanes (to include expired Warrant of Fitness (WoF) and registrations).

Regional Fuel Tax

On 8 February 2024, the government announced the cancellation of the regional fuel tax (RFT) resulting in a $600 million reduction in available funding under the central proposal. Projects will need to be re-scoped, deferred or stopped as a result. Auckland Transport will need to undertake a detailed reprioritisation of its capital programme, which will also need to consider changes in government transport policy.

Additionally, with the removal of the RFT and resulting funding impacts, all of AT's performance measures targets are subject to be reviewed. AT will continue to work through these impacts and update as soon as possible.

Trade- offs: Pay less, get less

Table 7 - Trade-offs - Get less

<table>
<tr><th colspan="2">What changes</th></tr>
<tr><th>Service levels</th><th>Financial Impacts and implementation risks</th></tr>
<tr><td colspan="2">Investment reduction in transport by $2.4 billion over the 10 years, delivering an $11 billion total capital programme for Auckland Transport over the LTP.</td></tr>
<tr><td>At this level of investment, no commencement of big new projects in the near future and the programme would be significantly reduced with many projects removed including:
investment in Ferries (stage 2A) and ferry wharves (Pine Harbour and Bayswater) removed, could have flow on operational impacts
removal of Downtown crossover bus stages 2-3
removal of bus charging and some supporting infrastructure (layovers and depots) (could be some operating impacts)
removal of Eastern Busway stage 4 removed
removal of future rapid transit network (RTN) investigations and Northern busway growth
removal of RTN access, Park-and-ride and wayfinding improvements
reduced investment in ferries and ferry wharf facilities,
no support for key housing areas
only modest contribution to mode shift and Transport Emission Reduction Pathway targets
reduced investment in bus transit lane improvements</td><td>Reduction in capital funding through removal of projects and some flow on impact on operating costs.

Implementation risks
An impact of these service levels is that we may not reach the 167 million PT trips proposed by 2034.</td></tr>
<tr><td colspan="2">No increase in the level of Auckland Council operating funding from the 2023/2024 levels</td></tr>
<tr><td>This would severely impact the ability to continue to deliver the same level of public transport services, impacting patronage growth and climate outcomes. AT would need to make further changes including:
Remove or reduce around 20-25% of existing bus service costs
Further delay the introduction of new bus services
Review and optimise ferry services with low fare box recovery
Stop the roll-out of low emission buses
Remove the council funded extension of the SuperGold subsidy programme for afternoon peak services e.g. 3.00pm to 6.30pm</td><td>Further reduction in Auckland council funding provided to Auckland Transport.

Implementation risks
Proposal will have a significant impact on customers and broader community who regularly use public transport and may require discussion with central government agencies.</td></tr>
</table>

Trade-offs: Pay more, get more

Table 8 - Trade-offs - Get more

What changes	
Service levels	**Financial Impacts and implementation risks**
Additional $10.6 billion investment in transport projects with a $24 billion total capital programme for Auckland Transport over the LTP.	
The additional investment would fund many more projects including: • Rail tranche 4 – rolling stock and stabling/depots • Rail crossings at Takanini (group 2) and other groups • Additional decarbonisation of ferries • Rail station upgrades and extensions • Lincoln Road and New North Road corridor upgrades • Completion of Downtown and Midtown Bus Improvements • Additional RTN station access (first and final leg) improvements • Additional cycleway and walking connections. • Airport to Botany busway and future integration works for RTN mega projects	Higher borrowing and consequential operating costs such as interest, running costs maintenance and depreciation which are funded through rates. Increased uncertainty and risks with regards to central government co-funding and ability to deliver a much larger capital programme.
A $131 million increase in the level of Auckland Council operating funding from the 2023/2024 levels paid for through higher general rates.	
The higher funding would enable AT to: • Maintain and introduce new public transport services including bus service in more remote/less accessible areas • Attract more public transport users with increased marketing spend, reducing congestion and greenhouse gas emissions • Roll out of low emission buses to meet the climate targets • Higher levels of support for ongoing Kiwi Rail track maintenance costs to build a more reliable rail network and to support and realise the benefits of the investment in CRL	Higher operating funding which is paid for through higher general rates

Key performance measures: Public transport and travel demand management

Table 9 - Public transport and travel demand management: Level of service and Performance measures)

Performance measure	Notes (ref)	Actual (Result)	Target	Indicative Long-term Plan Targets			
		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027-2034
2. Provide public transport services and infrastructure							
Total public transport boardings (millions)	n/a	71m	83.4m	94.1m	105.7m	114.8m	123.8m
The percentage of public transport trips that are punctual	n/a	96.2%	87%	88%	89%	89.5%	90%
The percentage of passengers satisfied with public transport services	n/a	91%	85%	85%	85%	85%	85%
The percentage of the total public transport cost recovered through fares	1.1, 1.2	22%	TBC	TBC	TBC	TBC	TBC

Table 10 - Public transport and travel demand management: Additional notes to Performance measures table

References	To be read in conjunction with table "Performance measure" above
1.1	Farebox recovery measures the contribution passenger fares make to the operating cost of providing public transport services. The measure calculates farebox recovery in accordance with NZ Transport Agency guidelines.
1.2	These targets are pending changing government policy and funding decisions

Prospective Financial Information

Activity	Operating cost and revenue $000 Financial year ending 30 June	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28-2033/34	10-years Total
Public transport and travel demand management	Non-rates revenue	700,021	825,300	897,513	911,864	7,743,122	10,377,799
	Direct operating expenditure	988,732	1,193,389	1,315,319	1,316,785	10,690,591	14,516,084
	Capital expenditure	785,156	1,158,061	883,599	561,702	3,143,506	5,746,868 (includes CRL)

*Direct operating expenditure does not include interest and depreciation

Prospective Funding Impact Statement

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Sources of operating funding:											
General rates, UAGCs, rates penalties	366,997	451,091	516,561	735,054	777,033	783,678	805,248	813,753	797,205	777,622	770,494
Targeted rates	50,487	53,249	55,783	58,569	61,415	60,997	64,142	67,482	71,032	74,510	78,190
Subsidies and grants for operating purposes	399,514	471,677	517,789	509,361	532,022	538,273	545,150	557,008	556,040	554,671	562,782
Fees and charges	256,990	301,252	335,047	365,982	398,672	435,276	471,141	509,252	557,275	607,443	640,491
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	112,517	52,371	44,677	36,521	37,292	38,068	38,844	39,636	40,392	41,260	42,134
Total operating funding	**1,186,504**	**1,329,641**	**1,469,857**	**1,705,486**	**1,806,435**	**1,856,291**	**1,924,525**	**1,987,132**	**2,021,943**	**2,055,506**	**2,094,091**
Applications of operating funding:											
Payment to staff and suppliers	988,732	1,193,389	1,315,319	1,316,785	1,403,065	1,449,398	1,497,215	1,544,667	1,566,352	1,598,314	1,631,580
Finance costs	177,147	199,145	234,349	253,265	266,220	280,150	299,592	309,985	317,556	316,760	319,503
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	**1,165,879**	**1,392,534**	**1,549,668**	**1,570,050**	**1,669,285**	**1,729,548**	**1,796,807**	**1,854,652**	**1,883,908**	**1,915,074**	**1,951,084**
Surplus (deficit) of operating funding	**20,625**	**(62,893)**	**(79,811)**	**135,437**	**137,150**	**126,743**	**127,718**	**132,479**	**138,035**	**140,433**	**143,008**
Sources of capital funding:											
Subsidies and grants for capital expenditure	252,725	486,591	380,299	246,351	320,703	330,736	262,010	202,404	197,931	127,231	130,738
Development and financial contributions	61,822	45,945	44,935	44,767	43,613	43,561	43,420	44,676	45,852	47,027	47,027
Increase (decrease) in debt	399,984	688,418	538,176	135,147	139,939	160,432	90,872	25,248	14,045	(60,230)	(59,297)
Gross proceeds from sale of assets	50,000	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**764,531**	**1,220,954**	**963,410**	**426,266**	**504,255**	**534,730**	**396,302**	**272,328**	**257,828**	**114,029**	**118,469**
Application of capital funding:											
Capital expenditure:											
- to meet additional demand	330,189	435,288	334,106	255,076	302,709	231,664	184,978	152,349	129,104	74,729	77,001
- to improve the level of service	68,155	336,847	324,735	136,547	222,268	324,086	242,875	166,441	179,456	104,642	106,678
- to replace existing assets	40,812	103,925	101,757	101,079	116,428	105,723	96,167	86,018	87,302	75,090	77,797
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	346,000	282,000	123,000	69,000	-	-	-	-	-	-	-
Total applications of capital funding	**785,156**	**1,158,061**	**883,599**	**561,702**	**641,405**	**661,473**	**524,020**	**404,807**	**395,863**	**254,461**	**261,477**
Surplus (deficit) of capital funding	**(20,625)**	**62,893**	**79,811**	**(135,437)**	**(137,150)**	**(126,743)**	**(127,718)**	**(132,479)**	**(138,035)**	**(140,433)**	**(143,008)**
Funding balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Water supply

Key activities: Water supply

We manage, maintain and build infrastructure to reliably supply safe drinking water, this includes:

- 28 sources of water including 12 dams
- 17 water treatment plants
- 87 service reservoirs
- 9,428 km of water pipes
- Small water supplies servicing Auckland Council facilities. We collect, treat, and distribute drinking water including rivers and underground aquifers. Aucklanders typically use between 375 million litres per day (MLD) and 570 MLD depending on the time of the year.

Things we are keeping an eye on: Water supply

Watercare is committed to minimising any detrimental effects from its water supply activities, and encourage water conservation and efficient water use. Auckland Council manages water resources through resource consent processes to ensure use of aquifers and streams is not over-allocated. Significant catchment areas are required to collect water for the city's reservoirs, but large infrastructure projects can have negative effects on the environment, and dams can have downstream impacts on flora and fauna ecosystems. Watercare carefully manages the ecosystems downstream of infrastructure by ensuring there is sufficient water flow. We mitigate disruption from construction and maintenance by providing early notice to customers and keeping outages as short as possible. Water is a taonga (treasured possession) and we are guided by Māori to be kaitiaki (guardian) for our water resources.

Key projects: Water supply

The Redoubt Road Reservoir Expansion will enable an additional 50 million litres (ML) of treated water storage reservoir to maintain security of supply and cater for growth

- **North Harbour Watermain Duplication:** Construction of the North Harbour No. 2 Watermain, which will run for 33 kilometres from Titirangi to Albany
  - Construction of the North Harbour 2 watermain is planned to commence in 2024 and be completed in 2030.
- **Waikato Water Treatment Plant Expansion 2:** Provision of additional water abstraction, treatment, and conveyance capacity from the Waikato River to cater for additional demand arising from growth
  - A consent has been granted for an additional take from the Waikato River for up to 150 million litres of water to meet the high growth currently being experienced.
- **Huia Water Treatment Plant upgrade:** Replacement of the Huia Water Treatment Plant and Nihotupu 1 raw watermain which are reaching the end of design life and the provision of better treatment processes that will maintain supply and improve levels of service.
- **Redoubt Road Reservoir Expansion:** Construction of an additional 50 million litres treated water storage reservoir to maintain security of supply and cater for growth.

- **Ardmore Watermain**: This is a renewals project that will replace a key section of the Hunua 1 Watermain. This includes 16 kilometres of 760 millimetre diameter pipe between Ardmore and the Redoubt Inlet tunnel.
- **New Waitemata Harbour Crossing:** Commence planning for 2.8 kilometres of 700 millimetre diameter PE pipe tunnelled under harbour to service growth in the lower North Shore suburbs. Completion in 2033.

Trade-offs: Pay less, get less

Table 11 - Trade-offs – Get less

What changes Service levels	Financial Impacts and implementation risks
No investment in growth and service level improvements	
No infrastructure to support growth Less resilient network Compliance and renewals focused investment only Deferral in necessary renewals can deteriorate water assets and lead to equipment failure, resulting in service disruptions and costly replacement in the future	Variable depending on scope of work that doesn't occur. **Implementation risks** Higher costs of unplanned maintenance and through loss of water through leaks. Higher probability of outages. Probability of failing to recover 100 per cent growth costs from developers over the LTP period

Trade-offs: Pay more, get more

Table 12 - Trade-offs - Get more

What changes Service levels	Financial Impacts and implementation risks
Increased investment in Renewals	
Improved resilience and efficiency of Auckland's water assets	Higher borrowing if government finds a solution which enables Watercare to borrow without impacting Group's debt to revenue ratio and avoid water and growth charges increase **Implementation risks** Without a government solution for additional borrowing, it is necessary to implement even higher water and growth charges to facilitate increased investment.

Key performance measures: Water supply

Table 13 – Water supply: Performance measures

Performance measure	Notes (ref)	Actual (Result)	Target	Indicative Long-term Plan Targets

		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027 - 2034
We provide Aucklanders with a reliable supply of safe water							
Compliance with the Drinking Water Quality Assurance Rules 2022 from its Small Waters 'network' systems measured by the number of non-compliance notices received from Taumata Arowai	1.1	0	0	0	0	0	0
Median response time for attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (minutes)	1.2	45 mins	≤60 mins	≤60 mins	≤60 mins	≤60 mins	≤60 mins
Median response time for resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (hours)	1.2	3.7 hours	≤5 hours	≤5 hours	≤5 hours	≤5 hours	≤5 hours
Median response time for attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (days)	1.2	1.0 days	≤5 days	≤5 days	≤5 days	≤5 days	≤5 days
Median response time for resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (days)	1.2	1.7 days	≤6 days	≤6 days	≤6 days	≤6 days	≤6 days
The total number of complaints received by the local authority about any of the following: a) drinking water clarity b) drinking water taste c) drinking water odour d) drinking water pressure or flow e) continuity of supply f) the local authority's response to any of these issues expressed per 1000 connections to the local authority's networked reticulation system	n/a	7.5	≤10	≤10	≤10	≤10	≤10
The percentage of real water loss from the local authority's networked reticulation system	1.3	11.6%	<13%	<13%	<13%	<13%	<13%
The average consumption of drinking water per day per resident within the territorial authority district (litres)	1.4	241.3 litres	256 litres	253 litres	252 litres	250 litres	247 Litres*
Compliance with Taumata Arowai Quality Assurance Rules T3 and D3 – Bacterial Water Quality.	New	New measure	New measure	100%	100%	100%	100%

The extent to which the local authority's drinking water supply complies with Drinking Water Quality Assurance Rules T3 and D3							
Compliance with Taumata Arowai Quality Assurance Rules T3 – Protozoal Water Quality. The extent to which the local authority's drinking water supply complies with Drinking Water Quality Assurance Rules T3	New	New measure	New measure	100%	100%	100%	100 %

Table 14 – Water supply: Additional notes to Performance measures table

References	To be read in conjunction with table "Performance measure" above
1.1	The information about the old rules (DWSNZ) can be found at: https://www.moh.govt.nz/notebook/nbbooks.nsf/0/ B9917ABBB22BE387CC2583B2007928FE/$file/dwsnz-2005-revised-mar2019.pdf Further details about the new standards (DWQAR) can be found at: https://www.taumataarowai.govt.nz/for-water-suppliers/newcompliance-rules-and-standards/
1.2	An urgent call-out is one that leads to a complete loss of supply of drinking water. A non-urgent call-out is one where there is still a supply of drinking water.
1.3	This measure tracks unexplained water losses as a percentage of total water produced. These losses are calculated by deducting water sales volumes and allowable unbilled water usage from the total volume of water produced. Taumata Arowai introduced new Drinking Water Quality Assurance Rules (DWQAR) from 14 November 2022. The reporting against it started from 1 January 2023.
1.4	A Department of Internal Affairs (DIA) mandatory measure to provide information on whether the water supply system is being managed to ensure demand does not outstrip capacity. Careful management of the demand for water is an important component of integrated water resources management to ensure that demand does not exceed capacity, that water is allocated efficiently, and that productivity is maximised. We continue to use Statistics NZ's 2018 medium projections for population which include consumers living in commercial rest homes, hotels and hospitals and other similar dwellings. We have added 1.8% to this figure to account for year-on-year growth based on Auckland Council's medium growth forecast and deducted the percentage of the population that is not connected to our water supply network using our 2021 water connection data. *The 2027 - 2034 target of 247 litres is the target for 2030 as per the Auckland Water Strategy Implementation plan

Prospective Financial Information

Activity	Operating cost and revenue $000 Financial year ending 30 June	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28-2033/34	10-years Total
Water supply (GOA)	Non-rates revenue	313,082	425,786	495,408	545,308	4,938,958	6,405,461
	Direct operating expenditure	140,055	173,915	177,210	176,266	1,279,347	1,806,737
	Capital expenditure	283,312	476,998	502,175	696,161	5,562,376	7,237,710

Prospective Funding Impact Statement

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Sources of operating funding:											
General rates, UAGCs, rates penalties	(902)	(986)	(1,034)	(1,084)	(1,139)	(1,191)	(1,247)	(1,306)	(1,306)	(1,306)	(1,306)
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	205,227	277,093	321,908	358,578	389,593	423,045	460,152	500,943	514,564	519,320	525,483
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	107,855	148,692	173,500	186,730	199,908	212,597	219,586	231,823	245,323	247,495	249,126
Total operating funding	**312,180**	**424,800**	**494,374**	**544,224**	**588,362**	**634,451**	**678,491**	**731,461**	**758,581**	**765,508**	**773,303**
Applications of operating funding:											
Payment to staff and suppliers	140,055	173,915	177,210	176,266	176,157	175,516	176,319	176,217	185,035	191,629	198,474
Finance costs	42,250	47,598	56,618	68,611	87,205	102,450	126,952	157,006	189,476	215,187	231,440
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	**182,305**	**221,513**	**233,828**	**244,876**	**263,362**	**277,966**	**303,271**	**333,223**	**374,512**	**406,816**	**429,914**
Surplus (deficit) of operating funding	**129,875**	**203,287**	**260,546**	**299,348**	**325,000**	**356,485**	**375,220**	**398,238**	**384,069**	**358,692**	343,389
Sources of capital funding:											
Subsidies and grants for capital expenditure	15,433	67,815	7,617	38	40	41	42	44	45	46	48
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	98,004	205,896	234,012	396,775	268,660	463,431	559,565	643,924	490,456	262,618	332,323
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	40,000	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**153,437**	**273,711**	**241,629**	**396,813**	**268,700**	**463,472**	**559,607**	**643,968**	**490,501**	**262,664**	**332,371**
Application of capital funding:											
Capital expenditure:											
- to meet additional demand	21,685	140,413	200,641	361,000	294,909	373,625	349,366	401,339	390,070	156,532	219,059

- to improve the level of service	148,572	71,294	30,041	6,125	22,565	22,194	40,701	18,740	141	-	-
- to replace existing assets	113,054	265,290	271,494	329,036	276,226	424,137	544,760	622,127	484,359	464,824	456,701
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	**283,312**	**476,998**	**502,175**	**696,161**	**593,700**	**819,957**	**934,828**	**1,042,205**	**874,570**	**621,356**	**675,760**
Surplus (deficit) of capital funding	**(129,875)**	**(203,287)**	**(260,546)**	**(299,348)**	**(325,000)**	**(356,485)**	**(375,220)**	**(398,238)**	**(384,069)**	**(358,692)**	**(343,389)**
Funding balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Wastewater treatment and disposal

Watercare provides safe and reliable wastewater services for Auckland's households and businesses. Each day, through a network of pipes and pump stations, about 400 million litres of wastewater is delivered to treatment plants for cleaning before it gets released into the environment.

More than 90 per cent of Auckland's wastewater goes to plants at Māngere and Rosedale, where it is treated to standards that protect public health, the environment, and our coasts, estuaries and harbours. Watercare also services around 40,000 properties that are not connected to the wastewater network, including regional parks and rural public spaces. These properties rely on onsite wastewater systems, such as septic tanks, to treat their wastewater and the systems must be properly maintained to prevent risks to human health and the environment.

Key activities: Wastewater treatment and disposal

Wastewater is what leaves our sinks, washing machines, showers, baths and toilets at home, work, and industry. Most of it is water, but it also includes human waste, food scraps, cooking fats and debris. Then there's chemicals, paint and medicines which can harm our health, waterways, and harbours. This makes effective treatment very important. We manage, maintain and build infrastructure to reliably and safely provide wastewater services, which includes:

- 8,327 km of wastewater pipes
- 528 wastewater pump stations
- 18 wastewater treatment plants
- 360 onsite wastewater systems servicing Auckland Council facilities.

In rural areas, the council's onsite wastewater system compliance programme ensures that wastewater from properties not connected to Watercare's network is not contaminating our waterways.

Things we are keeping an eye on: Wastewater treatment and disposal

Work on wastewater pipes can be smelly, involve biohazards and chemicals, and disrupt people's lives. Watercare manages its work areas carefully to contain hazardous materials and mitigate disruptions, liaising with service providers and informing residents, so they can be prepared. We also reinstate all affected work areas to their original condition.

Blockages and overflows in the wastewater system cause problems. Watercare places great importance on educating people about what can safely be flushed down toilets and what can cause issues.

Watercare integrates environmental considerations into everything it does; this is key to our role as a trusted iwi partner and community organisation. We manage the discharge of treated wastewater carefully to minimise adverse effects and overflows into the environment. Harbours, estuaries and freshwater ecosystems must be kept healthy, so Aucklanders can continue to enjoy a safe clean environment. Watercare fulfils its environmental responsibilities by adhering to a regulatory framework. Our assets are subject to many consent conditions, and we take care to comply with these.

Key projects: Wastewater treatment and disposal

Central Interceptor (CI): The CI will provide additional wastewater capacity and help to reduce combined stormwater and wastewater overflows into our waterways creating a better environment. Construction of a new conveyance and storage pipeline to service central Auckland as well as the isthmus, east and south. This is a 4.5 meter diameter tunnel runs from the Mangere Wastewater treatment plant, with plans that will extend it to new drop shaft in Point Erin. Construction commenced in 2019 and will be completed by 2026.

Northern Interceptor: Construction of the second stage of the Northern Interceptor to divert wastewater flows from Whenuapai, Redhills, Kumeū, Huapai and Riverhead catchments to the Rosedale Wastewater Treatment Plant is also underway. The project also includes trunk sewers servicing local catchments to provide for growth. The necessary consents, landowner approvals and detailed design are to be obtained during this period with completion due in 2025.

Puketutu Island: Rehabilitation of Puketutu Island using treated biosolids from the adjacent Māngere Wastewater Treatment Plant.

South-west Wastewater Servicing: Construction of a new wastewater treatment plant; new wastewater pipeline, pump stations and harbour outfall at Clarks Beach. Consent has been obtained. Design has commenced with construction completion expected in 2026

Western Isthmus Water Quality Improvement Programme: This is a joint initiative with Healthy Waters to develop and implement specific improvement programmes in the priority catchments of Westmere, Avondale, Freemans Bay, Grey Lynn, Herne Bay, Meola Road, Motions Road, Oakley, Pt Chevalier, St Mary's Bay and Waterview. This programme is in the planning stage. The target completion date is 2029.

Southern Auckland Wastewater Servicing: The Southern Auckland Wastewater Servicing Scheme will cater for future growth in the Hingaia Peninsula, Opaheke, Drury West and Drury South areas, to serve 118,000 people in 2048 (vs 25,000 in 2027). The scheme will also divert flows away from the constrained Southern Interceptor to provide capacity. The scope includes two packages. The first is upgrading the existing Hingaia WW Pump Station from 100L/s to 270 L/s, and construction of a new rising main from Hingaia Pump Station connection to Manurewa South Pump Station. The second package is the construction of a future Hingaia Pump Station with a peak flow 1230 L/s capacity, and a new DN1000 rising main (eight to 10 kilometres long) connecting to Manurewa South Pump Station. The alignment of the rising main is not yet confirmed. Expected completion by 2033.

Warkworth growth servicing stage 2: This investment will provide capacity for an additional 15,000 population equivalent via expansion to local networks and upgrade to existing pump stations.

Trade-offs: Pay less, get less

Table 15 - Trade-offs – Get less

What changes Service levels	Financial Impacts and implementation risks
Do less renewals	
Less resilient network Deferral in essential renewals leading to deterioration of wastewater assets and reduced performance of the network Wastewater overflows would continue for longer Renewal costs are deferred – not avoided.	Variable depending on scope of work that doesn't occur. Likely to incur higher maintenance costs, both planned and unplanned to reduce faults. **Implementation risks** Risk of breaching consents related to wastewater discharge. Probability of failing to recover 100 per cent growth costs from developers over the LTP period.
Don't do Point Erin extension of the Central Interceptor	
Continued stormwater outflows into Auckland Harbour. Heathy Waters would need to do alternative resulting in stormwater separation in Herne Bay that would be at higher cost.	The financial impact of not progressing the Point Erin Central Interceptor Extension would be around $151 million. **Implementation risks** Higher cost to Auckland overall if stormwater separation would have to be done by Auckland Council.

Trade-offs: Pay more, get more

Table 16 - Trade-offs - Get more

What changes Service levels	Financial Impacts and implementation risks
Bring forward Otara Catchment Wastewater Capacity upgrade delayed two years	
Significant outflows occurring due to poor capacity in the area	$32 million moved from FY26 to FY25 **Implementation risks** Outflows will continue for another year.
Bring forward Whenuapai Redhills Wastewater packages delayed	
New dwelling growth constrained with no additional capacity available.	$30.5 million moved from FY26 to FY25. **Implementation risks** Constraint growth in Redhills/Whenuapai
Bring forward Pukekohe North Pump Station upgrade has been delayed to FY26. Ideally this work should be done in FY25.	
Wastewater capacity is constrained so growth in the area needs to be managed.	FY25 $35 million brought forward from FY26

Commercial agreement requires Watercare to upgrade the infrastructure in a defined timeline.	**Implementation risks** Higher potential of missing key dates resulting in penalties

Key performance measures: Wastewater treatment and disposal

Table 17 - Wastewater treatment and disposal: Performance measures

Performance measure	**Notes (ref)**	**Actual (Result)**	**Target**	**Indicative Long-term Plan Targets**			
		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027 - 2034
We collect and treat Auckland's wastewater in a safe and sustainable way							
The number of dry weather overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system	1.1	0.7	≤5	≤5	≤5	≤5	≤5
Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: a) abatement notices b) infringement notices c) enforcement orders d) convictions received by the territorial authority in relation to those resource consents	n/a	(a) 0 (b) 0 (c) 0 (d) 0	(a) ≤2 (b) ≤2 (c) ≤2(d) 0	(a) ≤2 (b) ≤2 (c) ≤2(d) 0	(a) ≤2 (b) ≤2 (c) ≤2(d) 0	(a) ≤2 (b) ≤2 (c) ≤2(d) 0	(a) ≤2 (b) ≤2 (c) ≤2(d) 0
Compliance with the territorial authority's resource consents for discharge from its Small Waters onsite wastewater systems measured by the number of: a) abatement notices b) infringement notices c) enforcement orders d) convictions received by the territorial authority in relation to those resource consents	n/a	a) 0 b) 0 c) 0 d) 0	a) ≤3 b) ≤ 3 c) ≤ 3 d) 0	a) ≤3 b) ≤ 3 c) ≤ 3 d) 0	a) ≤3 b) ≤ 3 c) ≤ 3 d) 0	a) ≤3 b) ≤ 3 c) ≤ 3 d) 0	a) ≤3 b) ≤ 3 c) ≤ 3 d) 0
Attendance at sewerage overflows resulting from blockages or other faults: median response time for attendance - from the time that the territorial authority receives notification to the time that service personnel reach the site (minutes)	1.2	75 mins	≤60 mins	≤60 mins	≤60 mins	≤60 mins	≤60 mins
Attendance at sewerage overflows resulting from blockages or other faults: median response time for resolution - from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault (hours)	1.2	3.8 hours	≤ 5 hours	≤ 5 hours	≤ 5 hours	≤ 5 hours	≤ 5 hours

The total number of complaints received by the territorial authority about any of the following: a) sewerage odour b) sewerage system faults c) sewerage system blockages d) the territorial authority's response to issues with its sewerage system expressed per 1000 connections to the territorial authority's sewerage system	n/a	24.4	≤50	≤50	≤50	≤50	≤50

Table 18 - Wastewater treatment and disposal: Additional notes to Performance measures table

References	To be read in conjunction with table "Performance measure" above
1.1	Dry weather sewerage overflow means sewage that escapes a territorial authority's sewerage system and enters the environment during periods of dry weather.
1.2	Sewerage overflow means sewage that escape a territorial authority's sewerage system and enters the environment.

Prospective Financial Information

Activity	Operating cost and revenue $000 Financial year ending 30 June	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28-2033/34	10-years Total
Wastewater management (GOA)	Non-rates revenue	661,374	792,073	893,753	986,017	8,993,958	11,665,800
	Direct operating expenditure	252,592	248,241	253,267	257,075	1,955,407	2,713,990
	Capital expenditure	803,150	779,981	716,042	688,989	4,444,986	6,629,997

Prospective Funding Impact Statement

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Sources of operating funding:											
General rates, UAGCs, rates penalties	(1,955)	(2,137)	(2,241)	(2,348)	(2,469)	(2,581)	(2,703)	(2,831)	(2,831)	(2,831)	(2,831)
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	492,899	618,301	718,349	800,242	869,570	944,356	1,027,377	1,118,684	1,149,004	1,159,526	1,173,192
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	168,475	173,772	175,404	185,775	196,275	206,431	212,785	222,682	234,339	238,052	241,685
Total operating funding	**659,419**	**789,935**	**891,513**	**983,668**	**1,063,376**	**1,148,207**	**1,237,459**	**1,338,535**	**1,380,512**	**1,394,747**	**1,412,046**
Applications of operating funding:											
Payment to staff and suppliers	252,592	248,241	253,267	257,075	261,874	264,660	268,484	271,114	283,895	295,281	310,101
Finance costs	97,095	117,373	132,544	145,085	152,015	161,629	166,533	165,173	157,520	142,635	129,295
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	**349,687**	**365,613**	**385,811**	**402,160**	**413,889**	**426,289**	**435,016**	**436,286**	**441,415**	**437,916**	**439,396**
Surplus (deficit) of operating funding	**309,732**	**424,322**	**505,702**	**581,508**	**649,487**	**721,918**	**802,443**	**902,249**	**939,097**	**956,831**	**972,650**
Sources of capital funding:											
Subsidies and grants for capital expenditure	37,065	151,321	16,997	86	89	91	94	97	101	104	107
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	416,353	204,338	193,343	107,395	156,615	(301)	(89,704)	(271,461)	(434,573)	(409,752)	(451,195)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	40,000	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**493,418**	**355,659**	**210,340**	**107,481**	**156,704**	**(210)**	**(89,610)**	**(271,364)**	**(434,473)**	**(409,649)**	**(451,088)**
Application of capital funding:											
Capital expenditure:											
- to meet additional demand	169,541	572,985	552,933	553,370	676,786	597,207	585,437	468,352	346,741	360,904	353,983
- to improve the level of service	359,956	10,361	9,522	6,147	6,597	12,332	5,885	41,695	40,765	48,281	43,326
- to replace existing assets	273,653	196,635	153,586	129,472	122,809	112,169	121,511	120,838	117,119	137,997	124,253
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	**803,150**	**779,981**	**716,042**	**688,989**	**806,191**	**721,708**	**712,833**	**630,885**	**504,625**	**547,182**	**521,562**
Surplus (deficit) of capital funding	**(309,732)**	**(424,322)**	**(505,702)**	**(581,508)**	**(649,487)**	**(721,918)**	**(802,443)**	**(902,249)**	**(939,097)**	**(956,831)**	**(972,650)**
Funding balance	-	-	-	-	-	-	-	-	-	-	-

Stormwater management

Auckland Council works hard to strengthen and maintain our stormwater network as it flows through public and private pipes, drains, streams and channels. We aim to reduce flooding, increase the resilience of the stormwater network and prevent pollution.

We need to ensure our stormwater systems are adapting to climate change, including more frequent and severe storms. We also care for our natural waterways and ensure our stormwater network can serve the city's growing population.

This group of activity involves future-proofing Auckland's water by creating healthy environments, empowering our communities, and building resilient stormwater systems. We manage the flow of rainfall and its impacts on people, buildings, and the natural environment. It involves the operation and maintenance of an extensive, often hidden network of built and natural stormwater infrastructure. We need to make sure our stormwater systems are adapting to a changing water future, such as more frequent and severe storms due to climate change. We have a responsibility to manage discharges into waterways, to safeguard public health and protect the health of rural and urban waterways with funding from the water quality targeted rate.

Key activities: Stormwater management

- As part of our stormwater responsibilities, we are working to adapt our communities and stormwater systems to the effects of climate change, provide stormwater infrastructure to meet growth and development expectations, and continue to clean up our waterways.
- In heavy rainfall, flooding and erosion can cause property damage and affect the environment, causing associated health risks, so we need to enable more nature-based solutions that can better cope with more frequent and severe storm events. **Making Space For Water** will increase Auckland's resilience to flooding and the effects of climate change through seven initiatives over 10 years. To deliver this work, Auckland Council will need to work together with communities, the Crown, and across departments. Ranging from hard infrastructure solutions to public education and information, the seven initiatives are:
    - **Blue-green networks in critical flood-risk areas:** Stormwater solutions (stream excavation, widening and realignment), enhancing parkland or open space, and property acquisition and removal
    - **Overland flow path management:** work to repair, maintain and monitor overland flow paths, and educate property owners.
    - **Rural settlements**: Responding to three waters needs in storm-affected communities, including marae and papakāinga, and supporting community resilience planning.
    - **Flood intelligence:** Investment in planning and modelling tools to enhance council decision-making
    - **Stream and waterway resilience:** vegetation management, slope stabilisation, bank battering, stream channel modification, and advice from property owners.
    - **Community-led flood resilience**: advice for property owners in high-risk areas, industry-specific advice, public events, and awareness campaigns.
    - **Increase maintenance:** Maximising stormwater network efficiency, including street sweeping, catchpit cleaning, and weed clearance from streams.

Water is a taonga

Stormwater, if not treated, transports contaminants and can pollute streams, rivers, harbours and our coastline. The work we do to maintain stormwater networks, care for natural waterways and reduce flooding risks can create carbon emissions and run-off sediments, and cause disruption for Aucklanders. We inform Aucklanders about planned works and manage our work areas very carefully to minimise environmental impacts and disruption. We also work closely with developers to ensure that infrastructure investments provide public benefits. Water is a taonga (treasured possession) and we are guided by Māori to be kaitiaki (guardian) for our water resources.

With the funding provided by the water quality targeted rate, we are reducing wastewater overflows and stormwater contaminants entering our harbours. By improving water quality, we create healthy habitats for plants and animals and make it safer for Aucklanders to enjoy beaches and swimming spots without risk of illness. By expanding our stormwater network and separating it from the wastewater network, we cater to growth and reduce the risk of flooding during storms.

Our approach

We are actively working to clean up our waters. This is a long-term commitment. Waterway health will take decades to restore. Our approach is to:

- use accurate scientific models such as the Freshwater Management Tool to underpin effective investment decisions
- integrate water quality improvements into asset renewals and other redevelopment opportunities (i.e., roads, parks, and other community assets)
- use targeted investment in places where it will have the greatest impact, such as the most vulnerable ecosystems and the most highly polluted catchments
- build public awareness of water quality through tools such as Safeswim and proactive compliance monitoring of private onsite wastewater systems.

Things we are keeping an eye on: Stormwater management

Recent storm events and drought years caused many issues in the stormwater network. Assets have been damaged and issues not identified until they impacted the network performance, causing problems for Aucklanders. Damage found too late can be more expensive and difficult to fix, further impacting and inconveniencing the surrounding communities. To reduce this risk, we proactively monitor our older infrastructure. We conduct CCTV inspections of our critical assets to provide vital information on the health of our network. We schedule maintenance and renewal programmes to maximise the life of our stormwater assets before we replace them. We look to address the continuing pressures of rapid growth when planning our renewal programme.

Some of our current activities are:

- proactively monitoring critical assets, identifying pipe renewals early, when solutions can be simpler
- installing grills and treatment devices to capture litter and debris before it enters the network
- renewing our aging ponds and wetlands to maximise flood attenuation and contaminant treatment
- measuring and reporting water quality information via Safeswim.

Our stormwater network includes:

- 6,975km of pipes
- 630 ponds and wetlands

- natural waterways
- 179,252 manholes
- 5,931 treatment devices (including rain gardens and proprietary stormwater devices)
- 130,475 catchpits
- 3,610 soak holes

Key projects: Stormwater management

- Making Space for Water will deliver outcomes through the seven initiatives, including physical works projects, enhanced public awareness and engagement in flood prevention, reduced flood risk from overland flow paths and streams, increased operational functionality within the stormwater network and increased the availability of reliable forecast and monitored information.
- Complete the Paerata Culvert flood protection upgrade works
- Continue to improve water quality in the Western Isthmus through the Waterview Catchment Separation works and Point Chevalier stormwater separation works
- Improve water quality in the Eastern Isthmus by completing the Lower Khyber Separation works
- Renew and upgrade critical assets such as the East Tamaki Dam and the Paremuka dam culverts
- Complete the stormwater upgrade of Corban Reserve by delivering Waitaro Stream, Corban Reserve Culvert Upgrade Stage 2
- Continue work to restore the health and mauri of the Kaipara Harbour through the Kaipara Moana Remediation programme, a joint initiate between us, Northland Regional Council, the government, and Kaipara Uri.

Trade-offs: Pay less, get less

Table 19 - Trade-offs - Get less

What changes	
Service levels	**Financial Impacts and implementation risks**
Focusing the Making Space for Water programme on maintenance works only.	
• Provides for investment of planned flood investment and maintenance level of service. • Reduced urban road and property flooding risk through more frequent maintenance. • This level of investment does not include any further significant physical works that focus on reducing flood risk in known high-risk areas. • There would be no flood resilience investment for rural Māori communities.	• Around $0.2 billion total capex and opex. **Implementation risks** • This option would not take full advantage of the funding for Making Space for Water and other resilience projects proposed under the Storm Recovery Funding Package agreement with the Crown. • Council would not be able to manage any risks in private or public natural waterways, nor could it support communities to build their resilience beyond which is being funded through the council's storm response fund and other existing funding streams.

Trade-offs: Pay more, get more

Table 20 - Trade-offs - Get more

What changes	
Service levels	**Financial Impacts and implementation risks**
Delivering the Making Space for Water programme as proposed in the central proposal but possibly accelerating delivery of the programme within 6 years instead of 10 years.	
• This option maximises the cost-sharing agreement with the central government for flood recovery and resilience. • Reduced urban road and property flooding risk through more frequent maintenance. • Flood resilience plan for 10,000 households, marae and community organisations.	Around $1 billion total capex and opex (plus status quo). Same as the central programme but delivered over six years instead of 10. **Implementation risks** The Making Space for Water programme will require significant consultant and contractor resources especially for physical works. Delivery over a shorter timeframe is likely to put pressure on council's resources and contractors and may lead to higher costs for the same outputs.

Key performance measures: Stormwater management

Table 21 - Stormwater management: Performance measurements

Performance measure	Notes (ref)	Actual (Result)	Target	Indicative Long-term Plan Targets			
		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027 - 2034
5. Manage stormwater network to minimise risks of flooding							
The major flood protection and control works that are maintained, repaired and renewed to the key standards defined in the local authority's relevant planning documents (such as its activity management plan, asset management plan, annual works program or long-term plan).	New	New	≥90%	≥90%	≥90%	≥90%	≥90 %
The proportion of time that a reference set of beaches are suitable for contact recreation during the summer swimming season (1 November to 30 April)	1.2	86%	85%	85.5%	86%	86.5%	87% increasing to 90%
Auckland Council stormwater compliance with resource consents for discharge from its stormwater system, measured by the number of: a) abatement notices; and b) infringement notices; and c) enforcement orders; and	n/a	a) 0 b) 0 c) 0 d) 0	a) 0 b) 0 c) 0 d) 0	a) 0 b) 0 c) 0 d) 0			

d) convictions, received in relation those resource consents				
The number of complaints received about the performance of the stormwater system per 1000 properties connected to Auckland Council's stormwater system	n/a	< 3 per 1000 properties	< 3 per 1000 properties	< 3 per 1000 properties
The percentage of response time during storms to close stormwater manholes within three hours	n/a	95%	>90%	>90%
The number of flooding events that occur and the associated number of habitable floors affected per 1000 properties connected to Auckland Council's stormwater network	1.1	FY23 Result was >1 per 1000 properties	<1 per 1000 properties	<1 per 1000 properties
The median response time to attend a flooding event, measured from the time that Auckland Council receives notification to the time that service personnel reach the site (hours)	n/a	1.84 hours	<2 hours	<2 hours

Table 22 - Stormwater management: Additional notes to Performance measures table

References	To be read in conjunction with table "Performance measure" above
1.1	There are significant limitations in producing a result for this measure as it is based on modelling information and observed rainfall. Alternative methods of producing a result are unavailable as limited data is available to Auckland Council and our partners.
1.2	Recreational activities that bring people physically into contact with water, such as swimming. Safeswim water quality forecasts take account of rainfall, wind, tide, sunlight and beach type. It is built using high-frequency targeted sampling on top of historical monitoring results spanning over 20 years at some sites and are underpinned by the best available meteorological data reported based on 84 beaches that have been selected as key by Safeswim.

Prospective Financial Information

Activity	Operating cost and revenue $000 Financial year ending 30 June	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28-2033/34	10-years Total
Stormwater management	Non-rates revenue	4,160	2,421	2,453	2,524	19,145	26,542
	Direct operating expenditure	101,057	94,723	100,739	106,399	843,654	1,145,514
	Capital expenditure	134,557	638,619	325,603	309,485	2,027,819	3,301,526

*Direct operating expenditure does not include interest and depreciation

Prospective Funding Impact Statement

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Sources of operating funding:											
General rates, UAGCs, rates penalties	196,523	217,368	245,757	270,963	299,497	315,646	334,254	339,468	352,706	357,903	366,074
Targeted rates	11,204	7,361	9,125	11,315	14,033	17,407	21,595	26,796	33,252	41,267	51,218
Subsidies and grants for operating purposes	1,916	-	-	-	-	-	-	-	-	-	-
Fees and charges	1,231	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	1,013	2,421	2,453	2,524	2,574	2,626	2,679	2,733	2,788	2,844	2,900
Total operating funding	**211,888**	**227,150**	**257,334**	**284,802**	**316,104**	**335,679**	**358,529**	**368,997**	**388,745**	**402,013**	**420,192**
Applications of operating funding:											
Payment to staff and suppliers	99,418	94,723	100,739	106,399	112,305	117,806	122,209	121,271	119,548	123,325	127,190
Finance costs	19,267	34,072	43,113	45,574	47,695	49,393	51,436	52,030	53,230	53,961	56,671
Internal charges and overheads applied	16,204	14,654	14,557	15,817	16,624	16,542	17,715	18,391	18,391	18,391	18,391
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	**134,889**	**143,448**	**158,409**	**167,790**	**176,624**	**183,740**	**191,360**	**191,692**	**191,169**	**195,677**	**202,252**
Surplus (deficit) of operating funding	**76,999**	**83,701**	**98,925**	**117,012**	**139,481**	**151,939**	**167,168**	**177,305**	**197,576**	**206,337**	**217,940**
Sources of capital funding:											
Subsidies and grants for capital expenditure	500	282,175	133,644	136,471	140,477	140,211	154,529	42,834	45,611	(2,520)	(20,000)
Development and financial contributions	37,402	27,835	27,243	26,541	25,868	25,834	25,687	26,496	27,194	27,891	27,891
Increase (decrease) in debt	19,657	244,907	65,791	29,460	15,580	12,861	(16,064)	5,459	1,930	30,930	31,377
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**57,558**	**554,918**	**226,678**	**192,473**	**181,924**	**178,906**	**164,152**	**74,789**	**74,734**	**56,301**	**39,268**
Application of capital funding:											
Capital expenditure:											
- to meet additional demand	59,646	70,649	88,757	95,446	95,802	100,450	90,974	49,999	40,984	34,062	30,181
- to improve the level of service	20,968	550,180	216,581	189,125	190,289	196,200	201,521	157,864	177,002	170,733	164,404
- to replace existing assets	53,943	17,789	20,265	24,914	35,315	34,194	38,825	44,232	54,324	57,843	62,623
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	**134,557**	**638,619**	**325,603**	**309,485**	**321,405**	**330,844**	**331,320**	**252,095**	**272,310**	**262,637**	**257,208**
Surplus (deficit) of capital funding	**(76,999)**	**(83,701)**	**(98,925)**	**(117,012)**	**(139,481)**	**(151,939)**	**(167,168)**	**(177,305)**	**(197,576)**	**(206,337)**	**(217,940)**
Funding balance	-	-	-	-	-	-	-	-	-	-	**-**

Local council services

Local council services are activities governed by Auckland's 21 local boards. These activities centre on community services and public spaces to enhance community wellbeing and create a sense of belonging.

Local boards are charged with decision-making on local issues, activities and services, and providing input into regional strategies, policies, plans and decisions. Local boards do this with council support and with mana whenua and Māori engagement. The services they are involved with range from library and literacy services, arts and culture, sport and recreation, to open spaces, community-led action, volunteering and caring for the environment. The boards' local planning and development activities focus on street environments, town centres, the local environment and heritage protection. They are also involved with the business improvement districts, which are funded by targeted rates.

Key activities: Local council services

In this section, key activities, key projects and key performance measures are listed in following order:

- Local community services
- Local environmental management
- Local governance
- Local planning and development.

Things we are keeping an eye on

There are no significant negative effects from our local council services or their impact on the social, economic, environmental and cultural wellbeing of the community. However, there can be negative effects and associated risks to the community if we do not provide these activities. Our 21 local boards, with a total of 149 elected members, ensure the diverse needs of our communities are met through tailored work programmes, activities and events for each area. We provide a transparent and consistent pricing structure for hiring and accessing council-managed community venues, centres and houses, and arts facilities, to ensure people have access to affordable spaces to pursue their interests.

Key activities: Local community services

We support strong, diverse, and vibrant communities through libraries and literacy, arts and culture, parks, sport and recreation, and events delivered by a mix of council services, community group partnerships and volunteers.

Key projects: Local community services

Aucklanders predominantly interact with council through community services using digital, face to face, retail, voice, and post channels. We will continue to promote 'Digital' as the channel of choice, create integrated community hubs, drive commercial returns through retail and deliver higher value and more complex interactions at our contact centres.

Our focus is on improving service to our customers and communities by:

- Joining up our services and programmes in new and existing service sites so that customers can access literacy, digital literacy, learning, arts and cultural programmes, community networking spaces, public information, and wider council services in integrated community hubs.
- Making it easy for people to get out and about and be physically active by continuing our walkway and trail programmes.
- Continuing our sports parks redevelopment programme with investment in parks.
- Delivering asset renewals to safeguard our facilities from asset failure and support high-priority growth projects such as the Te Kori Scott Point park and the Flat Bush combined library, community, and arts centre at Ormiston.
- Connecting people and nature through ongoing parks development programmes
- Serving new communities or addressing gaps in provisions for learn to swim, community recreation and fitness programmes and having fun as a family.
- Continued investment through maintenance and renewals for existing assets to ensure they are fit for purpose and maintained to a good standard.
- Replacing and renewing coastal assets, including the Orewa seawall project. Shoreline Adaptation Plans will be developed to inform how we can manage coastal council assets and land. This will prioritise the need for protection and development of new coastal assets.

Trade-offs: Pay less, get less

Table 23 - Trade-offs - Get less

What changes **Service levels**	**Financial Impacts and implementation risks**
Change the Local Board Funding Policy to provide fairer funding for all local boards through reallocation of funding between local boards only	
With no additional funding available, to achieve fairer funding would require reallocation of funds from local boards that are above equitable funding levels.	If this option was pursued, some likely implications would be: • some local boards would not be able to deliver some projects that were agreed previously • local boards above the equitable level of funding could lose funding and may not be able to afford to renew existing assets or provide services that local communities expect without increasing fees, imposing local targeted rates or rationalising assets • a reduction in assets and service provision for boards that lose funding • the boards that receive an increased level of funding may be able to increase their asset base, renew existing assets above the level currently planned and invest in more services for their local communities **Implementation risks** Moderate risk: • Under an equitable funding approach, local boards may have to consider a lot more complex advice on trade-offs and service prioritisation before making investment decisions

	• Impact on local assets and services – a reduction in funding for local boards above the equitable level of funding could lead to the necessary closure of some facilities and an associated reduction in service levels unless feasible alternate delivery methods were supported • Less support from local boards that may lose funding. • Inadequate resourcing to support the implementation of funding equity in a shorter timeframe
Much larger operating cost reductions would be required from Auckland Council, $120 million cost reduction target proposed by year three of the LTP	
More extensive service level reviews would be required with some reducing to statutory minimum levels.	The areas that could be significantly affected include: • reduced local board operational funding • reduced opening hours or local service offerings.

Trade-offs: Pay more, get more

Table 24 - Trade-offs - Get more

What changes	
Service levels	**Financial Impacts and implementation risks**
Change the Local Board Funding Policy to provide fairer funding for all local boards through additional new funding to achieve full equity.	
This would mean that no local boards' funding would be reallocated to those boards who are funded below equitable levels. This would allow local boards who are funded above equitable levels to retain current levels of funding and the boards below the equitable levels of funding would receive significant additional funding to be able to invest in more assets and services for their local communities.	Given council's current financial conditions and the additional impact of events such as the storm recovery it could be difficult to raise new funding. Any new funding may have impacts on our rates and other financial policies. Future extreme weather events and other events may have further impact on council's financial position which increase the risk of raising new funding. **Implementation risks** Low risk of unplanned or unjustified investment where local boards receive new capital funding to mitigate inequity, that is not necessarily aligned to adopted policy requirements. Ability to deliver projects within budget timeframes due to inadequate planning time and external market capacity constraints could mean that quicker implementation is not possible.

Key performance measures: Local community services

Table 25 - Local council services - Local community services: Levels of service and Performance measures

Performance measure	Notes (ref)	Actual (Result)	Target	Indicative Long-term Plan Targets	
		2022/2023	2023/2024	2024/25	2025/26 2026/27 2027-2034
14. Enable a range of choices to access community services and recreation opportunities					
Pool and Leisure Centre physical visits - Regional	New	7,003,971	7,634,952	8,016,699	Local council services targets are subject to the decisions made through annual local board agreements and so are not supplied for the 2025-2034 years. The 2022/2023 and 2023/2024 results and targets have been benchmarked to inform public consultation. For 2024/2025 the indicative targets will be considered by local boards and amended (if required) and confirmed by the Local Board Agreement process in June.
Albert – Eden	n/a	496,231	539,639	566,621	
Devonport Takapuna	n/a	137,683	153,681	161,365	
Franklin	n/a	223,492	229,591	241,071	
Henderson - Massey	n/a	624,967	652,138	684,745	
Hibiscus and Bays	n/a	438,599	487,005	511,356	
Howick	n/a	778,085	879,010	922,960	
Kaipatiki	n/a	616,885	650,200	682,710	
Mangere- Otahuhu	n/a	471,852	491,105	515,660	
Manurewa	n/a	356,414	404,383	424,602	
Maungakiekie- Tamaki	n/a	831,604	949,143	996,600	
Orakei	n/a	47,166	59,034	61,986	
Otara Papatoetoe	n/a	388,978	444,126	466,332	
Papakura	n/a	341,409	336,158	352,966	
Puketapapa	n/a	288,827	320,683	336,716	
Upper Harbour	n/a	496,653	496,653	543,138	
Waitemata	n/a	465,130	495,918	520,714	
Pool & Leisure Centre Main Functions & Facilities Opening Hours Service Uptime (open / available hrs) - Regional	New	Note 1.1	95%	95%	The 2022/2023 and 2023/2024 results and targets have been benchmarked to inform public consultation. For 2024/2025 the indicative targets will be considered by local boards and amended (if required) and confirmed by the Local Board Agreement process in June.
Albert - Eden	n/a	Note 1.1	95%	95%	
Devonport Takapuna	n/a	Note 1.1	95%	95%	
Franklin	n/a	Note 1.1	95%	95%	
Henderson - Massey	n/a	Note 1.1	95%	95%	
Hibiscus and Bays	n/a	Note 1.1	95%	95%	
Howick	n/a	Note 1.1	95%	95%	
Kaipatiki	n/a	Note 1.1	95%	95%	
Mangere- Otahuhu	n/a	Note 1.1	95%	95%	
Manurewa	n/a	Note 1.1	95%	95%	

Maungakiekie- Tamaki	n/a	Note 1.1	95%	95%	
Orakei	n/a	Note 1.1	95%	95%	
Otara Papatoetoe	n/a	Note 1.1	95%	95%	
Papakura	n/a	Note 1.1	95%	95%	
Puketapapa	n/a	Note 1.1	95%	95%	
Upper Harbour	n/a	Note 1.1	95%	95%	
Waitemata	n/a	Note 1.1	95%	95%	
Library opening hours / service uptime - Regional	New	Note 1.1	Note 1.1	100%	The 2022/2023 and 2023/2024 results and targets have been benchmarked to inform public consultation. For 2024/2025 the indicative targets will be considered by local boards and amended (if required) and confirmed by the Local Board Agreement process in June.
Albert - Eden		Note 1.1	Note 1.1	100%	
Aotea/ Great Barrier		Note 1.1	Note 1.1	100%	
Devonport Takapuna		Note 1.1	Note 1.1	100%	
Franklin		Note 1.1	Note 1.1	100%	
Henderson - Massey		Note 1.1	Note 1.1	100%	
Hibiscus and Bays		Note 1.1	Note 1.1	100%	
Howick		Note 1.1	Note 1.1	100%	
Kaipatiki		Note 1.1	Note 1.1	100%	
Mangere- Otahuhu		Note 1.1	Note 1.1	100%	
Manurewa		Note 1.1	Note 1.1	100%	
Maungakiekie- Tamaki		Note 1.1	Note 1.1	100%	
Orakei		Note 1.1	Note 1.1	100%	
Otara Papatoetoe		Note 1.1	Note 1.1	100%	
Papakura		Note 1.1	Note 1.1	100%	
Puketapapa		Note 1.1	Note 1.1	100%	
Rodney		Note 1.1	Note 1.1	100%	
Upper Harbour		Note 1.1	Note 1.1	100%	
Waiheke		Note 1.1	Note 1.1	100%	
Waitakere Ranges		Note 1.1	Note 1.1	100%	
Waitemata		Note 1.1	Note 1.1	100%	
Whau		Note 1.1	Note 1.1	100%	
The number of visits to library facilities - Regional	n/a	7,133,495	7,644,884	7,316,496	
Albert - Eden	n/a	321,154	380,148	317,927	
Aotea/ Great Barrier	n/a	10,172	13,000	10,904	
Devonport Takapuna	n/a	416,174	421,388	432,642	
Franklin	n/a	222,455	226,000	212,819	
Henderson - Massey	n/a	552,832	588,235	605,849	
Hibiscus and Bays	n/a	580,437	610,000	581,168	
Howick	n/a	779,666	837,200	823,301	
Kaipatiki	n/a	432,070	433,200	438,656	

Mangere- Otahuhu	n/a	361,682	396,464	372,545	
Manurewa	n/a	241,504	247,354	232,484	
Maungakiekie- Tamaki	n/a	312,681	312,400	312,400	
Orakei	n/a	289,503	428,020	325,873	
Otara Papatoetoe	n/a	360,514	410,700	385,655	
Papakura	n/a	260,311	241,600	256,441	
Puketapapa	n/a	198,044	200,806	191,301	
Rodney	n/a	277,823	300,000	269,373	
Upper Harbour	n/a	132,614	148,000	121,975	
Waiheke	n/a	89,263	95,000	109,555	
Waitakere Ranges	n/a	200,273	218,800	197,359	
Waitemata	n/a	696,913	710,000	720,300	
Whau	n/a	397,390	426,569	397,968	
The number of community facilities rated Poor or Very Poor	New	Note 1.1	Note 1.1	Note 1.2	The 2022/2023 and 2023/2024 results and targets have been benchmarked to inform public consultation. For 2024/2025 the indicative targets will be considered by local boards and amended (if required) and confirmed by the Local Board Agreement process in June.
Albert - Eden	n/a	Note 1.1	8.78%	Note 1.2	
Aotea/ Great Barrier	n/a	Note 1.1	12.28%	Note 1.2	
Devonport Takapuna	n/a	Note 1.1	15.93%	Note 1.2	
Franklin	n/a	Note 1.1	14.03%	Note 1.2	
Henderson - Massey	n/a	Note 1.1	14.31%	Note 1.2	
Hibiscus and Bays	n/a	Note 1.1	12.50%	Note 1.2	
Howick	n/a	Note 1.1	12.81%	Note 1.2	
Kaipatiki	n/a	Note 1.1	14.72%	Note 1.2	
Mangere- Otahuhu	n/a	Note 1.1	19.17%	Note 1.2	
Manurewa	n/a	Note 1.1	15.81%	Note 1.2	
Maungakiekie- Tamaki	n/a	Note 1.1	16.40%	Note 1.2	
Orakei	n/a	Note 1.1	11.41%	Note 1.2	
Otara Papatoetoe	n/a	Note 1.1	16.29%	Note 1.2	
Papakura	n/a	Note 1.1	15.32%	Note 1.2	
Puketapapa	n/a	Note 1.1	5.86%	Note 1.2	
Rodney	n/a	Note 1.1	14.77%	Note 1.2	
Upper Harbour	n/a	Note 1.1	5.99%	Note 1.2	
Waiheke	n/a	Note 1.1	11.07%	Note 1.2	
Waitakere Ranges	n/a	Note 1.1	16.62%	Note 1.2	
Waitemata	n/a	Note 1.1	17.69%	Note 1.2	
Whau	n/a	Note 1.1	14.12%	Note 1.2	
Percentage of customers satisfied with the quality of library service delivery	n/a	Note 1.3	Note 1.3	Note 1.3	

The percentage of attendees satisfied with a nominated local community event	n/a	Note 1.3	Note 1.3	Note 1.3	
The percentage of customers satisfied with quality of local community services, programmes, and facilities	n/a	Note 1.3	Note 1.3	Note 1.3	
The percentage of park visitors who are satisfied with the overall quality of sportsfields	n/a	Note 1.3	Note 1.3	Note 1.3	
8. Provide urban green spaces (local parks, paths and ngahere) and access to the coast					
The number of Open Space Assets rated Poor or Very Poor	New	Note 2.1	Note 2.1	Note 2.2	The 2022/2023 and 2023/2024 results and targets have been benchmarked to inform public consultation. For 2024/2025 the indicative targets will be considered by local boards and amended (if required) and confirmed by the Local Board Agreement process in June.
Albert - Eden	n/a	Note 2.1	9.66%	Note 2.2	
Aotea/ Great Barrier	n/a	Note 2.1	6.99%	Note 2.2	
Devonport Takapuna	n/a	Note 2.1	22.93%	Note 2.2	
Franklin	n/a	Note 2.1	7.08%	Note 2.2	
Henderson - Massey	n/a	Note 2.1	8.77%	Note 2.2	
Hibiscus and Bays	n/a	Note 2.1	6.41%	Note 2.2	
Howick	n/a	Note 2.1	10.58%	Note 2.2	
Kaipatiki	n/a	Note 2.1	27.40%	Note 2.2	
Mangere- Otahuhu	n/a	Note 2.1	11.77%	Note 2.2	
Manurewa	n/a	Note 2.1	10.40%	Note 2.2	
Maungakiekie- Tamaki	n/a	Note 2.1	17.77%	Note 2.2	
Orakei	n/a	Note 2.1	9.71%	Note 2.2	
Otara Papatoetoe	n/a	Note 2.1	11.12%	Note 2.2	
Papakura	n/a	Note 2.1	10.66%	Note 2.2	
Puketapapa	n/a	Note 2.1	11.30%	Note 2.2	
Rodney	n/a	Note 2.1	11.78%	Note 2.2	
Upper Harbour	n/a	Note 2.1	17.81%	Note 2.2	
Waiheke	n/a	Note 2.1	5.61%	Note 2.2	
Waitakere Ranges	n/a	Note 2.1	9.40%	Note 2.2	
Waitemata	n/a	Note 2.1	8.65%	Note 2.2	
Whau	n/a	Note 2.1	12.97%	Note 2.2	
The percentage of quality audits achieved in Local Parks	New	Note 2.1	90%	90%	The 2022/2023 and 2023/2024 results and targets have been benchmarked to inform public consultation. For 2024/2025 the indicative targets will be considered by
Albert - Eden	n/a	Note 2.1	90%	90%	
Aotea/ Great Barrier	n/a	Note 2.1	90%	90%	

Devonport Takapuna	n/a	Note 2.1	90%	90%	local boards and amended (if required) and confirmed by the Local Board Agreement process in June.
Franklin	n/a	Note 2.1	90%	90%	
Henderson - Massey	n/a	Note 2.1	90%	90%	
Hibiscus and Bays	n/a	Note 2.1	90%	90%	
Howick	n/a	Note 2.1	90%	90%	
Kaipatiki	n/a	Note 2.1	90%	90%	
Mangere- Otahuhu	n/a	Note 2.1	90%	90%	
Manurewa	n/a	Note 2.1	90%	90%	
Maungakiekie- Tamaki	n/a	Note 2.1	90%	90%	
Orakei	n/a	Note 2.1	90%	90%	
Otara Papatoetoe	n/a	Note 2.1	90%	90%	
Papakura	n/a	Note 2.1	90%	90%	
Puketapapa	n/a	Note 2.1	90%	90%	
Rodney	n/a	Note 2.1	90%	90%	
Upper Harbour	n/a	Note 2.1	90%	90%	
Waiheke	n/a	Note 2.1	90%	90%	
Waitakere Ranges	n/a	Note 2.1	90%	90%	
Waitemata	n/a	Note 2.1	90%	90%	
Whau	n/a	Note 2.1	90%	90%	
Urban Ngahere Street planting Programme (number of trees)	New	Note 2.1	48847	48847	The 2022/2023 and 2023/2024 results and targets have been benchmarked to inform public consultation. For 2024/2025 the indicative targets will be considered by local boards and amended (if required) and confirmed by the Local Board Agreement process in June.
Albert - Eden	n/a	Note 2.1	85	85	
Aotea/ Great Barrier	n/a	Note 2.1	Note 2.3	Note 2.3	
Devonport Takapuna	n/a	Note 2.1	5965	5965	
Franklin	n/a	Note 2.1	4350	4350	
Henderson - Massey	n/a	Note 2.1	3036	3036	
Hibiscus and Bays	n/a	Note 2.1	1680	1680	
Howick	n/a	Note 2.1	6544	6544	
Kaipatiki	n/a	Note 2.1	2085	2085	
Mangere- Otahuhu	n/a	Note 2.1	1852	1852	
Manurewa	n/a	Note 2.1	2705	2705	
Maungakiekie- Tamaki	n/a	Note 2.1	1100	1100	
Orakei	n/a	Note 2.1	1193	1193	
Otara Papatoetoe	n/a	Note 2.1	8018	8018	
Papakura	n/a	Note 2.1	1500	1500	
Puketapapa	n/a	Note 2.1	200	200	
Rodney	n/a	Note 2.1	3021	3021	
Upper Harbour	n/a	Note 2.1	4624	4624	
Waiheke	n/a	Note 2.1	Note 2.3	Note 2.3	

Waitakere Ranges	n/a	Note 2.1	340	340	
Waitemata	n/a	Note 2.1	379	379	
Whau	n/a	Note 2.1	170	170	

Table 26 *– Local community services: Additional notes to Performance measures table*

References	To be read in conjunction with table "Performance measure" above
1.1	Baseline to be established.
1.2	Targets will be confirmed pending funding decisions and will be included in the final document
1.3	Targets to be confirmed
2.1	Baseline to be established
2.2	Targets will be confirmed pending funding decisions and will be included in the final document
2.3	This local board does not have planting data.

Key activities: Local environmental management

We support healthy ecosystems and sustainability through local board-funded initiatives such as planting, pest control, stream and water quality enhancements, healthy homes, and waste minimisation projects.

Key projects: Local environmental management

We are committed and focussed on supporting the community with environmental initiatives, and local low carbon, sustainability and zero waste activities and education programmes. Examples include:

- Continuing to work closely with community groups, schools, and iwi to improve water quality and biodiversity through local board investment
- The ongoing delivery of local board funded ecological restoration or water quality initiatives
- Supporting local Pest Free Auckland initiatives such as community rat and possum trappers, weed control and community restoration groups.
- Localised low carbon programmes to support local actions at a household level such as Love Your Neighbourhood, Eco Neighbourhoods, Low Carbon Networks and zero waste programmes.

Key performance measures: Local environmental management

Table 27 - Local council services - Local environmental management: Performance measures

Performance measure	Notes (ref)	Actual (Result)	Target	Indicative Long-term Plan Targets			
		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027 - 2034
12. Protect, improve and minimise risks to the natural environments and cultural heritage							
The percentage of local environment programmes that have successfully contributed towards local board plan outcomes	n/a	95%	92%	92%	92%	92%	92%

Key activities: Local governance

We support elected representatives across our 21 local boards to make well-informed decisions on local activities. This includes providing advice and planning for the development of local board plans, annual local board agreements (budgets) and work programmes. We facilitate engagement with communities, including mana whenua and Māori, and local communities on local issues. We support local boards in inputting into regional plans, policies, and strategies, and provide democracy and administrative services. We facilitate for elected members to understand, advocate, and manage issues of communal concern.

Key projects: Local governance

We support our elected representatives, including:

- Developing and delivering three-yearly local board plans.
- Developing annual local board agreements (budgets).
- Developing and delivering local board work programmes.
- Supporting local boards input into regional strategies, policies, plans, bylaws, and central government proposals.

Key performance measures: Local governance

There is no performance measure for this activity.

Key activities: Local planning and development

Our local planning and development activities include supporting local town centres and communities to thrive, through town centre plans and development, business improvement districts, and heritage plans and initiatives.

Key projects: Local planning and development

We support local town centres and communities by:

- Developing plans for town centres and local areas
- Identifying and protecting heritage places and providing heritage advice

- Working with our Business Improvement Districts and Business Associations.

Key performance measures: Local planning and development

There is no performance measure for this activity.

Prospective Financial Information

Activity	Operating cost and revenue $000 Financial year ending 30 June	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28-2033/34	10-years Total
Local community services	Non-rates revenue	45,967	50,012	51,201	52,523	411,587	565,323
	Direct operating expenditure*	321,309	311,042	333,651	345,724	2,851,242	3,841,660
	Capital expenditure	222,202	158,698	194,111	200,213	2,104,150	2,657,172
Local environmental management	Direct operating expenditure*	2,618	5,304	5,403	5,513	41,874	58,094
	Capital expenditure	18,138	13,249	17,941	14,317	122,618	168,126
Local governance	Direct operating expenditure*	22,765	23,393	24,808	24,850	189,021	262,072
Local planning	Direct operating expenditure*	22,933	24,671	25,563	26,295	192,515	269,043
	Capital expenditure	61	19	-	-	-	19

*Direct operating expenditure does not include interest and depreciation

Prospective Funding Impact Statement

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Sources of operating funding:											
General rates, UAGCs, rates penalties	411,032	409,632	444,229	472,888	506,581	539,467	579,039	621,473	658,520	695,107	735,466
Targeted rates	23,130	24,719	25,636	26,395	26,973	27,412	27,728	27,921	28,011	27,966	27,924
Subsidies and grants for operating purposes	4,788	5,050	5,149	5,260	5,363	5,455	5,556	5,659	5,659	5,659	5,659
Fees and charges	35,443	38,840	39,681	40,625	41,508	42,960	44,637	46,381	47,912	49,493	51,126
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	5,735	6,123	6,371	6,638	6,918	7,050	7,189	7,330	6,475	6,689	6,910
Total operating funding	**480,130**	**484,363**	**521,066**	**551,806**	**587,344**	**622,343**	**664,148**	**708,764**	**746,576**	**784,913**	**827,084**
Applications of operating funding:											
Payment to staff and suppliers	371,264	364,410	389,424	402,382	416,017	431,150	446,388	463,285	484,100	505,782	527,929
Finance costs	46,660	51,259	57,898	64,421	72,588	81,401	92,788	104,156	117,384	129,943	145,560
Internal charges and overheads applied	57,498	57,309	56,625	60,571	62,992	62,636	66,459	68,149	68,149	68,149	68,149
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	**475,423**	**472,978**	**503,946**	**527,374**	**551,597**	**575,188**	**605,635**	**635,590**	**669,633**	**703,873**	**741,638**
Surplus (deficit) of operating funding	**4,706**	**11,385**	**17,120**	**24,431**	**35,746**	**47,155**	**58,513**	**73,174**	**76,943**	**81,039**	**85,446**
Sources of capital funding:											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	79,089	59,067	57,378	55,757	54,175	54,240	54,484	55,801	57,269	58,737	58,737
Increase (decrease) in debt	156,606	101,514	137,554	134,342	147,566	146,164	172,590	194,144	231,171	235,664	248,009
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**235,694**	**160,581**	**194,932**	**190,099**	**201,740**	**200,404**	**227,074**	**249,945**	**288,440**	**294,401**	**306,747**
Application of capital funding:											
Capital expenditure:											
- to meet additional demand	67,170	39,851	59,415	36,637	30,055	31,127	33,153	55,024	85,463	100,046	101,478
- to improve the level of service	33,812	27,879	39,904	43,098	37,243	43,443	62,265	52,979	48,894	49,665	49,594
- to replace existing assets	139,420	104,237	112,732	134,795	170,189	172,990	190,170	215,115	231,026	225,730	241,121
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	**240,401**	**171,966**	**212,052**	**214,530**	**237,487**	**247,559**	**285,587**	**323,118**	**365,383**	**375,441**	**392,193**
Surplus (deficit) of capital funding	**(4,706)**	**(11,385)**	**(17,120)**	**(24,431)**	**(35,746)**	**(47,155)**	**(58,513)**	**(73,174)**	**(76,943)**	**(81,039)**	**(85,446)**
Funding balance	**0**	**(0)**	**0**	**(0)**	**0**	**-**	**0**	**-**	**0**	**-**	**0**

Regionally delivered council services

Our regionally delivered council services are designed to create a city with great neighbourhoods, centres, parks and public spaces loved by Aucklanders. We also support the mayor and councillors in governing Auckland for the benefit of ratepayers, residents, and businesses.

Key activities

In this section, key activities, key projects and key performance measures are listed in this order:

- Auckland Emergency Management
- Investment
- Environmental services
- Regional community services
- Regional governance
- Regional planning
- Waste services
- Third party amenities and grants
- Organisational support
- Regulatory services.

Key activities: Auckland emergency management

Auckland Emergency Management (AEM) partners with emergency services and other organisations to ensure effective coordination of civil defence and emergency management within Auckland. We work to strengthen the disaster resilience of Tāmaki Makaurau by managing risks and empowering and supporting everybody to be ready to respond to and recover from emergencies.

The national framework for Civil Defence and Emergency Management (CDEM) in Aotearoa is established under the Civil Defence Emergency Management Act 2002 (CDEM Act). The framework provides for the effective delivery of emergency management through the roles and responsibilities of prescribed entities. In Tāmaki Makaurau these entities are made up of the following:

- CDEM Group: Auckland Council has established the CDEM Committee as the CDEM Group for Auckland. The CDEM Committee has governance responsibilities under the CDEM Act.
- Coordinating Executive Group (CEG): The CEG is chaired by the Chief Executive of Auckland Council. The CEG is responsible for advising the CDEM Committee, implementing their decisions and overseeing the implementation, monitoring and delivery of the Group Plan. CEG membership includes emergency services, health providers and lifeline utilities (entities providing critical infrastructure).

- Auckland Emergency Management (AEM): AEM is the CDEM Group Emergency Management Office responsible for the day-to-day planning, project work and delivery of operational arrangements on behalf of the CDEM Group and CEG.

We are continuously striving to improve Tāmaki Makaurau Auckland's resilience. We do this through the achievement of objectives and actions across the 4 Rs of emergency management including reduction, readiness, response and recovery. Everyone has a role to play across the 4 Rs. Auckland Council works within a broad emergency management system. We collaborate with, and are supported by the National Emergency Management Agency, emergency services, lifeline utilities, health providers, disability organisations, welfare services, mana whenua and mātāwaka, and the communities of Tāmaki Makaurau to build disaster resilience. Within Auckland Council, AEM lead in the readiness and response space, while the wider council lead on reduction. The lead for recovery depends on the scale of the event, and recovery required. There are a range of areas where we take collaborative action across council.

Things we are keeping an eye on: Auckland emergency management

Emerging risks

We are aware that the effects of climate change and population growth in Auckland are likely to intensify the risk and impacts of specific disasters in future, such as superstorms and other extreme weather events. This makes it essential for everyone to be prepared, so they know what to do before, during and after emergencies. The extreme weather events of early 2023 highlighted many learnings in terms of our operational readiness and response that have been built into a robust work programme for AEM and the wider Council.

Emergency Management System Reform

The Emergency Management Bill was introduced in June 2023 to update the emergency management system. Submissions opened in August and closed in November 2023. Key measures included clarifying roles and responsibilities, recognising and enhancing the role of Māori, enhancing the resilience of critical infrastructure, updating legal and regulatory framework, and progressing the transition to 'Emergency Management.' The Auckland Civil Defence Emergency Management Committee was generally supportive although with queries about implementation. Progress of the Bill will be considered by the government elected in October 2023.

Key projects: Auckland emergency management

Improved disaster resilience through delivery of the Auckland Civil Defence and Emergency Management Group Plan.

Auckland Emergency Management delivers key projects in the following areas, as set out in the Auckland CDEM Group plan:

- reducing the impact of hazards on our whānau, businesses and communities
- having the skills, knowledge, plans and tools before a disaster happens so we are prepared
- increasing community awareness, understanding and participation in emergency management
- partnering with mana whenua and mātāwaka to support disaster resilience of iwi and Māori
- taking action to ensure the safety and wellbeing of people and places
- enhancing Auckland's capability to recover from disasters.

Key performance measures: Auckland emergency management

Table 28 – Auckland Emergency management: Performance measures

Performance measure	**Notes (ref)**	**Actual (Result)**	**Target**	**Indicative Long-term Plan Targets**			
		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027 - 2034
15. Provide leadership in building resilience and responding to emergency and lead recovery							
The percentage of Aucklanders who are prepared for an emergency	n/a	69%	70%	71%	72%	73%	75%
The percentage of Aucklanders that have a good understanding of the types of emergencies that could occur in Auckland	n/a	81%	82%	82%	83%	84%	85%

Key activities: Investment

We manage our investments to achieve broader strategic objectives while delivering financial returns.

Key projects: Investment

Auckland Council holds 100 per cent of the shares in Port of Auckland Limited (POAL) and 11.08 per cent of the shares in Auckland International Airport Limited (AIAL), a New Zealand Stock Exchange (NZX) listed entity.

The council is currently consulting on establishing the Auckland Future Fund, including options for port lease and airport shares. For more information, see the consultation document Part Five: Major investments.

Key performance measures: Investment

Table 29 - Investment: Performance measures

Performance measure	**Notes (ref)**	**Actual (Result)**	**Target**	**Indicative Long-term Plan Targets**			
		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027 - 2034
23. Manage long-term finances sustainably and maximise returns on council's investment							
The annual growth in Auckland Council's dividend compared to the Consumer Price Index growth	n/a	18.80%	A return of 3% above annual CPI at 31 March	A return of 3% above annual CPI at 31 March			

Key activities: Environmental services

Auckland's native biodiversity, green spaces, clean water and fresh air help make it an attractive and healthy city to live and work in. We work with iwi, mana whenua, the community, schools and landowners to protect the values of Auckland's natural environment and support Aucklanders to reduce their carbon emissions and build resilience to climate impacts, while honouring Te Tiriti o Waitangi.

Things we are keeping an eye on: Environmental services

Healthy ecosystems are critical for economic, cultural, and social well-being and climate resilience. If not well managed, many of our native species and important ecosystems are at risk of loss or significant degradation. We run programmes to protect our natural environment, carefully selecting the methods we use to tackle pests, weeds and diseases that threaten our native species. We respect the role of mana whenua as kaitiaki of the environment and work alongside them. We provide funding and support to private landowners and community groups delivering community-led action. Safeguarding Auckland's natural environment is a job for all Aucklanders. We have a major role to play, running programmes to tackle pest plants and animals, along with pathogens that threaten our native species.

Key projects: Environmental services

We manage the region's biodiversity and biosecurity on public and private land to deliver restoration and sustainability initiatives and support community-centred climate action to protect our environment with:

- Pest Free Auckland programme is both council-led and non-council led conservation action. It is a restoration initiative to build a movement that enables conservation action, recognising that protecting and restoring biodiversity cannot be solved by council, or any one agency, alone. It is designed to engage the community in managing pest animals, plants, and pathogens, and restoring and connecting native ecosystems.
- Implementation of the Regional Pest Management Plan 2020-2030. This is a statutory tool which identifies and controls priority pests (including kauri dieback disease, pest animals and pest plants).
- Coordination and implementation of the accelerated kauri dieback management programme, to protect our kauri forests.
- Maintaining the pest-free status of Hauraki Gulf Islands and working on other pest animal eradications, including leveraging central government funding to assess the feasibility of removing wallabies, possums, rats and mustelids (specifically from Kawau Island).
- Protection of priority freshwater lakes and island ecosystems and species.
- Marine biosecurity education and engagement programme, including inter-regional marine pest pathway management planning, carrying out increased surveillance and monitoring in relation to marine pests, and responding to new incursions.
- Implementation of the Auckland Indigenous Biodiversity Strategy which involves protecting high priority indigenous species and ecosystems through site and species focused actions, in partnership with land managers/owners, mana whenua and stakeholders.
- Specialist technical expertise, data and information to guide decision making and support the council's regulatory and policy functions to maintain indigenous biodiversity and manage biosecurity pressures.

- Community climate action, administering the Auckland Climate Grant to support community-led climate projects as well as partnering with a region-wide network of community organisations to deliver emissions reduction and resilience outcomes at a local level.
- Māori resilience to climate impacts by fostering Māori-led and community partnerships – with iwi, marae and associated kura, to deliver projects that meet Māori aspirations for the environment, resilience to climate events and rangatahi leadership.
- Providing resources and digital conservation tools to support communities that are interested in or already carrying out conservation and climate activity.
- FutureFit, an online carbon footprint calculator tool for individuals to measure their impact and reduce their carbon emissions. This includes FutureFit for Business employee engagement programme for businesses.
- Programmes which engage young people in conservation and climate action in their local communities and provide hands-on sustainability education programmes in our regional parks through our Experience Centres.
- Storm response programmes to support high-risk communities develop an understanding of and respond to the changing natural hazard risk due to climate change.
- Resume the Natural Environment Targeted Rate (NETR) at the previously planned level to raise $350 million, and allocate $200,000 to support the response to stop the spread of the exotic Caulerpa seaweeds (funded from the NETR, so some scaling back of other programmes could be necessary).
- continue investing in community stewardship of public and private green spaces and partnership support for mana whenua to exercise kaitiakitanga

Trade-offs: Pay less, get less

Table 30 - Trade-offs - Get less

What Changes	
Service Levels	**Financial Impacts and implementation risks**
Resume funding for the Natural Environment Targeted Rate at a lower level compared to the central proposal to raise $245 million over ten years.	
• Fewer pest species, priority ecosystems, and threatened species would be managed meaning some environmental gains made in the last few years would be lost compromising the council's commitments to protecting indigenous biodiversity. • There would also be significantly reduced support for community-delivered outcomes. The council would have no ability to respond to new biosecurity issues (e.g., marine incursions such as exotic Caulerpa).	This is $105 million less than the central proposal. Funding will grow at the pace of growth in the rating base (GIRB) from a low base; will not impact overall rates increase. **Implementation risks** Council would not be able to meet its current obligations under the Regional Pest Management Plan (RPMP). The council would need to review the plan and consult on amendments that reflected the available funding.
Community-led action – reduce investment in community stewardship of public and private green spaces and partnership support for mana whenua to exercise kaitiakitanga	
• Levels of service will change – Environmental action would slow and decline.	• Reducing grant funding would result in direct savings, whereas reducing investment in other community-led programmes would require this work to be picked up

• Reduction in council-delivered environmental contestable grants (specifically the Regional Environment and Natural Heritage [RENH] Grant) for community-led activity • Loss of momentum in community-led action and partnership with mana whenua. • Less pest control, species protection, revegetation and potential for reduced community wellbeing outcomes	by the council, for example conservation activities on parkland. • Reduction in Regional Environment and Natural Heritage RENH grant (currently approximately $400,000 per year). • Increased demand for locally driven initiatives funding • NETR and general rates funded programmes will provide less value for money due to loss of complementing community-led programmes **Implementation risks** • Increased reputational, political and legislative risk - reduction in support would signal that council places less value on the importance of community-led initiatives and exposes the council to partnership risk under Te Tiriti o Waitangi. • Community-led conservation takes time to build up, and cannot be turned on and off, so impacts of this option would continue into the future even if funding were increased at a later date.
Retain climate funding as per the central proposal.	

Trade-offs: Pay more, get more

Table 31 - Trade-offs - Get more

What Changes	
Service Levels	**Financial Impacts and implementation risks**
Resume funding for the Natural Environment Targeted Rate at previously planned levels and increase by 3.5 per cent per year in line with inflation to raise $412 million over 10 years.	
• Deliver the programmes committed to in the Regional Pest Management Plan (RPMP), maintain support for community initiatives better position the council to respond to new threats. It would also support the delivery of new obligations including those under the National Policy Statement for Indigenous Biodiversity. • Maintain levels of support for community stewardship of green spaces and partnership support for mana whenua, to exercise kaitiakitanga and support for larger, landscape-scale initiatives.	• This is $62 million more than the central proposal. • Funding will grow over time at around 5 per cent per year in line with the 3.5 per cent increase and growth in the rating base.
Community-led action – increased investment in community stewardship of public and private green spaces and partnership support for mana whenua to exercise kaitiakitanga	
• Maintain current levels of service (including adjusting for inflation)	The additional investment would enable: • $1 million a year additional general rates grants funding for council to directly support larger,

• Deeper mana whenua partnership and increased growth in community-led capacity and capability (leadership) to deliver biodiversity, wellbeing and recreational outcomes in green spaces. • Increased volunteer recruitment and management including investment in a digital volunteer management tool such as 'Volunteer Connect' • Increased general rates grant funding • Complements existing programmes funded by general rates and NETR	landscape-scale community-led initiatives with high biodiversity outcomes to align more closely to application levels and need. Increased funding would likely unlock more co-funding from external sources, amplifying council's spend. • $490,000 a year in volunteer and philanthropic partnerships enablement • Includes the existing NETR-funded Expanding Community Action programme and grants provided to community groups through the general-rates funded Regional Environment and Natural Heritage (RENH) contestable grant. **Implementation risks** Inability to secure sufficient level of co-funding from external sources may mean slower implementation. Community groups may also need time to increase capacity and capability to deliver the intended outcomes.
Additional funding for climate, rising to $100 million each year from year three of the LTP.	
• This funding would go towards initiatives that support the reduction of Auckland's regional carbon emissions	

Key performance measures: Environmental services

Table 32 - Environmental services: Performance measures

Performance measure	Notes (ref)	Actual (Result)	Target	Indicative Long-term Plan Targets			
		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027-2034
11. Protect and provide access to distinctive and unique environments through regional parks							
The proportion of kauri areas, managed by council, with site-based mitigation in place to reduce the spread of kauri dieback disease	1.1	97.8%	99.7%	99.7%	99.7%	99.7%	99.7%
Number of native plants planted	n/a	761,451	545,000	595,500	646,000	696,580	746,580
The proportion of priority native habitats on regional parks under sustained management for pest plants	1.2	100%	100%	100%	100%	100%	100%
12. Protect, improve and minimise risks to the natural environments and cultural heritage							
The proportion of rural mainland Auckland with possum populations at or below target densities for biodiversity protection	n/a	28%	30%	40%	40%	49%	50%

Number of Aucklanders engaged in living low carbon lifestyles in lowering emissions or building climate resilience.	*	63,871	68,500	73,000	79,000	86,000	88,000
The percentage of schools engaging in sustainability action programmes	*	68.68%	60%	57%	57%	57%	57%
Number of species-led projects being delivered on Hauraki Gulf islands for the purpose of maintaining or achieving eradication of pest plants or pest animals	2.1 *	9	10	9	9	9	9
13. Provide opportunities for communities to lead and deliver their own initiatives							
Number of indigenous plants and animals regionally vulnerable to extinction under active management	3.1	94	98	98	100	100	100

Table 33 - Environmental services: Additional notes to Performance measures table

References	To be read in conjunction with table "Performance measure" above
*	Minor wording change to the existing performance measure.
1.1	Kauri areas refer to kauri forests that council has a mandate to manage, including council parks, Department of Conservation land where a Memorandum of Understanding is in place for the council to manage, and private land deemed high priority for kauri forest management where an agreement has been reached with the landowner. Does not include areas that consist of only a small number of kauri trees or amenity plantings.
1.2	Priority native habitats are a minimum suite of sites identified as requiring the restoration and maintenance of ecological integrity in order to maintain the greatest number and most diverse range of Auckland's indigenous ecosystems and sequences. Priority native habitats are otherwise known as Biodiversity Focus Areas. Native habitats are defined as the indigenous ecosystem types described in Singers et al., 2017, Indigenous terrestrial and wetland ecosystems of Auckland.
2.1	Species-led projects are projects that target single or multiple species. This includes both site level pest control projects and projects that manage pest pathways to prevent species re-invading those islands from which they have been eradicated.
3.1	399 plants, birds, freshwater fish, lizards, frogs, and bats are currently considered "vulnerable to extinction" in the region through a review of national and regional data and expert knowledge (invertebrates, fungi, lichen, and non-vascular plants and marine species have not been assessed and are therefore out of scope for this measure).

Key activities: Regional community services

We invest in the provision of regional community services, programmes and facilities to contribute to strong, healthy and connected communities. This work includes our regional parks, libraries collection, cemeteries, community and social innovation and grants to support arts and culture, events and sport and recreation.

Community wellbeing and creating a sense of belonging are at the heart of what we do. We accomplish this by actively encouraging participation across all a range spaces made available to the community with our partners– spaces that allow people to learn, relax, connect and maintain healthy lifestyles.

Things we are keeping an eye on: Regional community services

Auckland is one of the most diverse cities in the world, which means our community services, such as libraries, recreation centres, parks and swimming pools, must meet the needs of our diverse population. Many of our community facilities (assets) are aging and require significant investment to bring them up to standard. Continued decline in physical visits also indicates customer preferences are changing, particularly since the COVID-19. We closely monitor our grants programme to ensure the funded activities have a positive effect for their communities.

Key projects: Regional community services

We are looking at different ways of delivering services through partnerships, digital channels and multi-use facilities to support the changing needs of our diverse community.

We continue to provide the facilities and services that contribute to strengthening our communities with:

- transition of the Parks and Community Asset portfolio with $4.2 billion of capital funding for the next 10 years, supported with $700 million of operational funding already budgeted to transition away from asset-based services.
- increase the Sports and Recreation Facilities Investment fund $35 million over three years to address the deficit in indoor sports facilities in Auckland (funded from $700 million operational funding above)
- continue providing our library collection and digital services. Aucklanders are accessing information digitally and at pace. E-books and e-magazines represent an increasing amount of our total lending through library services. Auckland libraries will continue to:
  - provide access to a broad range of information in both physical and digital resources to support reading, discovery, and participation
  - provide access to a range of collections, including children’s, heritage, Māori and Pacific collections
- investing in sector and community-led arts and cultural activities, events, community development and safety activities through the Regional Grants Programme
- connecting Aucklanders with nature through camping and bach accommodations, looking after Auckland’s ecosystem by delivering and managing the plant nursery propagation services for Regional Parks planting through Botanic Gardens, and Waitākere Ranges nursery. We play these roles as Kaitiaki (land manager) of Auckland’s regional parks
- delivering asset renewals to safeguard our facilities from asset failure and support high-priority growth projects

- continuing work with our key partners (Aktive and SportsNZ) to invest into and target populations of low participation and may be at a high risk of becoming inactive, supported by the 'Get Active Your Way', 'Swim to Survive and Thrive', and 'Active and Healthy Environments' initiatives
- investing in strategic partnerships to leverage philanthropy with the Auckland Foundation's Together for Auckland Fund
- supporting regional community partnerships, mobile and rural library access
- delivering Arts, Culture and Event activities for all Aucklanders to experience as part of their everyday lives through:
  - investment through regional grants to Arts' partner organisations and through contestable grants
  - contributing to placemaking through the curation and addition of the Public Art collection
  - partnering with mana whenua and local iwi organisations to celebrate Matariki and Waitangi Day
  - civic events like ANZAC Day services, and citizenship celebrations.

Trade-offs: Pay less, get less

Table 34 - Trade-offs - Get less

What changes	
Service levels	**Financial Impacts and implementation risks**
Community options for change to policy positions, parks and community services and asset requirements.	
With less funding the current approach of transitioning away from the asset-based investment could be more difficult to pursue. To manage within constrained funding would require: • limited investment in new land and assets would only be developed in priority areas • service offering to be largely the same being delivered through assets, reducing flexibility and limiting capacity for service shifts. Climate considerations will be part of the criteria for asset reduction with an opportunity to reduce emissions by integrating multiple services into more accessible locations.	To manage within constrained funding, we could fund the proposed $4.2 billion in capex, however, remove the $700 million in existing budget to fund approaches to deliver differently via partnerships, digital services and integrated services. This would likely result in: • limited investment in new land and assets would only be developed in priority areas • service offerings being delivered through deteriorating assets • greater asset disposals to fund asset renewals and repairs • reduced ability to adapt to changing customer needs, including via technology or partnerships, or invest in facility upgrades or climate change mitigations • reduction in services and grants over time, so that required savings and the depreciation and interest expenses from a higher-cost asset-base can be funded. **Implementation risks** There is a risk that community assets face further deterioration if the level of renewals required is not increased or maintained, which may result in reduced service levels and inability to meet customer expectations.

Much larger operating cost reductions would be required from Auckland Council, $120 million cost reduction target proposed by year three of the LTP.	
More extensive service level reviews would be required, with some reducing to statutory minimum levels.	The areas that are likely to be significantly affected under this proposal include: • community development activities, removal of grants funding • reduced operational hours for community facilities and services • reduced levels of public engagement where possible • withdrawal from discretionary services / activities • reduction in open space and facility maintenance levels • reduced programming and regional events

Trade-offs: Pay more, get more

Table 35 - Trade-offs - Get more

What changes	
Service levels	**Financial Impacts and implementation risks**
Community options for change to policy positions, parks and community services and asset requirements. Continuing the delivery of community services with priority on asset-based delivery.	
• Service levels may be impacted over time as the scale of the asset portfolio will limit the council's ability to invest beyond critical levels to address compliance and health and safety risks. • Current climate-related initiatives included. Limited scope for further emission reduction.	• Capital funding would increase to $4.8 billion over the LTP to support the retention of a greater porition of the asset portfolio and continue investment in new assets which would expand the community asset portfolio. • Additional investment for open space acquisition, development of land and new assets would be enabled with the increased level of funding. • However, the full renewals requirement would still not be able to be funded so significant prioritisation would be needed to keep assets operational. Some additional capacity but does not fully address need to close renewals gap to manage portfolio. • Maintenance, running costs and depreciation are anticipated to continue to increase over time at a greater rate, resulting in further operating funding requirements. **Implementation risks** Deliverability risks are high with both internal and external market capacity constraints meaning the level of required renewals investment is not delivered.
Operating cost reductions target of $20 million by year three for Auckland Council delivered services, which is $30 million less than the central proposal	

A contribution towards achieving the target would include reviewing fees and user charges of community facilities and commercial revenue opportunities.	

Key performance measures: Regional community services

Table 36 - Regional community services: Performance measures

Performance measure	Notes (ref)	Actual (Result)	Target	Indicative Long-term Plan Targets			
		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027 - 2034
10. Protect and provide access to distinctive and unique environments through regional parks							
The percentage of quality audits achieved in Regional Parks	New	Baseline to be established	80%	80%	80%	80%	80%
14. Enable a range of choices to access community services and recreation opportunities							
The percentage of sporting and recreational facilities available	n/a	Note 1.2	Note 1.2	Note 1.2	Note 1.2	Note 1.2	Note 1.2
The number of library items checked out (including renewals and e-items) (millions)	n/a	15.5M	18.4M	15.7M	16.2M	16.8M	17.4 M
The percentage of regional park visitors satisfied with the overall quality of their visit	n/a	Note 1.2	Note 1.2	Note 1.2	Note 1.2	Note 1.2	Note 1.2
The percentage of users who are satisfied with the overall quality of local parks	n/a	Note 1.2	Note 1.2	Note 1.2	Note 1.2	Note 1.2	Note 1.2
24. We provide rental services to older tenants and maintain the older persons property portfolio							
Percentage of tenants satisfied with the provision and management of "housing for older people	n/a	Note 1.2	Note 1.2	Note 1.2	Note 1.2	Note 1.2	Note 1.2

References	To be read in conjunction with table "Performance measure" above
1.1	Targets for this measure will be provided for the final Long-Term Plan document
1.2	Targets to be confirmed

Key activities: Regional governance

Our regional governance activities include providing support and advice to the Governing Body – which consists of the mayor and 20 councillors, 21 local boards and council-controlled organisations, to enable effective governance.

We support the democratic processes, including elections, decision-making meetings and workshops, community engagement etc., ensuring that council decision-making meetings run smoothly and efficiently. We also support co-governance entities, such as the Tūpuna Maunga Authority, and joint committees of the council, such as the Joint Governance Working Party and Hauraki Gulf Forum.

Things we are keeping an eye on: Regional governance

Our mayor and councillors rely on high quality, neutral and thorough advice to make critical decisions on behalf of the city. We want all Aucklanders to have a voice in decision-making and find ways to overcome low public engagement and low voter turnout. We have an obligation to engage with Aucklanders so they can provide input into decisions made by the council on their behalf. We consult with a wide range of Aucklanders when key decisions need to be made, run surveys to gather feedback on issues, and use demographic advisory panels to seek feedback from specific communities. Low civic engagement poses a risk when mobilising Auckland's population in time of crisis. Our policies and services are increasingly being designed and delivered through greater collaboration with users or the broader public. This helps to better understand issues and risks, and to design solutions that are more likely to meet users' needs and achieve other policy objectives.

Key projects: Regional governance

Supporting sound governance and decision-making processes and making it easier for the public to engage with the council.

We remain committed to supporting elected members by:

- Making better use of technology to support the work of elected members
- Making it easier for the public, including our diverse communities, to engage with the council
- Ensuring the council complies with statutory requirements that are relevant to meetings, information management and all of its services
- Providing high quality legal advice
- Strengthening council's risk management framework
- Providing opportunities for improved working relationships with mana whenua and Māori communities
- Ensuring council is ready and equipped to support an effective emergency response in times of crisis.

Key performance measures: Regional governance

Table 37 - Regional governance: Performance measures

Performance measure	Notes (ref)	Actual (Result)	Target	Indicative Lon-term Plan Targets			
		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027-2034
19. Lead Council Group response to partnership and participation of Māori in decision making and deliver Māori outcomes							
Percentage of Capacity Grant funding delivered to iwi entities	New	90%	100%	100%	100%	100%	100%
The number of mana whenua and mātāwaka marae that received support	1.1	24	22	22	22	22	22
20. Support effective governance, provide quality advice and advocate for Auckland's interests							
The percentage of LGOIMA and Privacy Act decisions made and communicated within statutory timeframes	n/a	75.60%	95%	95%	95%	95%	95%
21. Engage with Aucklanders to have their say, participate in decision-making and stay informed							
Number of projects on the AKHYS (AK Have Your Say) website	New	53	50	50	50	50	50

Table 38 - Regional governance: Additional notes to Performance measures table

References	To be read in conjunction with table "Performance measure" above
1.1	Support is in the form of direct funding or assets provided to marae to build capacity of the marae to support Māori community wellbeing, and the focus of the delivery is centred on the marae. There are 33 marae that are eligible to receive this support. Any activity where funding is given to the marae and where the activity builds the capacity of the marae to support Māori community wellbeing and the focus of the delivery is centred on the marae

Key activities: Regional planning

> We plan for Auckland's population growth with a focus on challenging thinking and the status quo to deliver new and better outcomes for Aucklanders (environmental, infrastructure, land use, social, financial, economic and cultural) – now and in the future.

We support Auckland's growth, infrastructure development and enabling housing to be delivered at scale in key locations such as the Auckland Housing Programme (Tāmaki, Mt Roskill, Māngere, Northcote and Ōranga), Drury, Redhills/Whenuapai/Westgate - implementing the Auckland Plan 2050 and the council's Future Development Strategy.

Things we are keeping an eye on: Regional planning

If not well managed, growth and development can have negative effects on the built environment such as poor quality housing, inadequate infrastructure and public amenities/open space, environmental degradation, increasing exposure to natural hazards and social inequities. It can also lead to inefficient use of the transport network, driving the needs for more car trips which causes transport-related emissions.

We are keeping an eye on emerging central government policy in these areas so that the differences Auckland presents are clearly understood and central government policy aligns with the outcomes reflected in our cornerstone strategies and plans (e.g. the Auckland Plan 2050, Future Development Strategy, Te-Tāruke-ā-Tāwhiri: Auckland's Climate Plan, Thriving Communities Strategy: Ngā Hapori Momoho, and the City Centre Masterplan).

Key projects: Regional planning

The major programmes and projects underway to support Auckland's population growth include:

- implementing the Auckland Plan 2050 and the Future Development Strategy
- making sure the Auckland Unitary Plan is fit for purpose - assessing the environmental, social, economic and cultural outcomes it is achieving and making changes where needed
- supporting investment in and protecting historic heritage and Māori cultural heritage
- supporting economic growth and job creation, infrastructure development and enabling housing delivery including:
  - Auckland Housing Programme - infrastructure development to enable housing in Tāmaki, Mt Roskill, Māngere, Northcote and Ōranga
  - infrastructure development, programming, staging, and sequencing of investment required, aligning with the Future Development Strategy, to enable residential and economic development in Drury and Redhills/Whenuapai/Westgate
  - aligning our infrastructure requirements, investment, staging and sequencing with central government investment and other areas of development with funding certainty
- working with developers to ensure the required infrastructure networks are achieved and costs burden is spread as fairly as possible between all the different parties
- supporting growth and ensuring infrastructure development in large-scale funded and/or partially funded areas outside the Investment Priority Areas (e.g., Wairaka/Carrington Road) – where they align with the Auckland Plan 2050 and the Future Development Strategy

- understanding the impact of flood recovery investment on the infrastructure requirements in the affected areas, and the impact on intensification
- assessing the impact of current and future private plan change requests to the Auckland Unitary Plan, the infrastructure investments required, and the subsequent impact on the council's financial constraints.

Community and Social Policy

- Accelerating a Resilient Tāmaki Makaurau: community and Māori led adaptation, strengthening the Auckland Unitary Plan, water sensitive design, piloting deliberative democracy initiatives, simplifying and prioritising adaptation/resilience actions, climate risk assessments
- accelerating consolidation of strategic direction already started across open space, parks, sports, recreation and community, Provisional Local Alcohol Policy, gambling, dog control, and community investment planning

City Centre

- Implementing the City Centre Masterplan, including:
  - delivery of the Midtown Programme to ensure that the city is ready to realise the benefit of the CRL investment. The programmes will improve streets around the new CRL Wai Horotiu station to improve attractiveness, support safe and effective movement, improve the connectivity between bus and rail and infrastructure to support the anticipated growth and private sector investment in the area
  - delivery of the Karanga-a-Hape Station Neighbourhood and Bus Improvement Project
  - delivery of the city centre targeted rate programme for the development and revitalisation of the city centre to enhance the city centre as a place to work, live, visit and do business
  - delivery of the Waitematā Station (Britomart) plaza and Tyler Street upgrade
  - other funded initiatives in the City Centre Masterplan – Action Plan.

Key performance measures: Regional planning

Table 39 - Regional planning: Performance measures

Performance measure	**Notes (ref)**	**Actual (Result)**	**Target**	**Indicative Long-term Plan Targets**			
		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027-2034
6. Integrate land use and infrastructure planning and regulate development through consenting process							
The percentage of Auckland Unitary plan changes and notices of requirement processed within statutory timeframes	n/a	75%	100%	100%			
9. Transform City Centre and regenerate urban centres in locations with significant land holdings							
Percentage of annual spend against annual budget for the City Centre Targeted Rate	Wording change	75%	100%	100%			

12. Protect, improve and minimise risks to the natural environments and cultural heritage				
Percentage of state of the environment monitoring completed	New	Overall (average) – 78% Air (quality) – 70% Terrestrial biodiversity –80% Freshwater (hydrology, quality & ecology) – 77% Marine (water quality, ecology, sediment & coastal processes) – 71% Soil (quality) – 90%	As baseline	As baseline

Key activities: Waste services

We manage Auckland's kerbside domestic refuse, recycling and food scrap services, as well as hazardous and inorganic waste, illegal dumping, public litter bins and community recycling centres. We are also responsible for managing around 200 closed landfill sites.

Things we are keeping an eye on: Waste services

As with all major cities, managing waste effectively and sustainably is critical for maintaining the health of people and the environment. We are working toward zero waste by 2040, by providing services that help people minimise their waste. We provide kerbside collections for refuse, recycling and food scraps, as well as managing inorganic waste, illegal dumping and public litter bins. We also provide facilities and programmes to support repair, reuse and upcycling. We mainly manage domestic waste – from minimising waste generation to collecting, sorting, recycling, composting, landfilling and managing closed landfills. When pricing our rubbish collection charges, we factor in the full costs, from collection to disposal.

Key projects: Waste services

Our commitment to a healthy and natural environment with the management of waste will be continued with the following initiatives:

Food scraps service

- We will complete the roll out of a rates-funded, weekly kerbside food scraps service, to all households in urban areas by the end of 2024. We will work with our community partners to embed the system and make sure householders know how to use it.

Move to rates-funded refuse

- We will complete the standardisation of the kerbside refuse service by moving those parts of the region that currently pay for their service by buying tags or bags, to a rates funded service. We propose to begin rolling out rates-funded refuse collections to the North Shore, Waitākere and Papakura in 2024/2025, and Franklin and Rodney in 2025/2026 .

Resource Recovery Network

- We will continue to establish a network of resource recovery facilities around the region. By 2031, 21 Community Recycling Centres will receive, collect, repair and refurbish unwanted items from the public, along with two Resource Recovery Parks for the recovery of commercial waste including construction and demolition waste. The programme's emissions reduction potential and contribution to community resilience has been incorporated into Te Tāruke-ā-Tāwhiri: Auckland Climate Plan.

New Government regulations

- We are managing changes driven by a new national Waste Strategy and changes to the Waste Minimisation Act. These include continued increase and expansion of the waste levy, national standardisation of kerbside recycling services and changes in data reporting requirements.
- Our staff are participating in the development of mandatory national product stewardship schemes for electronic waste, textiles, beverage containers and other packaging, tyres, agrichemicals, and large batteries.

Commercial waste

- We will continue to identify opportunities and work with industry to reduce waste from key commercial waste sources – particularly construction and demolition waste, organics, and plastic waste.

Operational waste

- We will improve waste diversion from our own activities, broadening the focus to include our operational activities with a focus on supply chain waste from procurement activities.

Illegal dumping and enforcement

- We will continue to resource our focus on illegal dumping and enforcement.

Closed landfills

- We monitor and manage instability, gas and leachate at council owned closed landfills
- We are considering how we can manage these sites more effectively and make them more resilient to the impacts of climate change.

Trade-offs: Pay less, get less

Table 40 - Trade-offs - Get less

What changes	
Service levels	**Financial Impacts and implementation risks**
Operating cost reductions to contribute to a higher cost reductions target of $120 million by year three of the LTP compared to the central proposal.	
Stopping or reducing non-statutory waste services (illegal dumping and hazardous waste contracts), tidy streetscapes, reusable items diverted from landfill. Review of monitoring and enforcement activities to potentially reduce activity in this area.	**Implementation risks** Implementation may be delayed if fixed contracts are in place to provide these services, or high break costs may be incurred.

Key performance measures: Waste services

Table 41 – Waste services: Performance measures

Performance measure	Notes (ref)	Actual (Result)	Target	Indicative Lon-term Plan Targets			
		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027-2034
11. Manage the collection and processing of household waste and minimise waste to landfill							
The total waste to landfill per year (kg per capita)	n/a	848	828	803	773	738	698
The quantity of domestic kerbside refuse per capita per annum (kg)	n/a	137kg	135kg	130kg	125kg	120kg	120kg
The total number of Resource Recovery Facilities	1.1	10	13	13	15	16	17
Number of customer interactions per annum at Resource Recovery Facilities	New	167,568	200,000	215,000	240,000	270,000	300,000

Food scraps diverted from landfill (tonnes per annum)	New	1872	18,000	27,000	39,000	39,000	50,000
The percentage of customers satisfied with overall waste collection services	n/a	Targets to be confirmed	Targets to be confirmed	Targets to be confirm ed	Targets to be confirm ed	Targets to be confirm ed	Targets to be confirm ed
12. Protect, improve and minimise risks to the natural environments and cultural heritage							
Percentage of council controlled closed landfill discharge consents achieving category one or two compliance rating	n/a	100%	100%	100%	100%	100%	100%

Table 42 – Waste services: Additional notes to Performance measures table

References	To be read in conjunction with table "Performance measure" above
1.1	Resource Recovery Facility is a facility in the community where the public can drop off reusable and recyclable items. Resource Recovery Facilities can vary greatly – from simple drop off stations in small rural areas through to large eco-industrial parks.

Key activities: Third party amenity grants

Auckland Council is required by legislation to provide funding to support the ongoing sustainability of organisations that deliver arts, culture, recreation, heritage, rescue services, and other facilities and services to Aucklanders.

Key projects: Third party amenity grants

Cultural sector review

The Arts, Social, Sports and Community Political Working Group, chaired by the Deputy Mayor, was established to review cultural sector institutions which the council provides a funding contribution to each year particularly the Auckland Regional Amenities Funding Board the Auckland War Memorial Museum and the Museum of Transport and Technology (MOTAT).

The Political Working Group found there is a case for change in the sector including opportunities for collaboration, efficiencies and strategic action. The Political Working Group is working on a proposal for closer integration of Auckland Museum and MOTAT to the Auckland Council group to achieve better outcomes for Aucklanders and better accountability for the funding that council provides.

Key performance measures: Third party amenity grants

There is no performance measure for this activity.

Key activities: Organisational support

Auckland Council's operations and the day-to-day services we provide to Aucklanders are facilitated by the following areas of work:

- financial
- procurement
- technology
- corporate support and property
- people and culture
- customer experience and contact centre
- communications
- engagement
- risk and assurance services teams.

In addition, we provide support to our elected members and help with decision-making around regional governance activities. Council Controlled Organisation Direction and Oversight Committee manage the general overview and insight into the strategy, direction and priorities of Port of Auckland Limited and council-controlled organisations, except Auckland Transport.

Key projects: Organisational support

Our initiatives that support the functional activities of council to deliver the best value for Aucklanders include:

- Maintaining and renewing our ICT network, end user equipment, end-of-life software, and cyber security
- Moving to fit-for-purpose technology services to transform the way we deliver technology across council
- Accelerating group shared services and consolidation of service function to reduce duplication amongst council organisations
- Renewing corporate property and the vehicle fleet to reduce emissions and operational running costs
- Increase Māori outcome funding by $3 million per annum from year four of the LTP to a total of $171 million over 10 years, accompanied by a review of the partnership with Māori, iwi, mataawaka and mana whenua
- Renewing research and monitoring sites and equipment
- Our diversity programme which is aimed at community-centred thinking and decision making, reaching Auckland's 220 ethnicities.

Trade-offs: Pay less, get less

Table 43 - Trade-offs - Get less

What changes	
Service levels	**Financial Impacts and implementation risks**
Much larger operating cost reductions would be required from Auckland Council, $120 million cost reduction target proposed by year three of the LTP	
• Lower Māori outcomes funding compared to the central proposal, slower delivery for programme and projects supported by the funding • Reduce governance support • Stopping or reducing non-statutory reporting • Fewer number of strategies, policies, plans, and implementation oversight	Depending on the degree of the reduction, the implications and risks include: • The potential curtailment of existing projects and programmes, or alteration to their scope. • Reputational risk to Auckland Council caused by curtailment of existing projects or programmes. • Engagement with mana whenua iwi or mataawaka may be required. • Reduced ability to support outcomes sought by Māori
Accelerated asset sales target of $300 million over three years instead of the 10 years under the central proposal.	
Community impact – potential decrease in levels of service	• Potential lower rates On top of central proposal this option includes: • Accelerated sale of non-strategic property and residual property from infrastructure projects • Golf courses • Marinas • Sale and leaseback of office and community facilities • Sale or long-term lease of city centre and town centre **Implementation risks** Reputational – negative response to increased divestment of what are seen as community assets

Trade-offs: Pay more, get more

Table - Trade -offs - Get more

What changes	
Service levels	**Financial Impacts and implementation risks**
A lower level of cost reductions required ($20 million) compared with the central proposal ($50 million) by year three of the LTP for Auckland Council	
Rather than reducing services, this could be achieved by mainly focusing on things like: • further back-office efficiencies including making quicker progress on group shared services benefits • implementation of the value for money reviews programme to deliver services more efficiently beyond those programmes already planned.	
No asset sales target, surplus property assets would be retained for future possible use or sold to invest in new facilities that are not currently included in the budget.	
• Potential higher rates • Maintaining current asset portfolio will impact other financial levers (e.g., increased debt, rates and /or fees and charges) **Implementation risks** Reputational risk – perception of an inefficient council that does not deliver value for money.	

Key performance measures: Organisational support

There is no performance measure for this activity.

Key activities: Regulatory services

> We protect our communities and the built and natural environment through the fair and effective application of regulation.

Our consenting, licensing and compliance functions help to keep Aucklanders and our region safe, while enabling development that brings social, cultural, economic and environmental wellbeing to Tāmaki Makaurau.

Every year, we enable well-built, healthy homes and new places for business. We work closely to support Auckland's building and construction sectors. We ensure cafes, bars, restaurants, public spaces, and pools are safe places for everyone to enjoy. And that dogs and other animals are a positive part of our communities. We reduce harm from noise and other nuisances; and we are committed to protecting the natural environment now and for future generations.

Our goal is to be neutral, act lawfully, consistently and to provide clear advice. When reviewing regulations, we consider the rights and needs of all relevant stakeholders, partners, and mana whenua.

Things we are keeping an eye on: Regulatory services

Regulation is necessary for a city that is sustainable, effective, healthy, and safe. It informs smart urban development and protects us from unsafe food, aggressive animals, and inappropriate behaviours from others. With regulations about animal control, licensing, noise levels, we look after the health and safety of Aucklanders. We also look after the environment though building consents and regulations as the city grows. Our goal is to act lawfully, be neutral and consistent, and provide clear advice. When reviewing regulations, we consider the rights and needs of all relevant stakeholders, partners and mana whenua.

Key projects: Regulatory services

We are improving how customers experience our services by moving away from time-consuming manual processes towards faster, more user-friendly digital systems and solutions. A sustained investment in this journey, as well as a focus on continuous improvement, will mean we have the necessary business tools, capabilities, processes and working culture to be a leading regulator and employer.

Our services will become more convenient for customers to experience; easier and more efficient for our kaimahi to deliver; and much better value for Tāmaki Makaurau.

Kōkiri Whakamua, Regulatory Services Strategy 2024 (Looking back to move forward) features four pillars that provide the strategic focus of our transformation journey:

- **Investing in our kaimahi** through attracting, retaining, and developing kaimahi as well as prioritising wellbeing and building a learning, health and safety culture.
- **Optimising operations for the future** by focusing on continuous culture, system and process improvement as well as improving digital interactions to free up time for complex customer needs. This also means improving our services through simplification, automation and analytics and partnering with industry and our kaimahi to capture innovation opportunities.
- **Providing seamless customer journeys** by implementing fit-for-purpose customer journeys and making improvements in response to customer consultation and feedback.
- **Delivering Auckland Plan outcomes**, including applying regulation to reduce risk and harm, influencing policy at local and central government level, reducing our cost to serve and providing

value for money services and enhancing Māori outcomes through projects, Kia Ora Tāmaki Makaurau and Te Patatai.

Key performance measures: Regulatory services

Table 44 - Regulatory services: Performance measures

Performance measure	**Notes (ref)**	**Actual (Result)**	**Target**	**Indicative Long-term Plan Targets**			
		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027 - 2034
6. Integrate land use and infrastructure planning and regulate development through consenting process							
The percentage of building consent applications processed within 20 statutory working days	1.1	69%	100%	100%	100%	100%	100 %
The percentage of customers satisfied with the overall quality of building consent service delivery	1.1	73%	70%	73%	73%	74%	75%
The percentage of non-notified resource consent applications processed within 20 statutory days	1.1	70%	100%	100%	100%	100%	100 %
The percentage of customers satisfied with overall quality of resource consents service delivery	1.1	73%	70%	73%	73%	74%	74%
The percentage of notified resource consent applications processed within statutory time frame	1.2	79%	100%	100%	100%	100%	100 %
The percentage of Priority 1 Compliance Response Requests for Service that are attended to within 4 hours.	New	N/A	95%	95%	95%	95%	95%
The percentage of code compliance certificates processed within 20 statutory working days	New	N/A	100%	100%	100%	100%	100 %
Number and proportion of dwellings consented in hazard zones	1.3	TBC	TBC	TBC	TBC	TBC	TBC
Percentage of non-compliance followed up and mitigated that relate to Resource Consent monitoring.	New	80%	80%	80%	TBC	80%	80%
Percentage of high-risk consents monitored	New	To be established	40%	50%	60%	70%	80%
16. Regulate activities to safeguard public health and safety							
Percentage of noise calls for service attended within 30 minutes for urban areas or 45 minutes for remote areas	n/a	Urban: 72.7% Remote: 74.5% Overall: 72.9%	80%	80%	80%	80%	80%

The percentage of compliance with Excessive Noise Direction within 72 hours	2.1	95%	80%	95%	95%	95%	95%
Percentage of Priority 1 Animal Management Requests for Service attended to within 60 mins.	New	New	100%	100%	100%	100%	100 %
The percentage of food premises that receive a D or E grade that are revisited within 20 or 10 working days	2.2	99%	100%	100%	100%	100%	100 %
The percentage of high-risk alcohol premises that are visited annually	n/a	100%	100%	100%	100%	100%	100 %
Percentage of licensees satisfied with the food and alcohol licensing service	n/a	88%	85%	88%	88%	90%	90%

Table 45 - Regulatory services: Additional notes to Performance measures table

References	To be read in conjunction with table “Performance measure” above
1.1	The time it takes to process consents is measured according to MBIE and IANZ guidelines as to the correct application of the Building Act 2004 and the Resource Management Act 1991 about when timing starts and stops.
1.2	The statutory timeframe differs depending on the nature of the notified resource consent. The applicable statutory timeframes relating to this measure are included in Part 6 of the Resource Management Act 1991.
1.3	These targets will be provided for final Long-Term Plan document
2.1	An Excessive Noise Direction directs the occupier of the place from which the sound is being emitted, or any other person who appears to be responsible for causing the excessive noise, to immediately reduce the noise to a reasonable level within 72 hours.
2.2	20 working days for premises that receive a D grade, and 10 working days for premises that receive an E grade.

Prospective Financial Information

Activity	Operating cost and revenue $000 Financial year ending 30 June	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28-2033/34	10-years Total
Auckland emergency management	Direct operating expenditure*	5,457	25,120	8,685	8,974	72,609	115,388
	Capital expenditure	2,193	1,234	1,267	2,015	3,452	7,969
Investment	Non-rates revenue	343,729	364,788	(192)	(196)	(1,457)	362,944
	Direct operating expenditure*	220,367	232,137	(2,052)	(2,093)	(15,595)	212,398
	Capital expenditure	44,000	44,000	-	-	-	44,000
Environmental services	Non-rates revenue	1,235	1,322	1,347	1,376	10,685	14,730
	Direct operating expenditure*	45,339	52,589	56,340	56,749	448,003	613,680
	Capital expenditure	5,270	5,179	246	169	172	5,766
Regional community services	Non-rates revenue	51,870	49,889	49,847	50,717	398,628	549,081
	Direct operating expenditure*	282,363	310,294	340,792	355,243	2,960,823	3,967,152
	Capital expenditure	94,699	120,723	110,678	124,138	1,232,103	1,587,642
Regional governance	Non-rates revenue	2,390	2,390	2,640	2,390	18,126	25,545
	Direct operating expenditure*	39,041	42,337	46,285	43,426	363,222	495,270
Regional planning	Non-rates revenue	5,051	5,110	5,202	5,306	40,234	55,851
	Direct operating expenditure*	78,612	95,967	101,127	99,616	694,219	990,929
	Capital expenditure	31,816	76,034	57,661	43,736	171,375	348,806
Waste services	Non-rates revenue	51,436	38,308	29,433	29,606	235,255	332,602
	Direct operating expenditure*	185,913	208,905	219,892	233,351	1,842,617	2,504,766
	Capital expenditure	28,347	48,378	45,620	38,869	205,637	338,504
Third party amenity and grant	Direct operating expenditure*	73,208	78,104	80,135	81,167	618,355	857,762
Organisational support	Non-rates revenue	38,223	7,131	7,300	6,558	32,208	53,196
	Direct operating expenditure*	296,909	273,875	252,529	237,170	1,856,256	2,619,829
	Capital expenditure	(13,614)	90,991	77,982	67,152	517,648	753,773
Regulatory services	Non-rates revenue	214,964	260,733	267,177	272,635	2,069,202	2,869,747
	Direct operating expenditure*	177,266	221,080	230,558	230,582	1,917,464	2,599,684
	Capital expenditure	4,192	5,852	5,013	4,424	3,267	18,557

*Direct operating expenditure does not include interest and depreciation

Prospective Funding Impact Statement

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Sources of operating funding:											
General rates, UAGCs, rates penalties	707,344	766,480	716,489	702,041	690,089	728,511	765,276	832,647	907,317	1,027,353	1,133,600
Targeted rates	215,786	271,302	294,631	306,460	313,143	327,702	334,323	345,450	321,208	331,624	341,334
Subsidies and grants for operating purposes	53,595	18,682	15,742	15,809	15,605	15,875	16,115	16,398	16,435	16,526	16,619
Fees and charges	594,618	654,401	303,170	309,127	315,608	324,292	331,544	338,893	346,617	354,542	362,441
Internal charges and overheads recovered	299,632	229,254	229,089	239,147	245,790	247,154	257,016	265,481	265,481	265,481	265,481
Local authorities fuel tax, fines, infringement fees and other receipts	93,311	88,406	313,218	318,165	322,334	328,804	333,532	339,961	347,317	354,963	362,781
Total operating funding	**1,964,285**	**2,028,524**	**1,872,340**	**1,890,749**	**1,902,569**	**1,972,337**	**2,037,805**	**2,138,830**	**2,204,374**	**2,350,489**	**2,482,257**
Applications of operating funding:											
Payment to staff and suppliers	1,404,476	1,540,410	1,334,291	1,344,184	1,354,106	1,399,472	1,452,112	1,527,900	1,632,577	1,669,459	1,722,345
Finance costs	60,122	35,005	29,148	35,764	41,172	41,721	44,063	41,420	38,074	27,197	16,640
Internal charges and overheads applied	225,930	157,291	157,908	162,759	166,173	167,976	172,842	178,941	178,941	178,941	178,941
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	**1,690,528**	**1,732,706**	**1,521,346**	**1,542,708**	**1,561,452**	**1,609,169**	**1,669,018**	**1,748,261**	**1,849,592**	**1,875,598**	**1,917,927**
Surplus (deficit) of operating funding	**273,758**	**295,818**	**350,994**	**348,041**	**341,117**	**363,168**	**368,788**	**390,569**	**354,782**	**474,891**	**564,331**
Sources of capital funding:											
Subsidies and grants for capital expenditure	15,067	23,110	3,475	(4,311)	2,607	5,564	25,383	85,175	-	-	-
Development and financial contributions	42,942	32,071	31,154	30,274	29,415	29,451	29,583	30,298	31,095	31,892	31,892
Increase (decrease) in debt	(1,256,095)	(344,310)	103,901	139,761	7,412	(22,924)	(3,202)	(106,972)	(90,188)	(168,190)	(332,097)
Gross proceeds from sale of assets	80,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	30,000	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**(1,088,087)**	**(259,129)**	**168,530**	**195,724**	**69,433**	**42,091**	**81,764**	**38,501**	**(29,093)**	**(106,298)**	**(270,204)**
Application of capital funding:											
Capital expenditure:											
- to meet additional demand	(2,672)	137,386	89,600	78,208	153,460	105,306	115,609	169,097	95,075	82,256	74,078
- to improve the level of service	81,531	141,372	120,839	105,226	85,818	92,746	77,610	99,277	63,555	64,540	62,917
- to replace existing assets	118,042	113,633	88,029	97,068	100,807	123,873	112,556	115,000	106,061	115,238	118,777
Increase (decrease) in reserves	62,302	43,123	13,114	15,249	7,834	8,924	10,424	9,536	9,023	8,619	7,749
Increase (decrease) in investments	(1,073,532)	(398,826)	207,943	248,014	62,631	74,411	134,353	36,160	51,975	97,940	30,606
Total applications of capital funding	**(814,329)**	**36,689**	**519,524**	**543,765**	**410,551**	**405,259**	**450,552**	**429,070**	**325,689**	**368,593**	**294,126**
Surplus (deficit) of capital funding	**(273,758)**	**(295,818)**	**(350,994)**	**(348,041)**	**(341,117)**	**(363,168)**	**(368,788)**	**(390,569)**	**(354,782)**	**(474,891)**	**(564,331)**
Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Council-controlled services

Auckland Council delivers a wide range of services through its council-controlled organisations. Each of them look after specific council assets and specialist areas of activities.

Key activities: Urban regeneration and property management (Eke Panuku)

Eke Panuku Development Auckland Limited (Eke Panuku) delivers urban regeneration across the city, creating vibrant, liveable places with high-quality housing, thriving businesses and well-designed town centres with good transport connections. Eke Panuku also manages the council's $2.6 billion non-service property portfolio and provides property disposal and acquisition services. The majority of properties in this diverse portfolio are held for a future service or public work including urban regeneration.

Things we are keeping an eye on: Eke Panuku Development Auckland

Town centre developments require investment by the private sector to support urban regeneration. We take a strategic approach when seeking development partners, keeping the property market conditions in mind. Large urban developments can have negative impacts on local residents and businesses, such as travel and business disruption and construction noise, or changes in land use and activity. We provide targeted information to affected residents and businesses, and organise special activities to ensure town centres remain vibrant and safe when being redeveloped. We also carry out placemaking to ensure town centres are attractive places to be, and take communities along the journey as centres change over time. We ensure that developments provide a range of different homes, at different price points in the market, to retain diversity in communities.

Key projects: Urban regeneration

Regenerate our neighbourhoods in areas such as Takapuna, Northcote, Henderson, Avondale and renew critical assets, particularly on our waterfronts.

Over the next ten years, Eke Panuku will:

- Continue to regenerate our neighbourhoods in Wynyard Quarter, City Centre, Takapuna, Northcote, Henderson, Avondale, Maungawhau, Panmure, Onehunga, Papatoetoe, Manukau, Pukekohe and Ormiston.
- Increase the vibrancy, safety, and success of these centres by facilitating projects that will deliver new homes, create walkable, well-connected neighbourhoods and attract investment.
- Commence urban regeneration in new locations as agreed with Auckland Council, as existing programmes are completed and funding becomes available.
- Continue to identify and unlock development opportunities through working with the council group including local boards, to enable new homes and revenue for council and local board priorities.
- Lead the council group in the city centre to realise the full benefits of the City Rail Link, support residential growth in the city centre, advance other city-shaping projects and begin the phased transformation of Wynyard Point open space, Te Ara Tukutuku.

- Continue to work with Auckland Council and Haumaru Housing Limited to enable the delivery of more affordable homes for older people through optimising the property portfolio.
- Renew critical assets, particularly on our waterfronts.

Through our projects, programmes, and initiatives we will deliver business excellence with a focus on outcomes for Māori, and climate action to reduce emissions and build resilient communities.

Trade-offs: Pay less, get less

Table 46 - Trade-offs - Get less

What changes	
Service levels	**Financial Impacts and implementation risks**
This scenario would require ceasing currently planned and approved regeneration activity, including lead agency activity, public realm investment and placemaking. The level of budget reduction achievable is subject to the specific programme/s stopped.	
• Planned investment in public realm projects would be halted beyond anything already underway and the placemaking programme would be ended • Stopping programmes will ultimately mean less success in revitalising the centre and attracting new residents, visitors, businesses and investors, less improvement in amenity and connectivity, less value from council sites and investment. • Reduced opportunities for the private sector through unlocking council surplus sites. Less new sustainable affordable housing is created close to transport as envisaged in the Auckland Plan. • Revenue and/or benefits from site sales are reduced, as they are not sold as part of a wider vision. The specific urban regeneration skill sets and experience developed by Eke Panuku is lost where the organisation is significantly downsized.	The level of potential budget reduction for ‘do less’ would depend on which and how many locations are stopped. It would require significant further assessment to fully scope what level of existing commitments and costs must be met in current programmes and what timeframe is required.
Within this option, seven of the current programmes would be completed within the 10-year LTP period, while five programmes would continue beyond the ten-year period (Waterfront, Manukau, Panmure, Onehunga, City Centre). No new programmes are commenced.	
• The benefits of urban regeneration are not spread across the region. • Town centres continue to decline and struggle. Town Centre Plans prepared by Council and Local Boards plans are not implemented. • The goal for a beautiful, thriving region by revitalising neighbourhoods and town centres and strengthen a local sense of place and identity is not met. • Local Boards and communities reflect an ‘unfairness’ that their opportunity has not come. • Market-led intensification is haphazard and poorly planned for.	The financial savings for opex would start at circa $1m in FY27 and grow to $8m in FY34, a total saving of $37m. Capital savings between FY31-34 would be $25m. It would require significant further assessment to fully scope what level of existing commitments and costs must be met in current programmes and what timeframe is required.

• Lack of leadership in demonstrating low carbon, quality intensification and planning for local neighbourhoods.	

Trade-offs: Pay more, get more

Table 47 - Trade-offs - Get more

What changes	
Service levels	**Financial Impacts and implementation risks**
Expanded Programme: This option suggests completing current approved programmes as well as starting six new programmes over the 10-year LTP period. The Strategic Development Fund (SDF) facility is restored and increased to support the new urban regeneration locations	
• This option enables more new regeneration locations to be commenced over the LTP period. • More parts of the region benefit, supporting the goal for a beautiful, thriving region by revitalising neighbourhoods and town centres and strengthen a local sense of place and identity. • More private investment is catalysed and opportunities unlocked, by working in more places. • A larger programme may enable some of the Town Centre Plans prepared by council to be implemented, depending on the new locations selected.	A manageable level of increased regeneration activity would require a phased and gradual increase of both operational and capital budgets throughout the 10-year Long-Term Plan (LTP) duration. This entails a combined cost of $20 million in operational expenditure (opex) and $85 million in capital expenditure (capex), exceeding the proposed budget outlined by the Mayoral Proposal.

Key performance measures: Eke Panuku

Table 48 - Urban regeneration and property management (Eke Panuku): Performance measures

Performance measure	**Notes (ref)**	**Actual (Result)**	**Target**	**Indicative Long-term Plan Targets**			
		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027-2034
9. Transform City Centre and regenerate urban centres in locations with significant land holdings							
Net new dwellings (housing units)	1.1	364	60	157	179	360	688
Capital project milestones approved by the board achieved	1.2	67%	80%	80%	80%	80%	80%
23. Manage long-term finances sustainably and maximise returns on Council's investment							
The monthly average occupancy rate for tenantable properties	n/a	Commercial 94.0%	Commercial 90%	Commercial 90% Residential 95%			

		Residential 97.1%	Residential 95%				
Annual property portfolio net operating budget result agreed with the council achieved.	2.1	$25.4m	$19.4m	$18m	$16m	$17m	$17m

Table 49 - Urban regeneration and property management (Eke Panuku): Additional notes to Performance measures table

References	To be read in conjunction with table “Performance measure” above
1.1	Number of housing units includes an apartment, duplex unit, a townhouse or a residential dwelling. These relate to town centre intensification a key element of the council’s future development strategy.
1.2	A list of project milestones is compiled for Eke Panuku Board approval.
2.1	The occupancy of properties or rental properties, are those that are ‘available for rent’ and are tenantable.

Tātaki Auckland Unlimited

Tātaki Auckland Unlimited (TAU) is the umbrella organisation comprising two council-controlled organisations (CCOs), Tātaki Auckland Unlimited Limited (TAUL) and Tātaki Auckland Unlimited Trust (TAUT).

TAU is New Zealand's largest enabler of cultural, entertainment, sporting and wildlife experiences, the guardian of some of Auckland's best loved venues, collections and organisations and the largest regional economic development agency in the country.

See below key activities for:

- Regional facilities
- Economic development and destination

Things we are keeping an eye on

We want all Aucklanders (not just those who can afford it) to have the opportunity to be involved in arts, cultural and community activities and events. We provide a range of free community events, so everyone can be involved. Large-scale events can also cause disruptions to residents and businesses. To minimise health and safety risks and traffic congestion, we use traffic management systems and partner with Auckland Transport to provide free public transport to and from large concerts and sports events held in our stadia.

Key activities: Regional facilities

Tātaki Auckland Unlimited Trust (TAUT) is a council-controlled organisation responsible for providing a regional approach to running and developing Auckland's arts, culture, heritage, leisure, sport and entertainment venues. The venues TAUT is responsible for include:

- Auckland Art Gallery Toi o Tāmaki
- New Zealand Maritime Museum Hui Te Ananui a Tangaroa
- Auckland Zoo
- Auckland Live and Auckland Conventions (including Aotea Centre, Aotea Square, Auckland Town Hall, Bruce Mason Centre, The Civic, Viaduct Events Centre and Queens Wharf)
- Auckland Stadiums (including Go Media Stadium Mt Smart, North Harbour Stadium and Western Springs Stadium)

Key projects: Regional facilities

Delivering programmes, exhibitions and events that cover the fields of visual and performing arts, sports, cultural and natural heritage and are aimed at engaging and being accessible to everyone.

Being the guardians of Auckland's largest range of cultural facilities and collections, and ensuring that these provide an effective return for Aucklanders and visitors now and into the future.

We will continue to create vibrant and exciting experiences across the region by:

- Creating unique, engaging, educative and relevant exhibitions and events for Aucklanders and visitors through Tātaki Auckland Unlimited venues and facilities.
- Providing natural and cultural heritage experiences for visitors to the Auckland Zoo, Auckland Art Gallery and New Zealand Maritime Museum.
- Securing international and domestic musicals, concerts, sporting events and art exhibitions for Auckland residents and to drive out-of-town visitation and investment in Auckland's economy.
- Acting as a regional voice for arts, culture heritage, leisure, sports and entertainment issues. Advocating, coordinating and contributing to council's strategic thinking for investing in new collections and arts, cultural, heritage, leisure, sport and entertainment facilities for Auckland.
- Ensuring that the programmes and events are relevant to, and reach, all sectors of the Auckland community by tailoring content for under-represented sectors, delivering our outreach programmes and growing our digital content.
- Providing Māori artists and entertainers with a platform to showcase their talent, providing opportunities to increase Māori participation in events and activities, and supporting initiatives for te reo Māori to be seen, spoken and learned throughout the organisation.
- Providing learning opportunities for school students in Auckland through delivering programmes focusing on wildlife conservation, New Zealand's maritime heritage, visual arts and the performing arts and providing venues for school students involved in sports training and performance.
- Providing training opportunities in specialist skills of relevance to wildlife management, the performing and visual arts, heritage preservation and high-performance sports events.
- Providing an exceptional experience for all our customers through improving our venues, making information more accessible, simplifying our processes, and enhancing customer service training.
- Providing the existing levels of free and subsidised entry to programmes and events across a wide range of facilities, events and venues – ensuring equality of access.
- Maintaining the Aotea precinct as the cultural centre of Auckland, continuing delivery of the Future Zoo developments and curating the visual arts offering to Aucklanders
- Continuing maintenance and base renewal of our portfolio of assets with a focus on de-carbonisation initiatives, including of our heritage assets.
- Supporting ongoing wildlife, visual arts and heritage conservation and asset development activities at Auckland Zoo, Auckland Art Gallery and the New Zealand Maritime Museum.

Trade-offs: Pay less, get less

Table 50 - Trade-offs - Get less

What changes	
Service levels	**Financial Impacts and implementation risks**
Reduction in regional facility services	
Reduced level of activities across the cultural venues and facilities managed by TAU to the community with expenditure on non-commercial programmes and events reduced. Introduction of user pays in areas previously not charged will tend to reduce the access to TAU managed facilities for Aucklanders, particularly for those of limited financial means.	

Trade-offs: Pay more, get more

Table 51 - Trade-offs - Get more

What changes	
Service levels	**Financial Impacts and implementation risks**
Fund the central proposal programme plus the ability to progress master planning for Aotea Precinct, plus funding for developing the precinct - additional $91 million capex over the LTP period.	
• The additional $91 million investment would support outcomes outlined in the Aotea Arts Quarter framework. This could include such things as investing in new studio spaces, practice rooms would benefit the performing arts and other creative sectors.	• The Aotea Precinct master planning and funding for developing the precinct further would require an additional $91 million of funding.

Key performance measures: Regional facilities

Table 52 - Regional facilities: Performance measures

Performance measure	Notes (ref)	Actual (Result)	Target	Indicative Long-term Plan Targets			
		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027-2034
17. Provide access to regional facilities							
Ticketed attendance at Auckland Live, Auckland Zoo, Auckland Art Gallery, NZ Maritime Museum and Auckland Stadiums venues and events	1.1	2.08m	2.08m	2.12m	2.16m	2.21m	2.25m
The net promoter score for Tātaki Auckland Unlimited's audiences and participants	1.2	45	40	40	40	40	40
The percentage of operating expenses funded through non-rates revenues	n/a	51%	59%	59%	60%	60%	61%
The number of programmes, initiatives and events contributing to the visibility and presence of Māori in Auckland, Tamaki Makaurau	1.1	88	40	40	40	45	45

Table 53 - Regional facilities: Additional notes to Performance measures table

References	To be read in conjunction with table "Performance measure" above
1.1	Wording change
1.2	Net promoter score is an index ranging from -100 to 100 that measures the willingness of customers to recommend a product or service to others.

Key activities: Economic development and destination

Tātaki Auckland Unlimited (TAU) is made up of two organisations, Tātaki Auckland Unlimited Limited (TAUL) and Tātaki Auckland Unlimited Trust (TAUT). TAUL and TAUT have distinct, but related, roles. TAUL supports Auckland's growth by developing a vibrant and competitive economy, with a particular focus on business and investment attraction, tech and innovation sector, screen and creative industries, providing economic intelligence, as well as supporting sustainable growth of the destination sector, including through the attraction, support, facilitation and delivery of business and major events.

Key projects: Economic development and destination

> Fostering economic development of Auckland by delivering programmes to support investment and innovation with a focus on the tourism, technology and screen sectors, delivering a unified major events programme, delivering, regional festivals and attracting business events.

We will work to stimulate economic development by:

- Working across the council family to support key economic place-based developments, policy developments and major infrastructural projects that support the regional economy.
- Providing economic intelligence to support economic outcomes, jobs and investment for future Auckland.
- Attracting business, talent and foreign investment into key Auckland sectors (tourism, technology, screen).
- Sustainably growing the value of Auckland's visitor economy.
- Providing necessary support for the screen industry through Screen Auckland
- Providing advice on regional future projects which benefit mana whenua and mataawaka including business attraction and investment opportunities for Māori.
- Fostering Auckland's innovation ecosystem through the development, management and strategic leasing of an innovation precinct network with the objective of growing businesses and creating jobs.
- Delivering campaigns and trade activity to attract visitors – including students - to Auckland.
- Partnering to attract major and business events to Auckland and deliver Lantern, Pasifika and Diwali Festivals.
- Driving Climate Connect Aotearoa – Auckland's climate innovation hub with a focus on de-carbonising and building resiliency for Auckland.

Trade-offs: Pay less, get less

Table 54 - Trade-offs - Get less

What changes	
Service levels	**Financial Impacts and implementation risks**
Stop major events and economic development activities.	
• Reduce the Auckland Council role in marketing Auckland internationally to attract investment, business, and visitors. • Loss of capabilities and capacity to market and manage Auckland as a tourist destination (loss of campaign, industry coordination, product). • TAU will no longer be able to attract investment, which will have a flow on impact on regional GDP, businesses, and jobs. • There would also be a reduction in capability and capacity to support the growth of emerging high-value economic sectors such as those in the creative industries, technology and advanced manufacturing that create high value jobs as well as the loss of support for growing the screen industry in Auckland.	The proposal will achieve reductions in operating funding, Addition to the savings target of $34.5 million for FY24 annual plan, as directed by the council. For example, the net direct expenditure of TAU will further decrease approximate $294 million over a span of 10 years with the complete stop of Economic Development and Destination activities. **Implementation risks** Would require appropriate engagement with relevant community groups, local board and consultation with staff. Auckland would become the only region in the country without an Economic Development function and/or a Regional Tourism Organisation function.

Trade-offs: Pay more, get more

Table 55 - Trade-offs - Pay more

What changes	
Service levels	**Financial Impacts and implementation risks**
Enhance the major events and economic development activities funding to pre-COVID-19 level	
• Expand the suite of annual events • Resume visitor and overseas investment attraction initiatives • Support local board ED projects • Resume active bidding for major events and concerts • Increase support for screen and creative industries	

Key performance measures: Economic development and destination

Table 56 - Economic development and destination: Performance measures

Performance measure	Notes (ref)	Actual (Result)	Target	Indicative Long-term Plan Targets			
		2022/2023	2023/2024	2024/25	2025/26	2026/27	2027 - 2034
18. Facilitate economic development opportunities and promote Auckland as a destination							
The contribution to regional GDP from major events and business events attracted or supported	1.1	74.2M	71M	61M	50M	55M	60M

Table 57 - Economic development and destination: Additional notes to Performance measures table

References	To be read in conjunction with table “Performance measure” above
1.1	The estimated contribution to regional GDP from major events is sourced directly from evaluation undertaken by external event evaluation company Fresh Information using a mixture of primary research with event organisers and event attendees, desk-based research and historic results.. Estimates of the contribution to regional GDP from business events attracted or supported are also undertaken by Fresh Information. Each business event attracted or supported by TAUL is evaluated based on a mixture of post-event primary data provided by event organisers and pre-event estimates. Measurement accounts for the net additional regional impact only (i.e. local spend by local residents and businesses is not included), and figures represent the total net impact of major and business events delivered and/or attracted and/or supported by TAUL that have occurred over a year.

Prospective Financial Information

Activity	Operating cost and revenue $000 Financial year ending 30 June	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28-2033/34	10-years Total
Development Auckland	Non-rates revenue	9,534	9,782	9,994	10,212	78,472	108,460
	Direct operating expenditure*	33,626	34,718	35,570	37,014	288,032	395,334
Economic development and destination	Non-rates revenue	97,314	38,910	40,145	41,079	308,070	428,204
	Direct operating expenditure*	176,857	69,057	76,269	77,699	586,951	809,976
	Capital expenditure	67,471	-	-	-	-	-
Property Development	Non-rates revenue	39,313	40,082	36,229	41,067	320,558	437,936
	Direct operating expenditure	38,664	36,476	29,379	30,006	237,287	333,148
	Capital expenditure	76,650	99,600	90,300	86,900	620,600	897,400
Regional facilities	Non-rates revenue	-	65,472	67,117	68,022	518,301	718,912
	Direct operating expenditure*	-	118,181	116,542	119,385	898,602	1,252,710
	Capital expenditure	-	83,649	75,003	64,750	352,215	575,617

*Direct operating expenditure does not include interest and depreciation

Prospective Funding Impact Statement

Financial year ending 30 June $000	Annual Plan 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
Sources of operating funding:											
General rates, UAGCs, rates penalties	167,105	183,993	201,204	211,068	226,312	233,989	241,406	248,990	254,984	259,338	265,275
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	25,400	26,209	27,110	27,787	27,874	28,402	28,991	29,546	30,139	30,720	31,337
Fees and charges	53,658	56,708	57,067	57,696	58,934	60,821	62,060	63,252	64,546	65,833	67,178
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	75,389	78,642	77,200	82,970	84,794	85,936	89,798	91,344	92,750	94,356	96,248
Total operating funding	**321,551**	**345,551**	**362,581**	**379,521**	**397,914**	**409,148**	**422,255**	**433,132**	**442,419**	**450,248**	**460,039**
Applications of operating funding:											
Payment to staff and suppliers	241,503	258,746	258,074	264,420	270,772	276,131	282,160	287,429	293,041	298,676	304,867
Finance costs	15,771	19,308	24,710	28,444	32,048	35,098	39,465	43,494	45,487	46,463	48,481
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	**257,275**	**278,054**	**282,784**	**292,863**	**302,819**	**311,229**	**321,624**	**330,923**	**338,527**	**345,139**	**353,348**
Surplus (deficit) of operating funding	**64,276**	**67,498**	**79,797**	**86,658**	**95,095**	**97,920**	**100,630**	**102,209**	**103,891**	**105,109**	**106,690**
Sources of capital funding:											
Subsidies and grants for capital expenditure	3,750	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	3,118	2,329	2,262	2,198	2,136	2,138	2,148	2,200	2,258	2,316	2,316
Increase (decrease) in debt	38,770	(5,052)	19,383	34,447	3,317	22,864	(13,447)	(5,964)	9,610	13,587	24,777
Gross proceeds from sale of assets	34,207	118,474	63,862	28,347	49,210	11,100	97,762	26,441	6,500	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	**79,845**	**115,752**	**85,506**	**64,992**	**54,664**	**36,103**	**86,463**	**22,677**	**18,368**	**15,903**	**27,093**
Application of capital funding:											
Capital expenditure:											
- to meet additional demand	26,848	76,000	88,200	89,100	92,100	93,443	109,200	44,900	39,400	40,400	40,400
- to improve the level of service	33,277	59,441	55,059	40,220	37,536	24,457	16,288	17,372	19,066	15,781	22,452
- to replace existing assets	83,996	47,808	22,044	22,330	20,122	16,122	61,606	62,614	63,793	64,830	70,932
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	**144,121**	**183,249**	**165,303**	**151,650**	**149,758**	**134,022**	**187,093**	**124,886**	**122,259**	**121,012**	**133,784**
Surplus (deficit) of capital funding	**(64,276)**	**(67,498)**	**(79,797)**	**(86,658)**	**(95,095)**	**(97,920)**	**(100,630)**	**(102,209)**	**(103,891)**	**(105,109)**	**(106,690)**
Funding balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Section Four: Our Policies and Other information

4.1 Overall rates change and other rating matters and fees and charges

1.1 Introduction

This section sets out our proposed changes to rates, and their impact. It also details our proposed changes to fees and charges.

Our 10-year Budget 2024-2034 proposes a central package of rates changes that will result in annual rates increase for the average value residential property for each of the next three years of 7.5 per cent, 3.5 per cent and 8.0 per cent and no more than 3.5 per cent for the years after that (being 1.5 percent above CPI inflation, currently forecast at 2 per cent).

Other proposed changes to our rates for this year include:

- removing the Long-term Differential Strategy (LTDS) and holding the business differential at its current level of around 31 per cent. This will ensure that from 2024/2025 the general rates increase will be applied evenly across all ratepayers. This has no impact on rates for either residential or business properties from 2024/2025 but does mean that residential rates do not continue to face higher increases in rates than business properties.
- resuming the Water Quality Targeted Rate (WQTR) and extending it to 2034/2035 at a level to only cover the annual programme operating and interest costs. This ensures that we can continue to fund the water quality improvements in harbours and streams across the region, at a lower immediate cost to ratepayers. This reduces rates for the average value residential property by around $5.79 and $26.94 for the average value business property.
- resuming the Natural Environment Targeted Rate (NETR) and extending it to 2034/2035 to ensure that we can continue to invest in the protection of native ecosystems and species including the spread of Kauri dieback disease and the predators that are killing our native birds and trees. This increases rates for the average value residential property by around $23.33 and $108.71 for the average value business property.
- broaden the description of the bus programme delivered by the Climate Action Transport Targeted Rate (CATTR) and extend the rate to 2033/2034. This will reduce the need to reconsult each year via the annual budgeting process for minor changes to the bus programme.
- adjust the business differential for the NETR, WQTR and CATTR to align with the general rates business differential. This reduces rates for the average value residential property by around $9.18 and increases rates by around $121.82 for the average value business property.

1.2 Other proposed changes to rates and fees

This year, we are also proposing a number of other changes to rates and fees as outlined in the table below.

Policy Item	Proposals
Changes to Waste Management Targeted Rates and Charges	As part of our plan to standardise our waste management collection services across the region, we propose to make the following changes to our waste management charges: • to ensure cost recovery of our waste activity there will be an increase from $406 to $423 for the waste management targeted rates for standard services • begin rolling out rates funded refuse to North Shore, Waitākere and Papakura in 2024/2025, and Franklin and Rodney in 2025/2026. During the rollout we are proposing to apply the refuse targeted rate to properties in these areas based on the approximate number of months the rates funded service is available to them. • the food scraps collection service will continue to be rolled out to all residential and lifestyle properties across mainland urban Auckland in 2023/2024. From 2024/2025 onward all properties with access to this service will pay a uniform full year food scraps targeted rate. For 2023/2024 part of the cost for the food scraps service is met with a subsidy from the waste levy. • apply the Recycling Target Rate to all schools. A full list of our proposed waste changes for 2024/2025 can be found in the Waste Management Targeted Rate section of the Rating Mechanism set out in this document.
Rodney Drainage Districts Targeted Rates	We proposing changes to the Rodney drainage districts targeted rates based on updated hydrological information and a new rating differential of 0.1 for Class C land. The proposed changes would ensure targeted rates continue to align with benefit received and/or costs imposed. Only one property (out of 390) would have a targeted rate increase of more than 5 per cent of their current rates bill.
Electricity Network Resilience Targeted Rate	We propose the following changes to the Electricity Network Resilience Targeted Rate (ENRTR): • Providing for the rate to be used towards capital costs of engineering solutions as an alternative to pruning for trees where it is the most appropriate approach to protect the tree and protect the lines network • ongoing annual increases by inflation to maintain services levels as costs increase.
Onehunga Business Improvement District	The Onehunga Business Association is proposing an expansion of the Onehunga Business Improvement District (BID) and the area the BID targeted rate covers.
Waitākere Rural Sewerage Targeted Rate (WRSTR)	We are proposing to increase the WRSTR from $296.75 to $336.80 (both inclusive of GST) for the next three-yearly cycle to maintain cost recovery. This is a 13 per cent increase from the current amount which was set three years ago.

Franklin Local Board Paths Targeted Rate	We propose to undertake additional investment in paths in the Franklin Local Board area and fund this from a Franklin Local Board Paths Targeted Rate. The proposed targeted rate would be set at $52 (GST inclusive) per annum for each Separately Used or Inhabited Part (SUIP) on properties in the Franklin Local Board area to fund the investment programme.
Regulatory and other fee changes	In addition to most other fees and charges being adjusted in line with inflation the following specific changes to fees are proposed: • new fees to recover the cost of processing new requirements under the Building (Dam Safety) Regulations 2022 • increased deposit levels for a number of consenting fees • an increase to film permitting fees to adjust for cumulative inflation since 2015. We are also proposing that this fee is adjusted for inflation annually • adjusted fees for all services provided from pool and leisure centres to ensure an appropriate level of cost recovery • baseline fees across similar venue hire and bookable spaces so that they are charged appropriately. This includes community halls, community centres, art centres and bookable library spaces. We are proposing only a cost inflation adjustment to dog licensing. Additional costs required to respond to the growing need for animal management activities to be funded by rates as these aren't caused by registered dog owners. A full list of proposed fee changes can be found in the Fees and charges change proposal section of this document

1.3 Changes to the Revenue and Financing Policy

As part of the development of our 10-year Budget 2024-2034, we are also proposing changes to the Revenue and Financing Policy to set the business differential at around 31 per cent from 2024/2025, removing the LTDS, as well as amendments to the policy to reflect that we no longer charge the APTR and no longer require the general rate transition categories for the Urban Rating Area. The proposed amendments to this policy can be found in Attachment A: Draft Revenue and Financing Policy.

2. Overall impact of changes to rates

Our draft Long-term Plan proposes a central package of rates changes that will result in overall rates increases for the average value residential property of:

- 7.5 per cent in the first year
- 3.5 per cent in the second year
- 8 per cent in the third year
- and no more than 3.5 percent in the years after (being 1.5 percent above CPI inflation, currently forecast at 2.0 per cent).

But there are alternatives. We could do more or do less than what is in our proposal.

A "pay more, get more" scenario provides for more investment and higher service levels, with associated higher levels of debt and rates increases. Pay more, and get more would see average rates increases for residential ratepayers of up to 14 per cent in year one, 10 per cent in years two and three, and no more than 5.0 percent in the years after (being 3.0 percent above CPI inflation, currently forecast at 2.0 per cent).

A "pay less, get less" scenario requires significant reductions in both operating and capital spend, resulting in lower levels of service and higher asset sales targets in the first three years of the plan. This would require lower forecast debt levels and lower levels of rates increases. Pay less, get less would see with average rates increases for residential ratepayers of around 5.5 per cent in year one, 3.5 per cent in years two and three; and no more than 3.0 percent in the years after (being 1.0 percent above CPI inflation, currently forecast at 2.0 per cent).

We also have options in how we fund services, such as creating the Auckland Future Fund. This would reduce our reliance on rates to fund our plans. We have prepared the central proposal under the assumption that the fund is included. If the investment fund is not included, the trade-off would be higher rates.

There are also cost savings identified in this proposal that would reduce the rates burden, but the trade-off is to reduce or change some council services or slow the speed at which some improvements are made.

2.1 Rates impacts general rates increase for central package

The tables below show the estimated changes to rates for the average value residential and business properties under the proposed rates increase package for the first three years of the long-term plan (LTP) period (2024/2025, 2025/2026, and 2026/2027). The total rate change includes general rates (including the UAGC), the water quality targeted rate, the natural environment targeted rate, the climate action transport targeted rate and rates for waste management including the minimum base service charge, standard recycling charge, standard refuse charge, and food scraps charge. We have included the standard refuse rate for residential properties as it provides a useful proxy for these costs across the region including areas where this rate doesn't yet apply or will only apply for part of the year. It is not included for business properties as it generally does not apply to them.

Table 1 Proposed rates changes for average value residential property ($1,422,000) 2024/2025

	2023/2024	2024/2025	Change in individual rate (as % of total rates)		$ increase per week
			$	%	
General rates	$3,094.60	$3,337.12	$242.52	6.72%	$4.66
WQTR	$16.31	$9.78	-$6.53	-0.18%	-$0.13
NETR	$23.69	$43.73	$20.04	0.55%	$0.39
CATTR	$71.24	$68.58	-$2.66	-0.07%	-$0.05
Waste rates (combined)	$405.68	$423.21	$17.53	0.49%	$0.34
Total rates	**$3,611.52**	**$3,882.42**	**$270.90**	**7.50%**	**$5.21**

Table 2 Proposed rates changes for average value residential property ($1,422,000) 2025/2026

	2024/2025	2025/2026	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	3,337.12	3,452.98	115.86	2.98%	2.23
WQTR	9.78	11.97	2.19	0.06%	0.04
NETR	43.73	43.73	0.00	0.00%	0.00
CATTR	68.58	70.98	2.40	0.06%	0.05
Waste rates (combined)	423.21	438.45	15.24	0.39%	0.29
Total rates	**3,882.42**	**4,018.11**	**135.69**	**3.50%**	**2.61**

Table 3 Proposed rates changes for average value residential property ($1,422,000) 2026/2027

	2025/2026	2026/2027	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	3,452.98	3,753.39	300.41	7.48%	5.78
WQTR	11.97	14.62	2.65	0.07%	0.05
NETR	43.73	43.73	0.00	0.00%	0.00
CATTR	70.98	73.46	2.48	0.06%	0.05
Waste rates (combined)	438.45	454.23	15.78	0.39%	0.30
Total rates	**4,018.11**	**4,339.44**	**321.33**	**8.00%**	**6.18**

Table 4 Proposed rates changes for average value business property ($3,753,500) 2024/2025

	2023/2024	2024/2025	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	18,325.69	19,789.33	1,463.64	7.71%	28.15
WQTR	75.90	58.80	-17.10	-0.09%	-0.33
NETR	110.20	262.91	152.71	0.80%	2.94
CATTR	326.85	406.32	79.47	0.42%	1.53
Waste base charge	155.57	166.59	11.02	0.06%	0.21
Total rates	**18,994.21**	**20,683.95**	**1,689.74**	**8.90%**	**32.50**

Table 5 Proposed rates changes for average value business property ($3,753,500) 2025/2026

	2024/2025	2025/2026	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	19,789.33	20,476.42	687.09	3.32%	13.21
WQTR	58.80	71.98	13.18	0.06%	0.25
NETR	262.91	262.91	0.00	0.00%	0.00
CATTR	406.32	420.54	14.22	0.07%	0.27

Waste base charge	166.59	172.59	6.00	0.03%	0.12
Total rates	**20,683.95**	**21,404.43**	**720.48**	**3.48%**	**13.86**

Table 6 Proposed rates changes for average value business property ($3,753,500) 2026/2027

	2025/2026	2026/2027	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	20,476.42	22,257.86	1,781.45	8.32%	34.26
WQTR	71.98	87.92	15.94	0.07%	0.31
NETR	262.91	262.91	0.00	0.00%	0.00
CATTR	420.54	435.26	14.72	0.07%	0.28
Waste base charge	172.59	178.80	6.21	0.03%	0.12
Total rates	**21,404.43**	**23,222.75**	**1,818.32**	**8.50%**	**34.97**

2.2 Rates impacts of different general rates increase options

The table below shows the percentage increase in total rates for the average value residential and business properties for each rates option for each year of the Long-term Plan 2024-2034.

		FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
Pay more, get more	Avg value residential	14.00%	10.00%	10.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
	Avg value business	16.22%	10.68%	10.63%	5.13%	5.13%	5.13%	5.13%	5.12%	5.12%	5.12%
Central Proposal	Avg value residential	7.50%	3.50%	8.00%	3.39%	3.40%	3.41%	3.17%	3.02%	3.04%	3.07%
	Avg value business	8.90%	3.48%	8.50%	3.37%	3.38%	3.39%	3.12%	2.96%	2.98%	3.01%
Pay less, get less	Avg value residential	5.50%	3.50%	3.50%	2.28%	2.29%	2.31%	2.34%	2.36%	2.40%	2.43%
	Avg value business	6.64%	3.49%	3.49%	2.13%	2.14%	2.16%	2.19%	2.21%	2.25%	2.29%

The tables below show the the estimated changes to rates for the average value residential and business properties under the following alternative options for the first three years of the plan period (2024/2025, 2025/2026, and 2026/2027).

- Pay more and get more
- Pay less and get less

The total rate change includes general rates (including the UAGC), the water quality targeted rate, the natural environment targeted rate, the climate action transport targeted rate and rates for waste management including the minimum base service charge, standard recycling charge, standard refuse charge (residential properties only), and food scraps charge (residential properties only). We have included the standard refuse rate for residential properties as it provides a useful proxy for these costs across the region including areas where this rate doesn't yet apply or will only apply for part of the year. It is not included for business properties as it generally does not apply to them.

Alternative one: pay more and get more

Table 2 Proposed rates changes for average value residential property ($1,422,000) 2024/2025

	2023/2024	2024/2025	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	3,094.60	3,571.85	477.25	13.21%	9.18
WQTR	16.31	9.78	-6.53	-0.18%	-0.13
NETR	23.69	43.73	20.04	0.55%	0.39
CATTR	71.24	68.58	-2.66	-0.07%	-0.05
Waste rates (combined)	405.68	423.21	17.53	0.49%	0.34
Total rates	**3,611.52**	**4,117.15**	**505.63**	**14.00%**	**9.72**

Table 2 Proposed rates changes for average value residential property ($1,422,000) 2025/2026

	2024/2025	2025/2026	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	3,571.85	3,963.74	391.89	9.52%	7.54
WQTR	9.78	11.97	2.19	0.05%	0.04
NETR	43.73	43.73	0.00	0.00%	0.00
CATTR	68.58	70.98	2.40	0.06%	0.05
Waste rates (combined)	423.21	438.45	15.24	0.37%	0.29
Total rates	**4,117.15**	**4,528.87**	**411.71**	**10.00%**	**7.92**

Table 3 Proposed rates changes for average value residential property ($1,422,000) 2026/2027

	2025/2026	2026/2027	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	3,963.74	4,395.70	431.97	9.54%	8.31
WQTR	11.97	14.62	2.65	0.06%	0.05
NETR	43.73	43.73	0.00	0.00%	0.00
CATTR	70.98	73.46	2.48	0.05%	0.05
Waste rates (combined)	438.45	454.23	15.78	0.35%	0.30
Total rates	4,528.87	4,981.75	452.89	10.00%	8.71

Table 4 Proposed rates changes for average value business property ($3,753,500) 2024/2025

	2023/2024	2024/2025	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	18,325.69	21,181.23	2,855.54	15.03%	54.91
WQTR	75.90	58.80	-17.10	-0.09%	-0.33
NETR	110.20	262.91	152.71	0.80%	2.94
CATTR	326.85	406.32	79.47	0.42%	1.53
Waste base charge	155.57	166.59	11.02	0.06%	0.21
Total rates	**18,994.21**	**22,075.85**	**3,081.64**	**16.22%**	**59.26**

Table 5 Proposed rates changes for average value business property ($3,753,500) 2025/2026

	2024/2025	2025/2026	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	21,181.23	23,505.14	2,323.91	10.53%	44.69
WQTR	58.80	71.98	13.18	0.06%	0.25
NETR	262.91	262.91	0.00	0.00%	0.00
CATTR	406.32	420.54	14.22	0.06%	0.27
Waste base charge	166.59	172.59	6.00	0.03%	0.12
Total rates	**22,075.85**	**24,433.16**	**2,357.31**	**10.68%**	**45.33**

Table 6 Proposed rates changes for average value business property ($3,753,500) 2026/2027

	2025/2026	2026/2027	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	23,505.14	26,066.72	2,561.58	10.48%	49.26
WQTR	71.98	87.92	15.94	0.07%	0.31
NETR	262.91	262.91	0.00	0.00%	0.00
CATTR	420.54	435.26	14.72	0.06%	0.28
Waste base charge	172.59	178.80	6.21	0.03%	0.12
Total rates	**24,433.16**	**27,031.61**	**2,598.46**	**10.63%**	**49.97**

Alternative two: pay less and get less

Table 3 Proposed rates changes for average value residential property ($1,422,000) 2024/2025

	2023/2024	2024/2025	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	3,094.60	3,280.69	186.09	5.15%	3.58
WQTR	16.31	9.78	-6.53	-0.18%	-0.13
NETR	23.69	27.90	4.21	0.12%	0.08
CATTR	71.24	68.58	-2.66	-0.07%	-0.05
Waste rates (combined)	405.68	423.21	17.53	0.49%	0.34
Total rates	**3,611.52**	**3,810.16**	**198.64**	**5.50%**	**3.82**

Table 2 Proposed rates changes for average value residential property ($1,422,000) 2025/2026

	2024/2025	2025/2026	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	3,280.69	3,393.66	112.97	2.96%	2.17
WQTR	9.78	11.97	2.19	0.06%	0.04
NETR	27.90	28.46	0.56	0.01%	0.01
CATTR	68.58	70.98	2.40	0.06%	0.05
Waste rates (combined)	423.21	438.45	15.24	0.40%	0.29
Total rates	**3,810.16**	**3,943.52**	**133.36**	**3.50%**	**2.56**

Table 3 Proposed rates changes for average value residential property ($1,422,000) 2026/2027

	2025/2026	2026/2027	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	3,393.66	3,510.19	116.53	2.96%	2.24
WQTR	11.97	14.62	2.65	0.07%	0.05
NETR	28.46	29.03	0.57	0.01%	0.01
CATTR	70.98	73.46	2.48	0.06%	0.05
Waste rates (combined)	438.45	454.23	15.78	0.40%	0.30
Total rates	**3,943.52**	**4,081.54**	**138.02**	**3.50%**	**2.65**

Table 4 Proposed rates changes for average value business property ($3,753,500) 2024/2025

	2023/2024	2024/2025	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	18,325.69	19,454.73	1,129.04	5.94%	21.71
WQTR	75.90	58.80	-17.10	-0.09%	-0.33
NETR	110.20	167.72	57.52	0.30%	1.11

CATTR	326.85	406.32	79.47	0.42%	1.53
Waste base charge	155.57	166.59	11.02	0.06%	0.21
Total rates	**18,994.21**	**20,254.16**	**1,259.95**	**6.63%**	**24.23**

Table 5 Proposed rates changes for average value business property ($3,753,500) 2025/2026

	2024/2025	2025/2026	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	19,454.73	20,124.65	669.92	3.31%	12.88
WQTR	58.80	71.98	13.18	0.07%	0.25
NETR	167.72	171.07	3.35	0.02%	0.06
CATTR	406.32	420.54	14.22	0.07%	0.27
Waste base charge	166.59	172.59	6.00	0.03%	0.12
Total rates	**20,254.16**	**20,960.83**	**706.67**	**3.49%**	**13.59**

Table 6 Proposed rates changes for average value business property ($3,753,500) 2026/2027

	2025/2026	2026/2027	Change in individual rate (as % of total rates)		$ incr per week
			$	%	
General rates	20,124.65	20,815.71	691.06	3.30%	13.29
WQTR	71.98	87.92	15.94	0.08%	0.31
NETR	171.07	174.50	3.42	0.02%	0.07
CATTR	420.54	435.26	14.72	0.07%	0.28
Waste base charge	172.59	178.80	6.21	0.03%	0.12
Total rates	**20,960.83**	**21,692.18**	**731.35**	**3.49%**	**14.06**

2.3 Affordability assessment

The Local Government Rates Inquiry 2007 suggested that a measure of rates affordability would be that they are below 5 per cent of the gross household income. In respect of this we have used the following formula to measure affordability against the 5 per cent threshold:

$$\frac{(Rates\ for\ the\ median\ value\ residential\ property + \ median\ water\ and\ wastewater\ bill)}{Median\ household\ income\ for\ homeowners}$$

We have used median values as they are broadly more representative of the impact of rates on affordability. In 2023/2024 this ratio was 3.25 per cent.

The following table shows this affordability measure for 2023/2024 as compared against the various scenarios for each of the 10 years over the LTP period:

Scenario	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
Pay more and get more	3.25%	3.65%	3.91%	4.15%	4.22%	4.31%	4.39%	4.48%	4.49%	4.49%	4.50%
Central Proposal		3.49%	3.59%	3.76%	3.78%	3.82%	3.86%	3.89%	3.85%	3.79%	3.74%
Pay less and get less		3.45%	3.54%	3.60%	3.60%	3.61%	3.62%	3.64%	3.58%	3.51%	3.45%

The analyses included in this section are based on rating data and budget information available as at December 2023 (when decisions were made on items to be consulted on for the Long-term Plan 2024-2034). Numbers may change ahead of the finalisation of the Long-term Plan 2024-2034. In particular, the numbers for the waste base service targeted rate and the standard refuse targeted rate were calculated based on the cost information (including inflation assumptions) available at the time this analysis was undertaken. The final rates will be adopted in June 2024 after considering the final budget decisions, updated property valuation information and any changes to waste management costs.

The law requires all councils to revalue properties within their boundaries every three years. The next revaluation for Auckland will take place this year and the new values, as at 1 July 2024, will apply to rates assessed for the 2025/2026 rating year.

The level of rates increase in 2025/2026 for individual properties will depend on how the value of the property moves in relation to the overall movement in value for properties within each differential group.

The rates revenue forecast for 2025/2026 is based on a proposed rates increase of 3.5 per cent for the average value residential (rural and urban) property in 2025/2026 and assumes that the average value of residential properties will move by the same percentage as that of farm/lifestyle properties as a result of the revaluation. The general rates requirement for non-business property differentials (mainly urban residential, rural residential, and farm/lifestyle) for 2024/2025 and future years is around 69 per cent. The movement in the value of the non-business differentials may not be same. If farm/lifestyle have a movement in value different from residential, a 3.5 per cent increase for the average value residential property may generate more or less revenue than forecast.

A similar impact, on a smaller scale, can occur on an annual basis if the growth in the rating base between the business and non-business sectors is uneven.

The following proposals include some increases to rates and fees and charges. These proposed changes are mainly to ensure we are recovering the necessary costs. If we do not proceed with the changes then the general rates increase may need to be higher than we have proposed. This would mean that general ratepayers will be paying a portion of the costs of running the services based on their capital value rather than service users.

3.0 Proposed changes to rating policy

Introduction

In addition to the level of general rates, we are also proposing a number of changes to our rating policy. Each of these issues is discussed below.

3.1 Business rates differential

To manage the impact of rates increases over time we are proposing to remove our policy of gradually lowering the share of general rates business pay (Long-term Differential Strategy – LTDS). Business will meet 30.98 per cent of the general rates requirement this year, the same as last year. This will mean all ratepayers will face a similar level of rates increase each year from 2024/2025.

We are also proposing to increase the share that businesses pay of generally applied targeted rates (Water Quality, Natural Environment, Climate Action Transport) from 25.8 per cent (originally set at the same level as the end target of the LTDS) to the same share they will pay of the general rate, 30.98 per cent. As a result, businesses will face a slightly higher rates increase in 2024/2025.

We consider that businesses place more demand on, and impose more cost on, transport and stormwater services although they do not benefit as much from community services and parks. Rates are also more affordable for businesses. Rates were 0.24 per cent of average business income, but 3.29 per cent of the median household income for 2022/2023. Businesses can also claim back GST on rates and expense rates against tax.

The impact of removing the LTDS and raising the share of the generally applied targeted rates paid by business will mean that the rates for the average value business property will rise by 1.82 per cent or around $345 more than their rates increase would otherwise be for 2024/2025. Rates for the average value residential property will be 0.73 per cent or around $26 lower than what their rates increase would otherwise be for 2024/2025.

Removing the LTDS also requires us to amend our Revenue and Financing Policy. You can see the proposed change to the Revenue and Financing Policy here [insert link to Draft R&F Policy]. If we don't amend the Revenue and Financing Policy, then we won't be able to make the proposed change to the LTDS.

Background: Long-term differential strategy

The LTDS provides for a gradual lowering of the share of general rates revenue requirement paid by businesses from 31 per cent in 2022/2023 to 25.8 per cent by 2037/2038. The council paused the LTDS in the 2023/2024 year keeping the business share of the rates revenue requirement at around 31 per cent to manage the impact of rates increases on non-business properties. To collect this share from business properties, urban businesses pay a cents in the dollar of capital value around 2.63 times that of urban residential properties.

The business differential was originally adopted in 2012/2013 as part of the adoption of a standardised rating policy following amalgamation. In setting the differential we considered businesses:

- benefited more from our services
- imposed more cost on our service provision
- were better able to afford rates than other properties.

However, while we considered business rates should be higher than non-business, at the same time we also decided they were too much higher and should be gradually lowered over time. We accordingly adopted the first LTDS. In 2017/2018 we introduced the Water Quality Targeted Rate (WQTR) and Natural Environment Targeted Rate (NETR) and then in 2022/2023 we introduced the Climate Action Transport Targeted Rate (CATTR). As these targeted rates were generally applied all three included a business differential. The business differential for these rates was set to collect 25.8 per cent of the revenue requirement being the ultimate target of the LTDS.

Business differentials are also commonly applied by the other large urban councils in New Zealand. The table below shows the comparative general rates business differential ratios for these councils. The actual share of rates paid by business in these councils will vary depending on the respective size of the business sector in the underlying rating base and the application of targeted rates.

Council	General rates business differential ratio 2023/2024
Auckland	2.63
Tauranga	2.1 (also fund economic development with a targeted rate on business)
Hamilton	2.98
Wellington	3.7 (also fund economic development with a targeted rate on business)
Christchurch	2.2
Dunedin	2.47

Options for the business differential

We considered two options for the approach to the level of the business differential from 2024/2025, these are:

1. continue with the reduction of the business differential (either through continuing with the LTDS (status quo) or a move straight to the target level of 25.8 per cent)
2. hold the business differential at the current level of around 31 per cent (stopping the LTDS)

The following sections sets out the impacts for each of the options. Stopping the LTDS requires amending the Revenue and Financing Policy to reflect our new approach to the business differential.

Option 1: Continue with the reduction of the business differential

Resuming the LTDS would result in a slow reduction of the business differential until it reaches the current target of 25.8 per cent in 2038/2039. This would see residential rates increase by around 0.5 per cent more each year and business rates to increase by around 1.2 per cent less each year.

An alternative would be to move straight to the target level of 25.8 per cent in 2024/2025. This would see residential rates increase by around 7.1 per cent more in 2024/2025 and business rates to increase by around 17.7 per cent less in 2024/2025. From 2025/2026 non-business and business rates would generally see the same overall rates increase each year.

Option 2: Hold the business differential at the current level

Holding the business differential at around 31 per cent would see non-business and business rates having generally the same overall rates increase each year from 2024/2025.

Conclusion

In determining which option to progress we weighed the matters set out in the following sections which discuss the relative benefits received and costs imposed, and affordability, between business and non-business properties.

One of the reasons for the original introduction of the LTDS was that lowering business rates would encourage business development. Rates are a small proportion of business income, 0.24 on average, and as a form of land tax, movements in rates will ultimately flow through to land prices. The scale of reduction in rates will at best only have a very small impact on business development in the long term. We do not consider that this forms a material element in a decision on the business differential and the LTDS options.

Benefits received from council activities and cost imposed

This section considers the relative benefit that business and non-business properties receive from our activities and the extent to which these properties contribute to the need for us to undertake those activities.

Assessing the level of benefit the business sector receives from council activities is a subjective process. In 2012/2013, benefits were assessed based on usage, availability, and proximity to particular sectors and locations. Consideration was also given to the impact on property values that arise from access to services we provide.

Our general rates funded activities are public goods. They are undertaken for the benefit of the community as a whole rather than for individuals. As such there is no direct relationship between the amount of rates an individual pays and the benefits they receive. However, to some extent the benefits of our activities are already partly capitalised in property values.

Properties in closer proximity to our services will tend to have higher property values than those that do not. However, developing a rating system based on this assumption would not reflect the levels of benefit received. This is because the supply of our services is not the primary driver of property values. Market forces of supply and demand, and the relative desirability of locations (e.g., seaside locations) have a greater impact.

In 2012/2013 an assessment of the distribution of benefits between sectors was undertaken. The analysis used information and statistics from asset management plans and other sources from council and Waka Kotahi. It then attributed benefits to the broad rating differential categories approximating both the benefits and the costs of provision accrued to each group. Due to the nature of assessing benefits outlined above the resulting analysis only provides an indication of the relative magnitude of benefit and cost provision between the groups. It should not be taken as providing an absolute assessment. The table below shows the results of this analysis.

Activity	Urban		Rural		Farm/ lifestyle
	Business	Residential	Business	Residential	
Roads	36%	55%	1%	3%	5%
Footpaths and cycleways	27%	65%	2%	4%	2%
Parking	37%	55%	2%	4%	2%
Public transport	37%	50%	3%	5%	5%
Community resources	13%	70%	6%	6%	5%

Regional and local facilities	18%	70%	2%	5%	5%
Building consents	38%	52%	2%	3%	5%
Stormwater	46%	48%	2%	2%	2%
Other	17.0%	67.5%	2.4%	4.2%	8.9%

This assessment was then compared, at an aggregate level, to the proportional size of each sector in the underlying rating database. The table below shows this comparison.

Category	Benefit	Property count	Property value
Metro – business	26%	7%	17%
Metro – residential	61%	81%	68%
Rural – business	3%	0.5%	2%
Rural – residential	4%	6%	4%
Farms and lifestyle	6%	5.5%	8%

This comparison showed that the business sector was receiving a higher level of benefit from our activities relative to their proportion of the rating base. For example, businesses tend to have:

- a larger impact on the cost of transport infrastructure due to heavy vehicles
- increased stormwater infrastructure related to the larger impervious surface areas for businesses when compared to other property types, although some residential properties also allow for higher impervious surface areas.

We have revisited the work that was undertaken in 2012/2013. While the business share of property value and numbers of business property has fallen slightly, business properties continue to place greater demand on our services. We therefore consider that the original analysis continues to hold true.

Analysis of the rating database shows that the proportional size of business sector capital value has reduced from 19 per cent in 2012/2013 to 16.5 per cent in 2023/2024 while the proportional size of the business sector SUIP's has reduced from 9.8 per cent in 2012/2013 to 9.3 per cent in 2023/2024.

We have also revisited the assessment of benefits for residential and business land and have found that:

- business continue to place greater demand on transport infrastructure
- business continue to place greater demand on stormwater infrastructure.

The Ministry of Transport's Household Travel Survey[1], undertaken between July 2019 and Aug 2022 shows that across New Zealand there has been a decline of around 10 per cent (from 47 per cent to 37 per cent) in business-generated travel for shopping, social entertainment, and services. This is shown in both total kilometres and trip duration. This has been largely due to COVID-related lockdowns and shifts

[1] https://www.transport.govt.nz/statistics-and-insights/household-travel/ This is a nationwide survey and does not provide a breakdown of activity by region, however we assume that the same impacts shown nationally would also apply to Auckland.

in consumer shopping behaviour. However, the proportion of business-generated trips (37 per cent) continues to be higher than the overall proportion of business sector capital value (16.5 per cent).

Since 2013 there has also been an increase in truck road freight distances travelled by 22.8 per cent and an increase of freight activity (tonne-kilometres) by 25.5 per cent. Heavy vehicles, primarily serving business require roads designed to higher engineering standards. Heavy vehicles also accelerate deterioration of road infrastructure increasing maintenance and requiring more frequent renewal. This increases the costs of roading infrastructure and the costs of maintaining roads.

Unitary Plan rules allow for business land to be developed to a greater extent than most residential land. This results in a greater proportion of business land being covered in impervious surface area in comparison to non-business land. This contributes to increased run-off from the land during heavy rain events which places increased demand on stormwater infrastructure.

In response to changes to the Unitary Plan, there has been an increase in high intensity development of residential land. New multi-unit homes account for 58 per cent of building consents issued within the Auckland since 2013. Increasing urban density for both business and residential purposes creates increased demand on stormwater infrastructure requiring additional investment by us. However, the proportion of highly developed residential land remains relatively low in relation to all residential land while the majority of business-zoned land can be developed to high intensity.

Affordability

In general, a rating system based on property value reflects ability to pay to the extent that people with higher value properties usually have higher incomes. The fairness of the distribution of rates can be considered in the following three different ways:

- the differing ability to pay between different sectors
- the relationship of distribution of rates by household income for the residential sector
- the relationship between the changes of incidence of rates and household income for the residential sector.

There are two main reasons that differentiate the ability to pay between the business and residential sectors. These are:

- the business sector can claim back the GST component on rates
- the business rates are an expense and paid out of pre-tax earnings.

Both these reasons also apply to the portion of the residential sector used for residential tenancies or at home occupations. Approximately 40 per cent of Auckland’s residential properties are tenanted. However, it is administratively prohibitive to apply business rates in these circumstances.

The legal incidence of rates usually falls upon the property owner. However, the economic incidence depends on who actually pays the rates. The standard practice for commercial leases of business properties requires tenants to pay the rates. However, if the property is untenanted then the property owner will be required to pay the rates.

Analysis of residential rates affordability is undertaken against the 5 per cent threshold proposed in the Report of the Local Government Rates Inquiry 2007, referred to as the Shand Report. The table below shows the median rates (including water costs) as a percentage of median household income for owner-occupied households.

Financial year	Estimated annual rates and water costs ($)	Median household income for homeowners ($)	Costs as a % of household income
2012/2013	2,494	86,600	2.88%
2013/2014	2,568	87,600	2.93%
2014/2015	2,690	90,500	2.97%
2015/2016	2,907	95,100	3.06%
2016/2017	2,993	99,200	3.02%
2017/2018	3,048	102,900	2.96%
2018/2019	3,085	110,200	2.80%
2019/2020	3,186	113,800	2.80%
2020/2021	3,294	112,700	2.92%
2021/2022	3,507	114,500	3.06%
2022/2023	3,801	115,645	3.29%

This analysis shows that, in general, Auckland Council rates (including water and wastewater charges) are currently well within the affordability threshold suggested in the Shand Report. Decisions on shifting the level of the business differential would not materially affect this assessment.

It is not possible to undertake the same type of analysis for business properties as earnings/profit information is not collected at a granular enough level. Additionally, earnings and profit vary considerably between business sectors and between businesses within a sector. However overall business income information is available through the Annual Enterprise Survey.

The analysis of business affordability below focusses on relative affordability through time rather than absolute affordability at a point in time. The table below shows the proportion of rates, as a whole, in comparison to total business income. It includes general rates and targeted rates set across the region. It excludes targeted rates assessed on specific locations such as Business Improvement Districts and City Centre.

Financial Year	Total Business Income ($ b)	Total Business Rates ($ m)	Rates as a portion of total income (%)
2015/2016	$206.5	$476.9	0.231%
2016/2017	$211.1	$490.7	0.232%
2017/2018	$225.5	$511.9	0.227%
2018/2019	$242.2	$537.9	0.222%
2019/2020	$254.9	$553.1	0.217%
2020/2021	$256.6	$577.0	0.225%
2021/2022	$265.1	$607.1	0.229%
2022/2023	$296.5	$724.0	0.244%

There are no metrics for assessing what is an affordable level of rates for business. However, what this analysis shows is that generally the level of business rates in relation to income is very small and that it hasn’t materially changed since 2015/2016. As with the affordability assessment for residential properties, decisions on shifting the level of the business differential would not materially affect this assessment.

Assessment against statutory criteria

When making funding decisions we are required to undertake an assessment against the key funding decision making criteria in the Local Government Act 2002 (LGA 2002). As laid out above the key considerations for this analysis are the relative distribution of benefits, drivers of costs, and affordability between differential groups. The full analysis against the criteria in section 101(3) of the LGA 2002 can be found in Attachment B: Assessment against statutory criteria for the business differential.

3.2 Water Quality Targeted Rate

We are proposing to reinstate the Water Quality Targeted Rate (WQTR) at the level required to only cover the annual programme operating and interest costs and to extend the rate to 2033/2034. This ensures that we can continue to deliver the originally planned programme.

The WQTR funds water quality improvements in harbours and streams across the region. Funding only the operating and interest costs from the targeted rate results in a lower immediate cost to ratepayers. Key investments of the Water Quality programme include stormwater upgrades and wastewater/stormwater separation in Western and Eastern isthmus and programs across the region including in the Kaipara.

Introduction

In 2018 we introduced the Water Quality Targeted Rate (WQTR) to fund an accelerated program of investment to improve the water quality in Auckland's harbours and streams. The rate was to run for 10 years to 2028, be set on capital value, and collect 25.8 per cent of the rates requirement from business properties (being the target share of the general rates requirement to be paid by businesses under the council's long-term differential strategy (LTDS)).

The 10-year Budget 2021-2031 included an extension of the targeted rate to 2030/2031 and provided for the rate to increase by 5 per cent for the 2021/2022 year, and at 3.5 per cent per year thereafter. The rate raised $47.4 million in the 2022/2023 year and was $70.87 for the average value residential property.

To manage the impact on ratepayers of changes to rates in 2023/2024 we temporarily reduced the WQTR by 77.7 per cent for one year from the planned $49.9 million to $11.1 million. The rate for the average value residential property in 2023/2024 was $16.31.

Services funded

The programme provides for:

- stormwater upgrades and wastewater/stormwater separation in 7 catchments in the Western Isthmus
- infrastructure for stormwater contaminant removal across the region - e.g., Kaipara
- rehabilitation of urban and rural streams – e.g., Omaru creek in East Tamaki
- introduction of a proactive regional septic tank monitoring programme
- in 2021 the programme was extended for 3 years until 2031 and provided for the first stage of investment in the Eastern Isthmus.

The programme delivers improved water quality in harbours and streams across the region. Key outcomes from the Western Isthmus investments will be a reduction in wastewater overflows into the Waitematā Harbour from hundreds of events to six or less each year. The Eastern Isthmus investments will deliver improved water quality in the following catchments: Hobson Bay to St Heliers, Manukau Harbour, and Tāmaki Estuary.

Since the WQTR was last adjusted as part of the 10-year Budget 2021-2031 the cost of delivering the planned programme and its stated outcomes has increased. The full-scale separation projects in Herne Bay and St Mary's Bay are being replaced with the Pt Erin storm water tunnel project. The Pt Erin tunnel project cost exceeds the previously planned budget but is well below what the cost of the alternative full separation is now understood to be. In addition, the original budget provided for only the first three years, from 2029, of the Eastern Isthmus costs. The next three years of those costs are now proposed for inclusion.

Options

We considered four options for the WQTR and the level of expenditure it funds. Options 1, 2, and 3 repay the capital expenditure funded by the rate over the life of the rate. Option 4 does not repay the capital expenditure from the rate – instead, under option 4, the programme's capital expenditure would be debt-funded with the WQTR set to only cover the annual operating and interest costs relating to the programme.

The options considered ae are set out in the table below which shows the expenditure funded and rates impact under each option, and the impact of each option on the overall rates increase, for the average value residential property in 2024/2025 (note this includes the impact of our proposal to set the share of the rate raised by business at approximately 31 per cent, see later section)

Option	10-year Revenue	Rates impact 2024/2025		Additional impact on overall rates increase 2025/2026 onwards
		Rate	Additional impact on overall rates increase	
1. Retain at 2023/2024 level plus a 3.5 per cent increase, with expiry in 2030/2031	$96m[2]	$15.02	-0.02%	Around 0.02%
2. Resume at previously planned level and extend to 2033/2034	$674m	$71.51	1.53%	Around 0.07%
3. Rate set to fund programme and repayment over 30 years	$253m	$26.86	0.29%	Around 0.03%
4. Proposal: Rate set to cover only annual programme operating and interest costs in each year and extend to 2033/2034	$233m	$9.78	-0.18%	Between 0.06% and 0.23%

The rates impact on business and farm/lifestyle properties is set out in Appendix D: Rates impact on business and farm/lifestyle properties of options for the Water Quality Targeted Rate and Natural Environment Targeted Rate.

The table below shows an estimate of the level of investment/expenditure in each element of the programme that can be funded from the revenue raised by each option. The difference between the

[2] This is the revenue over a seven-year period as, under this option, the targeted rate will expire at the end of 2030/2031 under this option, consistent with the timeframe adopted as part of the 10-year Budget 2021-2031.

revenue raised over the ten-year period and expenditure it can fund for options 3 and 4 reflects the longer period over which options 3 and 4 operate taking into account the higher interest costs incurred.

WQTR programme expenditure	Option 1	Option 2	Option 3	Proposal Option 4
Western Isthmus - Pt Erin tunnel	$65m	$65m	$65m	$65m
Western Isthmus except Pt Erin	$28m	$354m	$354m	$354m
Eastern Isthmus	-	$202m	$202m	$202m
Water quality improvement works non capitalisable	-	$38m	$118m	$118m
Water quality planning	-	$6m	$6m	$6m
Contaminant management	-	-	$25m	$25m
Safe networks (Illicit discharges)	$3m	$9m	$9m	$9m
Total	**$96m**	**$674m**	**$779m**	**$779m**

The implications of each option is discussed below. The analysis below present the rates impact of each option separate from the proposed adjustment to the share of the revenue requirement from businesses.

Option One: Retain current rate with expiry in 2030/2031

Option 1 has minimal impact on ratepayers. Option 1 also has no impact on debt as the capital expenditure it can fund is repaid within the term of the rate.

Option 1 would have a significant impact on planned service levels. Option 1 would deliver the Pt Erin extension component of the Western Isthmus programme, but all other planned separation for the Western Isthmus programme would be stopped. This would achieve Safeswim outcomes for the Herne Bay and St Mary's Bay catchments, i.e., the beaches of Herne Bay, Home Bay, Sentinel Road Beach and St Mary's Bay. However frequent wet-weather overflows would persist in most of the remaining Western Isthmus catchments, and continue to affect the beaches of Pt, Chevalier, Meola and Cox's Bay, as well as other coastal environments. Under this scenario, there is a risk that Watercare may not achieve its overflow reduction targets set out in in the Central Interceptor consent.

Option 1 would also require ceasing almost all projects outside of the Western Isthmus. The Eastern Isthmus programme would be unable to proceed, which will compromise outcomes from Watercare's planned wastewater investment in this area. The urban contaminant management programme would also be stopped. Sufficient funding would be available to continue some operational programmes such as Safe Networks or Safe Septics at reduced levels. Funding for rural sediment reduction programmes would also likely cease or reduce to very low levels of investment.

Option two: Resume rate at previously planned level and extend to 2033/2034

Under Option 2 the rate in 2024/2025 for the average value residential property would be $76.88, adding 1.68 per cent to the overall rates increase. For the average value business property in 2024/2025 the rate would be $357.94, adding 1.48 per cent to the overall rates increase. Option 2 also has no impact on debt as the capital expenditure it can fund is repaid within the term of the rate.

Option 2 would raise around $674 million over the ten years of the LTP. Due to increases in cost and scope of the work required to deliver on the originally planned programme this option would not deliver all the originally intended outcomes.

Option 2 would allow for the completion of the Western Programme; achieving Safeswim outcomes at all beaches from Pt Chevalier to St Mary's Bay and ensuring all Central Interceptor consent conditions are met.

The Eastern Isthmus Programme could also proceed according to plan within this 10-year period. Operational programmes such as Safe Networks and Safe Septics; as well as rural sediment reduction programmes would likely be able to continue at reduced levels, while urban contaminant management programmes would likely be significantly reduced or stopped.

Option three: Resume rate at previously planned level and extend over 30 years

Under Option 3 the rate in 2024/2025 for the average value residential property would be $26.86, adding 0.29 per cent to the overall rates increase. For the average value business property in 2024/2025 the rate would be $13447, adding 0.31 per cent to the overall rates increase.

Option 3 would raise around $1.32 billion over 30 years. As the recovery of the investment is spread over 30 years this includes $542 million interest costs and borrowing increases by $660 million in 2033/2034 and then gradually reduces for the remainder of the rate. It would also avoid the issue of having unspent targeted rates reserves building up in the years prior to the large construction projects commencing.

Option 3 would allow for delivery of the full planned programme. This includes the completion of the Western Isthmus programme, with all outcomes as above. The Eastern Isthmus Programme would proceed supporting all related Watercare investment. The extended period in this option also ensures funding for the full Eastern Isthmus separation work programme which extends beyond the current 2030/2031 expiry date for the rate. Operational and rural sediment reduction and urban contaminant reduction programmes would continue as planned.

Option four: Proposal: Rate set to cover only annual programme operating and interest costs in each year

Under Option 4 the rate in 2024/2025 for the average value residential property would be $10.52, reducing by 0.16 per cent the overall rates increase. For the average value business property in 2024/2025 the rate would be $48.96 reducing by 0.14 per cent the overall rates increase.

This option treats the porgramme's capital investment like investments funded by the general rates (i.e. funded from borrowings). Under this option, the WQTR would not provide for capital investment to be repaid. As a result, debt would rise to $661 million by 2033/2034, and there will be ongoing interest costs from 2034/2035. It would also avoid the issue of having unspent targeted rates reserves building up in the years prior to the large construction projects commencing.

Like Option 3, Option 4 funds the full planned programme.

WQTR business differential

The WQTR is applied to all properties across the region. The rate funds an activity that generally benefits properties across the region. When introduced we decided that as a generally applied rate it should have a business differential. The business differential for the WQTR was originally set to raise the share of the revenue requirement from business that was the ultimate target of the LTDS (25.8 per cent).

If we make changes to the LTDS we would also amend the share of the WQTR. The impact of these options on rates increases and level of WQTR paid by the average value residential property are set out below.

WQTR option	LTDS option	
	Retain LTDS	Proposal: Business differential 30.98%
	% increase $ in 2024/2025	% increase $ in 2024/2025
1. Retain at 2023/2024 level plus a 3.5% increase, with expiry in 2030/2031	0.02% $16.88	-0.02% $15.7
2. Resume at previously planned level and extend to 2033/2034	1.68% $76.88	1.53% $71.51
3. Rate set to fund programme and repayment over 30 years	0.35% $28.88	0.29% $26.86
4. Proposal: Rate set to cover only annual programme operating and interest costs in each year	-0.16% $10.52	-0.18% $9.78

Conclusion

The proposal, Option 4, would fund the full planned programme and the delivery of all the outcomes for which the rate was established at a lower immediate cost to ratepayers[3] and better aligns payment, via depreciation and interest costs, with the period over which the programme's capital investments deliver benefits. As the capital is treated like our other capital investments and funded by debt rather than the revenue from the targeted rate, we would have an increased borrowing requirement with the additional debt required to fund the programme's capital investment rising to $661 million in 2034/2035. It would also avoid the issue of having unspent targeted rates reserves building up in the years prior to the large construction projects commencing.

Option 3 would also fund the full planned programme and delivery of all the outcomes for which the rate was established and better align the payment period with the period over which the programme's capital investments will deliver benefits. Option 3 has a higher cost to ratepayers than Option 4 as it would fund the repayment of capital investment with revenue from the targeted rate. It also leads to higher debt which rises to $660 million by 2034/2035 and then gradually reduces over the remainder of the term of the rate. It would also avoid the issue of having unspent targeted rates reserves building up in the years prior to the large construction projects commencing.

Option 2 would have the largest immediate impact on ratepayers, and would not fund the full planned programme. While it would deliver on the Western and Eastern Isthmus programmes but investment in operational programmes like urban sediment reduction and Safe Septics would be substantially reduced. Option 1 while having no immediate rates impact would have a significant impact on planned service levels in that it would only deliver the Pt Erin tunnel and a small investment in Safe networks.

[3] Overall costs will be higher as the recovery of the investment is spread out over 30 years and incurs additional interest until the capital is fully recovered.

3.3 Natural Environment Targeted Rate

We are proposing to reinstate the Natural Environment Targeted Rate (NETR) to its previously planned level and extend it to 2033/2034. This will mean we can continue to deliver most of the original intentions of the programme but with limited capacity for community-led initiatives or to deal with emerging threats and some reductions and slowing down of some pest control activity. The proposal also provides for $200,000 of the revenue from this rate in 2024/2025 to be used to support the response to Caulerpa.

Introduction

In 2018 council introduced a NETR to fund an accelerated investment programme to improve outcomes for the natural environment. The rate was first set in 2018 and does not increase over time except for growth in the rating base (GIRB), unlike the Water Quality Targeted Rate which rises at 3.5 per cent per year in addition to the GIRB. The NETR is set on capital value with 25.8 per cent of the revenue requirement collected from businesses (being the target share of the general rates requirement to be paid by businesses under the council's long-term differential strategy (LTDS)).

The 10-year Budget 2021-2031 included an extension of the targeted rate to 2030/2031. The rate raised $31.05 million in the 2022/2023 year and was $46.43 for the average value residential property.

To manage the impact on ratepayers of changes to rates in 2023/2024 we temporarily reduced the NETR by 48.8 per cent for one year (GB/2023/100) from the planned $31.6 million to $16.2 million. The rate for the average value residential property in 2023/2024 was $23.69. While the collected rate was reduced in the 2023/2024 financial year, the planned NETR work programme has largely been able to be delivered through utilising reserve funds which had been accumulated to support "delivery peaks" across the life of the work programme.

Services funded

The targeted rate funds the protection of native ecosystems and species and delivery of council's biodiversity and biosecurity related activities. In particular, NETR funding is used to meet council's biodiversity-related legal obligations, carry out enforcement and monitoring activity, and deliver operational programmes under a range of legislation, including the:

- Biosecurity Act 1993 (including in relation to the Regional Pest Management Plan under it),
- Resource Management Act 1991 (RMA) (including the National Policy Statement on Indigenous Biodiversity (NPS-IB) under it),
- National Pest Management Plans, and to a lesser extent,
- Reserves Act 1977 and the Waitakere Ranges Heritage Area Act 2008.

We consulted on the introduction of the NETR and the current RPMP in tandem because, when developing the RPMP, the Biosecurity Act required us to be satisfied that there was likely to be adequate funding for the implementation of the plan.

The NETR also funds programmes which help us meet our biodiversity-related obligations under the Resource Management Act 1991, including implementation of the recently adopted National Policy

Statement for Indigenous Biodiversity[4] (NPS-IB). The NPS-IB contains relatively prescriptive requirements for all councils including large-scale monitoring and assessment of land, and various requirements relating to the maintenance of indigenous species and ecosystems. The NETR has positioned us well in terms of meeting our obligations under the NPS-IB. The NETR, to a lesser extent, also funds programmes which contribute to us meeting our obligations under other legislation including the Reserves Act and the Waitakere Ranges Heritage Act.

The programmes funded by the NETR are:

- pest plant management in parks
- managing kauri dieback
- maintaining the pest-free status of Hauraki Gulf Islands
- controlling possums across the region
- protecting threatened species and high priority ecosystems
- community-led action through the provision of advice, grants, and tools.

Management of the natural environment requires ongoing investment to maintain the benefits gained through the programmes above. Contractual costs have increased over the last few years and on average by 6.3% in the current financial year. Without adequate management of pest species and other pressures, biodiversity outcomes can be quickly lost, particularly as environmental pressures increase. New pressures include additional work required to manage low incidence pest plant infestations, new invasive species such as exotic Caulerpa, and increased demand for support from communities. Not responding to these new pressures would be inconsistent with the overall objective of the NPS-IB to “maintain indigenous biodiversity across Aotearoa New Zealand so that there is at least no overall loss in indigenous biodiversity” and could lead to slower or incomplete delivery of the RPMP commitments.

Options and analysis

We considered four options for the NETR and the level of expenditure it funds. These are set out in the table below which shows the expenditure funded and rates impact under each option, and the additional impact on the overall rates increase, for the average value residential property in 2024/2025 (note this includes the impact of our proposal to set the share of the rate raised by business at approximately 31 per cent, see later section). Under all options the rate is extended to 2033/2034:

Option	10-year Revenue and Expenditure	Rates impact 2024/2025		Additional impact on overall rates increase
		Rate	Additional impact on overall rates increase	

[4] The NPS-IB provides direction to councils to protect, maintain and restore indigenous biodiversity requiring at least no further reduction nationally from the commencement date (4 August). The key obligations require the council to:

- work in partnership with tangata whenua on protecting ecologically significant areas.
- promote the restoration of indigenous biodiversity and indigenous vegetation cover.
- have a regional biodiversity strategy setting out our native biodiversity priorities.
- monitor our native species.

				2025/2026 onwards
Retain at 2023/2024 level	$176m	$22.03	-0.05%	n/a
Resume at $30 in 2024/2025 for average value residential property and increase at 2.0 per cent per year	$245m	$27.90	0.12%	Around 0.02%
Proposal: Resume at previously planned level	$350m	$43.73	0.55%	n/a
Resume at previously planned level and increase at 3.5% per year	$412m	$43.73	0.55%	Around 0.04%

The rates impact on business and farm/lifestyle properties is set out in Appendix D: Rates impact on business and farm/lifestyle properties of options for the Water Quality Targeted Rate and Natural Environment Targeted Rate.

The table below shows an estimate of the level of investment in each element of the programme under the expenditure level in each option.

NETR programme expenditure	10-year total			
	Option 1	Option 2	Proposal Option 3	Option 4
Mainland: plant and pest management	$85m	$115m	$173m	$198m
Plant pathogens: kauri dieback, myrtle rust	$48m	$63m	$80m	$91m
Islands: plant and animal pest management	$19m	$22m	$24m	$28m
Marine pest pathways and biosecurity	$10m	$13m	$13m	$25m
Marine ecology	$3m	$3m	$4m	$6m
Enabling tools: monitoring/data collection	$3m	$3m	$4m	$4m
Expanding community-led action	$4m	$18m	$40m	$46m
Biodiversity focus areas: priority ecosystems	$4m	$8m	$12m	$14 m
Total	**$176m**	**$245m**	**$350m**	**$412m**

The implications of each option is discussed below. The analysis below present the rates impact of each option separate from the proposed adjustment to the share of the revenue requirement from businesses. Under all options the rate is extended to 2033/2034. Further detail on the expenditure options is set out in Appendix C: Natural Environment Targeted Rate expenditure options.

Option 1. Retain at 2023/2024 level

Retaining the rate at its current level would raise around $16.4m in 2024/2025 and grow over time at around 1.35 – 1.7 per cent per year in line with growth in the rating base. The NETR for the average value residential property would be $23.69 per year with no impact on the overall rates increase. For the average value business property, the rate would be $110.27 with no impact on the overall rates increase.

- This level of funding would result in significant scaling back of biodiversity-related activities and/or non-delivery of commitments made through the RPMP, and some of the National Pest Management Plan requirements for kauri dieback management. We would need to review the plan and consult on amendments that reflected the available funding for the implementation of the plan going forward.

As a result, fewer pest species, priority ecosystems, and threatened species would be managed meaning some environmental gains made in the last few years would be lost compromising our commitments to protecting indigenous biodiversity. There would also be significantly reduced support for community-delivered outcomes. We would have no ability to respond to new biosecurity issues (e.g., marine incursions such as exotic Caulerpa).

Option 2. Resume rate at $30 per year for the average value residential property and increase it by 2 per cent annually

Reinstating the rate at this level would raise around $20.8m in 2024/2025 and grow by around 3.5 per cent per annum, including the 2 per cent annual increase and the growth in the rating base. The overall rates increase would be 0.17 per cent higher in 2024/2025 for the average value residential property. For the average value business property in 2024/2025 the rate would be $139.65, adding 0.16 per cent to the overall rates increase.

The increased level of funding under this option as compared with option one would allow additional investment in possum control, managing kauri dieback, and community led action. However, these investments would still be below the originally planned levels. Therefore, while providing for additional investment, option 2 presents similar risks to the delivery of the RPMP with the consequent potential for needing to amend the plan as noted above.

Option 3. Proposal: Resume rate at previously planned level

Reinstating the rate at previously planned levels would raise around $32.6m in 2024/2025 and grow over time in line with growth in the rating base. The NETR for the average value residential property would be $47.02 and the overall rates increase would be 0.65 per cent higher in 2024/2025. For the average value business property in 2024/2025 the rate would be $218.91 adding 0.57 per cent to the overall rates increase.

This level of funding would generally allow for the maintenance of current programmes, but some programmes will need to be scaled back due to cost increases and to accommodate the delivery peaks in the programme, previously addressed through reserves. This option does not have capacity to support landscape-scale community-led initiatives such as the Tu Mai Tonga programme. The timeframe for the delivery of the some of the programmes committed to in the RPMP would also need to be extended to manage the impact of cost pressures. There would be no funding allow for the management of any emerging threats such as new marine and pest animal incursions. However, the proposal commits $200,000 of the revenue from this rate in 2024/2025 to be used to support the response to exotic Caulerpa species in 2024/2025.

Option 4. Resume rate at previously planned level and increase at 3.5 per cent

Reinstating the rate at previously planned levels and providing for it to increase at 3.5 per cent per year would raise around $32.6m in 2024/2025 and grow over time at around 5 per cent per year in line with the 3.5 per cent increase and growth in the rating base. The NETR for the average value residential property would be $47.02 and the overall rates increase would be 0.65 per cent higher in 2024/2025. For the average value business property in 2024/2025 the rate would be $218.91 adding 0.57 per cent to the overall rates increase. Subsequent increases would be in line with, or lower than, the forecast increases in the general rate being considered as part of the draft Long-term Plan 2024-2034.

Option 4 would provide sufficient funding for the programmes committed to in the RPMP, maintain support for community initiatives, and have provision for response to new threats. It would also support the delivery of new obligations including those under the NPS-IB.

NETR business differential

The NETR is applied to all properties across the region. The rate funds an activity determined to generally benefit properties cross the region. When introduced it was decided that as a generally applied rate it should have a business differential. The business differential for the NETR was originally set to raise the share of the revenue requirement from business that was the ultimate target of the LTDS (25.8 per cent).

If we make changes to the LTDS, we would also amend the share of the NETR. The impact of these options on rates increases and level of NETR paid by the average value residential property are set out below. Under all options the rate is extended to 2033/2034.

NETR option	LTDS option	
	Retain LTDS	Proposal: Business differential 30.98%
	% increase $ in 2024/2025	% increase $ in 2024/2025
Retain at 2023/2024 level	0% $23.69	-0.05% $22.03
Resume at $30 in 2024/2025 for average value residential property and increase at 2.0 per cent per year	0.17% $30	0.12% $27.90
Proposal: Resume at previously planned level	0.65% $47.02	0.55% $43.73
Resume at previously planned level and increase at 3.5% per year	0.65% $47.02	0.55% $43.73

Conclusion

The funding level in , Option 4, would impact on rates only marginally more than Option 3 in 2024/2025. Option 4 would enable the delivery of the:

- original commitments made when the NETR was introduced
- NPSIB which has come into effect post-NETR
- maintenance of existing environmental outcomes
- ongoing support for community-led initiatives

- responses to new and emerging biosecurity issues.

Option 3 would deliver most of the originally planned programmes with some scaling back due to cost increases and does not have capacity to deal with emerging threats or to support any new investment in landscape-scale community-led initiatives.

Option 2 provides for additional investment beyond Option 1 in particular for possum control and management of kauri dieback. However, these investment levels are still below that required to deliver the RPMP and some of the National Pest Management Plan requirements for kauri dieback management or to progress new obligations under the NPI-SB and therefore would result in poorer environmental outcomes than under Options 3 and 4.

While option 1 does not increase rates it would mean we would not be able to deliver the workplan set out in the RPMP, some of the National Pest Management Plan requirements for kauri dieback management, new obligations under the NPI-SB, potentially other legal obligations, and would result in significantly poorer environmental outcomes than the other options.

For both options 1 and 2 the investment levels identified in the table above are indicative. Further work would be required to refine budgets. If these options are pursued, we will consider further advice prior to final decision-making in on the Long-term Plan 2024-2034.

3.4 Climate Action Transport Targeted Rate

We propose to broaden the description of the bus programme delivered by the Climate Action Transport Targeted Rate (CATTR) and extend the rate to 2033/2034. This will reduce the need to reconsult each year via the annual budgeting process for minor changes to the bus programme. We also propose to adjust the share of the revenue requirement raised from businesses to around 31 percent in line wit the proposal to remove the Long-term Differential Strategy.

In 2022/2023 we introduced the CATTR to build on the response to addressing climate change. The CATTR generates $574 million over the period 2022 to 2032 to fund climate action. The CATTR funds additional investment in buses, ferries, walking, cycling and the urban ngahere (forest). The $574 million raised from the targeted rate leverages a $1.045 billion investment package in climate action as the proposed investments also unlock central government co-funding and additional fare revenue. Consultation on the introduction of the CATTR included detailed information on the planned bus services that the CATTR would fund (see Attachment E: Current scope of CATTR funded bus services).

In 2023/2024, in response to changes in Auckland Transport operational budget, we decided to partially reprioritise $10.5 million of additional bus service expenditure planned to be funded by the CATTR. This did not impact on the level of the rate, or the plans for expenditure on the other activities it funds. It also ensured that we could continue to deliver the best service and climate outcomes.

For the Long-term Plan 2024-2034, we propose to summarise the proposed bus improvements by CATTR targets and investment levels for different parts of the region instead of listing the specific bus services we plan to fund via the CATTR. This approach will enable flexibility in the CATTR programme while maintaining the general region-wide nature of the benefits from CATTR expenditure and ensuring that we can continue to deliver the climate and service outcomes for which the CATTR was established.

The details of planned bus service investments are consulted on via the Regional Public Transport Plan (RPTP). This is the appropriate place for consultation on bus route level detail to be held given this is the statutory document that outlines Auckland's plans for bus service changes. The RPTP has recently been updated and this has impacted the delivery of planned bus services (either the services themselves or the timing of delivery).

A summary of the currently planned and proposed CATTR funded bus improvements are shown in the tables below.

Summary of currently planned CATTR funded bus improvements

	New FTN[5]	Other routes being improved	Population within walking distance of new improved service (2018 census)	Number of zero emission busses to be added	Percentage of package
Central	3	17	260,000	6	17%
North	1	18	158,000	12	18%
South & East	5	31	366,000	45	45%
West	3	14	190,000	19	20%
TOTAL	**12**	**80**	**974,000**	**82**	

Summary of proposed CATTR funded bus improvements

	New FTN[12]	Other routes being improved	Population within walking distance of new improved service (2018 census)	Number of zero emission busses to be added	Percentage of package
Central	5	20	327,000	18	18%
North	2	20	140,000	11	19%
South & East	4	27	319,000	39	41%
West	3	13	183,000	13	22%
TOTAL	14	80	969,000	81	

[5] Frequent Transport Network – services that operate at least every 15 mins, 7am-7pm, 7 days a week

Broadening the description of the CATTR funded bus service programme from 2024/2025 will:

- provide ongoing flexibility to determine specific CATTR funded bus service investment with reference to the RPTP process, and reduces the need to reconsult each year when minor changes are made to the CATTR funded bus programme
- maintain the general region wide nature of the benefits from the expenditure on the overall CATTR climate action programme and the distribution of the rates burden will not change
- ensure that we can continue to deliver the climate and service outcomes for which the CATTR was established.

Decisions required on the CATTR funded bus services would continue to be made by the CATTR Governance and Oversight group. Any material changes to the scope of the programme would require approval by the CATTR Governance and Oversight group.

An alternative option is to continue with the previous approach of defining the scope of bus service investment each year through the council annual budgeting process (as was done in in the consultation materials for the Annual Budget 2022/2023). This would require consultation each year via the annual budgeting process as changes to planned bus services occur through the RPTP process. Another option is that we could retain the original CATTR proposal, where operationally feasible, and fund RPTP services through further general rates increases. This would lead to an underspend of CATTR funding for bus services and create a surplus in reserve to be used in future years.

The CATTR programme currently runs until 2031/2032. We are proposing to extend the CATR programme for a further two years until 2033/2034. After allowing for ongoing operating costs the extended rate will provide capacity for around $50 million additional investment. Auckland Transport and the CATTR Governance and Oversight group will work through the best projects to invest in to achieve the climate outcomes sought.

Once the CATTR programme is completed there will be ongoing operating costs of around $43 million per annum which will need to be maintained into the future to ensure the outcomes achieved by the programme continue to be delivered. Accordingly, the ongoing operating expenditure would be met from general rates from 2034/2035 onwards in line with most other rates funded council expenditure.

CATTR business differential

The CATTR is applied to all properties across the region. The rate funds an activity that generally benefits properties across the region. When introduced we decided that as a generally applied rate it should have a business differential. The business differential for the CATTR was originally set to raise the share of the revenue requirement from business that was the ultimate target of the LTDS (25.8 per cent).

If we make changes to the LTDS we would also amend the share of the CATTR. The impact of this change would reduce the CATTR for the average value residential property by $5.15 and lower the overall rates increase for them by 0.14 per cent.

3.5 Waste management targeted rates for 2024/2025

The proposed waste management targeted rates for 2024/2025 are set out in the table below. The total rates for standard waste management services are expected to rise from $406 in 2023/2024 to $423 in 2024/2025. The costs reflect our current forecasts of waste volumes, the impact of waste levy increase imposed by the government, and the inflation factors included in our contracts with suppliers for labour and fuel costs. It also includes a $7 increase in the standard recycling charge over and above cost inflation ($5), reflecting the deteriorating international market for recyclable materials.

The food scraps collection service will continue to be rolled out to all residential and lifestyle properties across mainland urban Auckland in 2023/2024. From 2024/2025 onward all properties with access to this service will pay a uniform full year food scraps targeted rate. For 2023/2024 part of the cost for the food scraps service is met with a subsidy from the waste levy. Economies of scale following completion of the regional rollout are expected to deliver cost savings. This will allow 100 per cent of the food scraps service cost to be funded from the targeted rate from 2024/2025. A subsidy from the waste levy revenue will no longer be required.

We propose the waste management targeted rates set out in the table below. Note that the refuse rates will be applied on a pro-rata basis where the rates-funded refuse service is not available for the full year. See the following section for details.

Service	Area	Targeted rate 2023/2024 (incl. GST) $		Proposed targeted rate 2024/2025 (incl. GST) $
Minimum base service	All areas	$59.39		$58.43
Standard recycling or additional recycling	All areas	$96.18		$108.16
Standard refuse (120L/140L bin) charge	Former ACC and MCC	$172.91		$179.69
Small refuse (80L bin)		$143.71		$149.32
Large refuse (240L bin)		$287.03		$298.24
Food scraps full year charge	All areas	$77.20		$76.93

Region wide rates funded refuse

In June 2022 we amended the Auckland Waste Management and Minimisation Plan 2018 to move to a regionwide rates-funded refuse collection service with a choice of three bin sizes (80 litre, 120 litre and 240 litre). At present refuse services are funded by a refuse targeted rate in the former Auckland City and Manukau City council areas and by pay as you throw (PAYT) bin tags in the former North Shore, Waitākere, Papakura, and Franklin council areas. Refuse services in Rodney are presently delivered by a private provider. The rates funded service will begin rolling out to North Shore, Waitākere and Papakura in 2024/2025, and Franklin and Rodney in 2025/2026.

We propose to extend the refuse targeted rate to those areas where the service is being introduced. Where the service commences part way through the 2024/2025 or 2025/2026 rating years the targeted rate will be charged on a pro-rata basis, reflecting the approximate number of months the service is available in each area.

We adopted a policy in 2022 allowing properties with a land use other than residential and lifestyle to opt out of our refuse and recycling services. Some of these properties are currently using our PAYT bins. We are proposing to apply the refuse targeted rate to these properties from 1 July 2024 based on information we currently hold as to what bins each property has.

There are currently two bin sizes for the standard refuse service in the North Shore and Waitākere PAYT areas, 140 litre and 120 litre. The PAYT bin tag prices for the two bin sizes are the same. The 140 litre bins were inherited from legacy councils. Most of these bins remain in good condition and are kept in use to reduce bin replacement cost. The 140 litre bins are gradually being phased out. When households request a bin replacement, they will be replaced by the standard 120 litre bins. 120 litre bins are the standard size bin in all rates funded areas. We propose applying the same targeted rate to both bin sizes because:

- the cost of servicing the two bin sizes is not expected to be substantially different
- council chose to keep the 140 litre bins to save costs
- it keeps the targeted rate structure simple
- it is likely that the majority of the households in the PAYT areas do not need the additional 20 litre capacity and would choose to swap bins if an additional charge applied, creating extra costs for us.

The current best estimate of the draft schedule of the rollout and targeted rate charges is set out in the table below. This may change as we work through the details of the delivery programme with contractors and suppliers. While we will endeavour to ensure the service is provided to properties as scheduled, the start dates of the service and therefore the number of months the service will be available in 2024/2025 for various property groups as specified in the table may change. We will revisit the timeframe and targeted rate charges in May 2024 before recommending the final amount of the targeted rate for adoption in June 2024.

Area	Service	Indicative targeted rate 2024/2025 (incl. GST) $	Indicative start date and number of months service will be available
Former NSCC and WCC	Standard refuse (120L/140L bin) charge	$104.82	December 2024 7 months
	Small refuse (80L bin)	$87.10	
	Large refuse (240L bin)	$173.97	
Former PDC	Standard refuse (120L/140L bin) charge	$29.95	May 2025 2 months
	Small refuse (80L bin)	$24.89	
	Large refuse (240L bin)	$49.71	

Funding school recycling services

In 2016 we provided for all schools to receive free recycling services. Free recycling was provided to encourage recycling and waste reduction. The foregone revenue is around $250,000 per year. This cost is met from the recycling targeted rate paid by other ratepayers.

Schools are generally non-rateable and do not pay our general rates or other targeted rates. Schools only pay rates relating to waste services delivered to their properties. All schools who receive the refuse service pay the refuse targeted rate or refuse bag charges depending on their location in the region.

We have no evidence that the provision of a free service has led to increased recycling by schools. Recycling rates will be a very small part of schools' costs. Public schools, 91 per cent of schools in Auckland, have their day-to-day operating costs met by the Ministry of Education. Private schools, the remaining 9 per cent, are funded by fees.

We consider that as there is no evidence that this policy has achieved its objective, ratepayers should not be meeting costs that would otherwise be paid by schools, and in most cases, the government. We propose to apply the Recycling Targeted Rate to all schools as set out below.

There are several bin sizes that are issued to schools as shown below:

	240L	360L	660L
Number of bins	1,627	65	398

We propose to apply the following targeted rate amounts to school recycling bins from 1 July 2024.

	240L	360L	660L
Differential	1.0	1.5	2.5
Proposed targeted rate for 2024/2025 (incl. GST)	$108.16	$162.24	$270.40

3.6 Rodney Drainage Districts Targeted Rates

We proposing changes to the Rodney drainage districts targeted rates based on updated hydrological information and a new rating differential of 0.1 for Class C land. The proposed changes would ensure targeted rates continue to align with benefit received and/or costs imposed. Only one property (out of 390) would have a targeted rate increase of more than 5 per cent of their current rates bill.

Background

In 2021 we introduced a targeted rate to fund the maintenance of council-owned drainage assets in the Okahukura and Te Arai drainage districts. The amount of the targeted rate a property pays is assessed based on the land area of the property, differentiated by the location of the land in relation to the drainage assets. Land that is in a flood plain and drains into the public drainage assets (Class A land) is charged twice as much as land that is not in a flood plain but drains into the flood plain served by the public drainage assets (Class B land). Land that is not in a flood plain and does not drain into the public drainage assets (Class C land) does not currently pay the targeted rate.

Review of catchment area and distribution of benefits

While engaging with the local communities on the drainage programmes and the associated targeted rates, we have received feedback in favour of a review of the targeted rate boundaries and in particular, the benefit received by Class C land.

Following this feedback, we have undertaken a review of the drainage district targeted rates. The purpose of the review is to ensure rates were being fairly applied in terms of benefit received from the drainage assets and the extent to which the land is a driver of the costs. The review led to the following findings:

- the identifiable boundaries of flood plains and catchments have moved due to underlying hydrological changes in the districts and the availability of more accurate data

- Class C land receives an indirect benefit from the presence of the public drainage assets. While Class C land does not drain into the catchments served by the council-owned drainage assets, its access to roads and local amenities is protected when the drainage district is not flooded.

The drainage districts targeted rates are assessed based on land area and land class, to reflect benefit received and cost caused. Land classes, in turn, are defined by flood plain and catchment boundaries. The movements of those hydrological boundaries identified in the review mean that it is likely the existing land class boundaries specified for rating purposes no longer accurately reflect benefit and cost. We therefore consider it appropriate to amend the current land class boundaries based on updated hydrological information, to ensure targeted rate charges continue to be set fairly.

We also propose applying a targeted rate to Class C land to reflect the benefit noted above. Given the indirect nature of the benefit received by Class C, we propose applying a 0.1 differential to the targeted rate assessed for Class C land relative to that for Class A land. The differential for Class B land will be maintained at 0.5.

There are 17 properties in the Te Arai district which are on unit titles and as such do not have land area information in the council's Rating Information Database (RID). Under the proposal, the drainage district targeted rate assessed for these properties will be zero. The land parcel which comprises the 17 unit title properties has a total land area of 35,260 square metres and is situated entirely on Class C land. If treated as one single property, the land parcel would attract $7.50 of drainage district targeted rate proposed for next year. This equates to 44 cents per rating unit if the amount was equally split between all 17 unit title properties associated with the land parcel. While this technical anomaly would result in a small amount of subsidy for the unit title properties by other properties in the drainage district, we consider that the impact is minor and the administrative costs do not justify making provision to charge these propoerties. Should any future changes result in material increase in the potential targeted rate liability of these properties, we would revisit the treatment of these properties as appropriate.

An incorporated society made up of local community representatives has been established for each drainage district to oversee the maintenance of drainage assets in the respective district. Information on actual spend will be recorded and used to inform the targeted rate setting for the 2025/2026 financial year. For 2024/2025 the targeted rate revenue requirement will be set by applying the forecast rate of council inflation to the current targeted rate revenue. The current forecast rate of inflation for stormwater activities is 4.4 per cent for 2024/2025.

The tables below show the proposed targeted rate charges for 2024/2025 and the distribution of targeted rates between land classes under the proposal.

Okahukura

	Targeted rate per square metre of land (proposed)	Share of targeted rate amount 2024/2025 (proposed)		Rateable land area	
	$ (incl. GST)	Amount $	Percentage	Hectare	Percentage
Class A	0.00299673	18,242	51%	700	24%
Class B	0.00149836	14,680	41%	1,127	39%
Class C	0.00029967	2,825	8%	1,084	37%
Total		35,747	100%	2,911	100%

Te Arai

	Targeted rate per square metre of land (proposed)	Share of targeted rate amount 2024/2025 (proposed)		Rateable land area	
	$ (incl. GST)	Amount $	Percentage	Hectare	Percentage
Class A	0.00212443	14,725	44%	797	24%
Class B	0.00106222	17,881	53%	1,936	57%
Class C	0.00021244	1,191	4%	644	19%
Total		33,796	100%	3,377	100%

The proposed changes will have a minor rates impact on most properties in the drainage districts. The table below shows the estimated number of properties (between the two districts) that would face targeted rate changes under the proposal. Note that these numbers may change due to movements in underlying property data (e.g. subdivisions) or amendment to inflation assumptions. We will set the final targeted rates in June 2024 following consideration of consultation feedback and updating of property and cost inflation information.

Estimated number of properties in Okahukura and Te Arai districts (combined) by change band (dollar and percentage)

	Targeted rate change in dollar terms									
		< $-200	$200 to $50	$-50 to $0	$0 to $50	$50 to $200	$200 to $500	$500 to $1000	> $1000	Total
Targeted rate change as a percentage of total rates bill	< 0%	4	7	186	0	0	0	0	0	197
	0% to 3%	0	0	0	160	19	2	0	0	181
	3% to 5%	0	0	0	0	7	3	1	0	11
	5% to 10%	0	0	0	0	0	1	0	0	1
	> 10%	0	0	0	0	0	0	0	0	0
	Total	4	7	186	160	26	6	1	0	390

Please see Attachment F: Rodney Drainage District Land Classification Maps for the proposed maps of land classes.

3.7 Electricity Network Resilience Targeted Rate

We are proposing the following changes to the Electricity Network Resilience Targeted Rate (ENRTR):

- Providing for the rate to be used towards capital costs of engineering solutions as an alternative to pruning for trees where it is the most appropriate approach to protect the tree and protect the lines network
- ongoing annual increases by inflation to maintain services levels as costs increase.

In 2021/2022 we introduced the ENRTR to fund the operating costs of enhanced maintenance of our trees that present a risk to Vector's electricity lines network. This increased tree maintenance is to allow for an enhanced, risk-based service to more effectively manage risk to Vector's powerlines from trees we own.

There are some council-owned trees where the most appropriate solution to protect the tree and reduce interference with power lines is to provide an engineering solution (such as a redirection of the power line around the tree). These alternatives may require additional capital work to be undertaken on the electricity lines network. Any work on the electricity lines network will need to be undertaken by agreed contractors to acceptable standards.

We are also facing increasing costs for the provision of this enhanced service due to inflation. Currently the ENRTR is set at a fixed level. It is necessary to increase the ENRTR in line with the inflation increase. The alternative is that over time the level of additional service provided will decrease and result in reduced outcomes than would otherwise be the case.

3.8 Business Improvement District Programme

The Onehunga Business Association is proposing an expansion of the Onehunga Business Improvement District (BID).

Our BID Policy requires a ballot to be held of all business ratepayers and business occupiers / tenants in the proposed BID programme area. In order to proceed with the expansion of a BID the ballot must achieve a threshold of at least 25 per cent of the total voting forms returned and of those, over 51 per cent must be in support of the proposal.

A ballot will be held from 26 February to 26 March 2024 on the proposed expansion.

3.9 Waitākere Rural Sewerage Targeted Rate

The Waitākere Rural Sewerage Targeted Rate (WRSTR) funds the cost of our three yearly pump out of primary onsite wastewater systems, septic tanks, in the Waitākere Ranges Local Board area. We are proposing to increase the WRSTR from $296.75 to $336.80 (both inclusive of GST) for the next three-yearly cycle to maintain cost recovery. This is a 13 per cent increase from the current amount which was set three years ago. The increase reflects inflation of costs mainly in fuel and labour over the last three years. Not increasing the targeted rate would result in an annual subsidy of around $117,000 from the general rates.

3.10 Franklin Local Board Paths Targeted Rate

We propose to undertake additional investment in paths in the Franklin Local Board area and fund this from a Franklin Local Board Paths Targeted Rate. The proposed targeted rate would be set at $52 (GST inclusive) per annum for each Separately Used or Inhabited Part (SUIP) on properties in the Franklin

Local Board area to fund the investment programme. The proposed investments in paths are an additional public good that will primarily benefit Franklin Local Board residents and the benefits they receive are more closely aligned to the incidence of SUIP's rather than capital value.

The table below sets out the impact of the proposed targeted rate on different categories of property in the Franklin Local Board area. This charge (with annual inflation increases) is forecast to generate around $20 million in revenue over the period of the Long-term Plan 2024-2034. The rates increase shown below will be in addition to any increase in general or other rates.

Category	Number of properties	Average Annual Rates (GST incl)	Additional Average Rates Increase (%)[6]
Urban Residential	10,424	$2,577	2.0%
Urban Business	763	$15,268	0.3%
Rural Residential	11,771	$2,748	1.9%
Rural Business	613	$12,358	0.4%
Farm and Lifestyle	10,192	$4,256	1.2%
All categories	**33,763**	**$3,608**	**1.4%**

Franklin Local Board Paths

Active transport modes (walking and cycling) are a priority focus for the transport connections programme for the Franklin Local Board. Active mode paths are typically around 5km or less in length and connect residential, business, educational and transport hubs and are located within, or near to, urban areas. The projects in the proposed investment programme have been selected to best support active modes outcomes. The path programme also includes a smaller number of priority footpath improvements and pedestrian crossings to improve mobility and safety.

Franklin Local Board communities have shown a consistent interest in options that would enable them to contribute to climate action at the local level. Environment and transport outcomes are regularly prioritised by locals in public engagement events.

To date, Franklin Local Board has allocated around $2.4 million of its discretionary Locally Driven Initiatives (LDI) operating expenditure funding to progress paths in partnership with community groups. Parks and Community Facilities (PCF) have a LDI funded three-year programme to support path development in Franklin. Developers are delivering portions of networks as development occurs.

There are no new footpaths or footpath improvements budgeted for the Franklin Local Board area in the Regional Land Transport Plan. These funding constraints are reducing the potential of this programme to support modal shift to meet the timeframes outlined in Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan. The Franklin Local Board Paths Programme is the last investment lever available to the board.

[6] Assumes 1 SUIP per property

The Franklin Local Board Paths Programme proposal was tested with the Franklin community as part of the consultation on the Annual Budget 2023/2024. Of the 862 responses, 48 per cent were in support, 41 per cent opposed and 11 per cent responded 'don't know' or 'other'.

Statutory decision-making criteria

We are required to consider and consult on any changes to funding for services that involve targeted rates. The sources of funding for the proposed paths improvements in the Franklin Local Board area must be considered against the statutory criteria in section 101(3) of the Local Government Act 2002. The key elements of this assessment are set out in the analysis below. A full analysis against the statutory criteria is set out in Attachment G-1: Assessment against statutory criteria for the Franklin Local Board paths targeted rate.

Proposed additional investment in paths

The table below sets out the proposed investment[7] in paths in the Franklin Local Board area. Full details of the investment programme can be found in Attachment G-2: Franklin Local Board paths targeted rate - investment options for walking and cycling improvements:

Investment	10-year operating expenditure	10-year capital expenditure
Partnership coordination and programme management	$1,666,043	$0
Franklin Regional Connection Plan	$67,000	$0
Waiuku Sub-division Investment Programme	$612,682	$5,275,880
Pukekohe Sub-division Investment Programme	$812,587	$18,591,747
Wairoa Sub-division Investment Programme	$263,673	$4,308,661
Total	**$3,421,985**	**$28,176,288**

The proposed investment programme has been developed by the Franklin Local Board to reflect the distribution of revenue from each local board sub-division area while balancing additional paths investment and the impact on ratepayers. Projects will be delivered based on relative priority, to be determined by the board, at the time the projects are agreed by the board.

There is some uncertainty around the costs of delivering the full programme, particularly for investments in the later years. Investment in most paths will be subject to further feasibility assessment. All paths will also need to meet acceptable design standards to ensure ongoing maintenance are appropriate once the targeted rate ceases. Reprioritisation of the programme may be required to maximise outcomes and different paths may be substituted in place of paths identified in the proposal. If this occurs path investments will be at the same general cost and location within the Franklin Local Board area to ensure that investments are aligned to the communities that fund them.

[7] The value of investment shown in this table is inflated inline with forecast inflation over the duration of the investment programme. The costs of the investment programme shown in the attachment are uninflated costs.

Costs for delivery of the projects have been estimated based on commercial contracting rates that includes an allowance for contingency. The estimated cost of the proposed investment exceeds the funding available from the proposed targeted rate. Where possible we will work with communities, through community-led delivery, to reduce construction costs and leverage our funds to deliver the larger investment programme. The scale of projects that will ultimately be delivered will depend on the extent that community-led delivery can be incorporated into the programme. Not all projects may end up being delivered if community-led delivery doesn't achieve the level of cost savings anticipated.

The Franklin Local Board will also explore opportunities to use the targeted rate funding to align expenditure in support of active modes outcomes. It will also seek to attract non-council co-funding to increase the overall budget available for investment.

Delivery of the projects will be phased over the duration of the 10-year programme and investment will be aligned with revenue received each year from the targeted rate. The design phase for paths (i.e. investigation to construction) is around one year for straight forward sites and up to two years for complex sites. For pedestrian crossings design is around two years for straight forward sites and up to three for complex sites. Delivery of the paths programme will start in year 2 for simple and high priority projects. However, due to the design phase lead in times, the programme will mainly be delivered in years 3-99.

Benefits of proposed investment

The proposed investment in paths has been planned to provide infrastructure across the Franklin Local Board area in relation to the relative share of rates revenue that would be sought from each local board sub-division area. The proposed paths will mainly be in urbanised areas (including satellite towns and communities) and connect with existing paths network as well as the wider public transport network. There are no material benefits to the wider Auckland area.

Users of the paths will directly benefit from their use. However, as paths investment is a public good the benefits accrue generally across all residents. There are no mechanisms available to charge users.

Landowners will be the other primary beneficiaries through the availability of the paths infrastructure. All properties (including business, farm, and lifestyle) located near the new paths will benefit by providing safe and sustainable transport choices to nearby locations and to the rest of the city via the wider public transport network. Properties located in the wider Franklin Local Board area will benefit as they will be relatively near to the new paths, increasing alternative active recreation options. All properties in the Franklin Local Board area will benefit from an improved urban environment, localised decongestion effect, and reduced air pollution from reduced use vehicles due to mode switching. However, as with all public goods these benefits are unable to be reliably measured.

Due to the geographic nature of the Franklin Local Board area, some properties (particularly remote farm and lifestyle properties) will not receive the same level of benefits as other properties in the Franklin Local Board area. Our existing general rates differentials include urban and rural categories based on overall levels of service provision. The benefits of proposed paths investment programme do not align with the general rate categories as the benefits span areas that are classified as both urban and rural for general rates.

Development of the Franklin Regional Connection Plan will benefit all residents equally throughout the Franklin Local Board area.

Analysis of Franklin Local Board ratepayers

A high-level analysis of the ratepayers in the Franklin Local Board area is set out in the following table.

		Residential	Business	Farm/Lifestyle
Properties	Total	22,195	1,376	10,192
	Proportion	*65.7%*	*4.1%*	*30.2%*
Separately used or inhabited parts (SUIPs)	Total	23,426	2,099	11,290
	Proportion	*63.6%*	*5.7%*	*30.7%*
Capital value	Total	$23.6b	$3.7b	$23.5b
	Proportion	*46.4%*	*7.4%*	*46.2%*

Land in the Franklin Local Board area is a mixture of residential, business and farm/lifestyle properties. On average, business and farm/lifestyle properties have higher capital values than residential properties. The property with the highest capital value is the Glenbrook Steel Mill. Within the farm/lifestyle category around 9,300 (82 per cent) of the Separately Used or Inhabited Part's (SUIP's), and $17.3 billion (74 per cent) of the capital values, are for lifestyle properties.

A targeted rate set on a per SUIP basis would result in 63.6 per cent of the revenue coming from residential land, 5.7 per cent from business land, 25.2 per cent from lifestyle land and 5.5 per cent from farmland. A targeted rate set on a capital value basis would result in 46.4 per cent of the revenue coming from residential land, 7.4 per cent from business land, 34.1 per cent from lifestyle land and 12.1 per cent from farmland.

Rates funding options

We propose that the targeted rate be set as a fixed rate of $52 per SUIP per annum across all rateable properties in the Franklin Local Board area. We also propose that the targeted rate increases each year in line with the forecast increase in costs (inflation) to deliver the paths programme. To fully fund the paths investment programme from the targeted rate[8] would require the rate to be around $82 per SUIP per annum across all rateable properties in the Franklin Local Board area.

Investment in paths infrastructure is a public good. Our approach to funding public goods is from ratepayers through either the general rate or targeted rates applied across all ratepayers throughout the region.

Given the nature of the benefits noted above:

- business owners and farms in, or near, urban areas do not receive benefits in proportion to their scale of activity or capital value
- residential properties of differing capital value will benefit similarly.

There is a strong relationship between capital value and household income. A rate applied on capital value would place more charge on those potentially better able to afford it. This would significantly increase the share of rates paid by farm and lifestyle properties and materially increase the share of rates paid by business. It would also result in a lower alignment between payment of rates and receipt of benefits. However, business and farm properties can claim back GST and expense rates for tax purposes.

[8] Assumes no savings from community-led delivery approach.

Some properties, particularly farm and lifestyle properties in remote areas, will not be near to the new paths. Additionally, business properties may not receive the same level of benefits that residential properties do. Rating differentials can be used to adjust the relative level of the targeted rate charged to each category of property.

Using differentials to reduce the level of the targeted rate to farm and lifestyle, or business properties would either reduce the level of funding available for investment or require higher levels of rate to be charged to residential properties to maintain overall revenue. For example, reducing the targeted rate to $26 for farm and lifestyle properties would result in either an increase of the rate charged to residential and business properties to $63.50 or a reduction in the size of the investment programme of around 15 per cent.

As paths are a public good it is appropriate for these investments to be funded across all ratepayers.

Rates impact

The table below sets out the average impact of a targeted rate of $52 per SUIP on all properties in the Franklin Local Board area for the proposed investments. This is forecast to generate around $20 million in revenue over the period of the Long-term Plan 2024-2034. The rates increase shown below will be in addition to the increase in general and other rates.

Category	Number of properties	Average Annual Rates (GST incl)	Additional Average Rates Increase (%)[9]
Urban Residential	10,424	$2,577	2.0%
Urban Business	763	$15,268	0.3%
Rural Residential	11,771	$2,748	1.9%
Rural Business	613	$12,358	0.4%
Farm and Lifestyle	10,192	$4,256	1.2%
All categories	**33,763**	**$3,608**	**1.4%**

A breakdown of forecast rates revenue and rates impact for each local board sub-division can be found in Attachment G-3: Franklin Local Board Paths Targeted Rates – Rates impact by local board sub-division.

Ratepayers with affordability issues can access our rates postponement scheme or apply for the rates rebate which we administer on behalf of the Department of Internal Affairs. Business properties and farm/lifestyle properties can expense rates and claim back GST which means the net cost to them will be lower.

[9] Assumes 1 SUIP per property

4. Fees and charges change proposal

We are proposing some changes to our fees to better reflect the cost of providing our services. All fees are GST inclusive.

We are budgeting to collect around 29 per cent of group operating revenue for the 2023/2024 year by charging third parties for the costs of services it provides. It is important that fees and charges for our services reflect an appropriate balance between ratepayer funding via general rates and cost recovery from service users. This ensures users who benefit from our services, or contribute to the need for the relevant activity, pay a fair share of their costs.

We also have a responsibility to our customers and ratepayers to ensure that service delivery is efficient and effective and to be transparent about our costs and the way we manage the revenue we receive from these services.

Fees are informed by overarching policy outcomes, such as those in the Auckland Plan and specifically determined by the decisions of the governing body or local boards, depending on whose area of responsibility they fall within.

The fees that are increasing by inflation (as per the policy outlined in the Revenue and Financing Policy) are not presented below. The fees detailed below are either increasing by more than inflation or are new charges that need to be consulted on. This section also discusses the balance of fees and generals rates to fund the increase in the cost of providing animal management services.

Preliminary work on revenue budgets to inform consultation on the has been based on estimated inflation costs expected to be faced by each service being provided. However, given the current level of economic uncertainty inflation forecasts could be different when decisions on fee levels are required in May 2024. Fees may need to be increased taking into account updated inflation forecasts to maintain appropriate cost recovery.

4.1 Regulatory fees

4.1.1 Building consent fees

We are proposing to increase a number of building consenting deposits to better reflect the final fee, and to increase fees to ensure cost recovery.

Description	Current fee	Proposed fee	Fee type
Producer statement author register - Registration as a high-risk producer statement author	$250	$750	Base Fee
Producer statement author register - Renewal of registration (3 yearly)	$250	$500	Fixed Fee
Producer statement author register - *New criteria added to an existing authorship outside renewal application process*	NEW	$250	Fixed Fee
Independent Qualified Person (IQP) Registration	$400	$750	Fixed Fee
Independent Qualified Person (IQP) Register Renewal (Three yearly)	$250	$500	Fixed Fee

Description	Current fee	Proposed fee	Fee type
Code compliance Certificate charges apply to all applications unless specified Project value up to $19,999	$223	$250	Base Fee
Code compliance Certificate charges apply to all applications unless specified. Project value $19,999 and over	$664	$700	Base Fee
Application to separate an issued building consent	$1,050	$1,500	Base Fee
Amended building consent applications: project value up to $19,999	$400	$800	Deposit
Amended building consent applications: project value $20,000 - $99,999	$700	$1,100	Deposit
Amended building consent applications: project value $100,000 and over	$1,300	$1,500	Deposit

Requirements under the Building (Dam Safety) Regulations 2022 will come into force in May 2024. Owners of dams that meet the height and volume requirements will need to confirm the potential risk their dam poses, put in place safety plans, and undertake regular dam inspections. We are proposing new building consent fees to recover the cost of processing these new regulations.

Fee name	Description	Proposed base fee
Dam Classification Certificate	Dams are classified according to potential impact of dam failure, as high, medium, or low impact, or potential impact classification (PIC)	$255
Dam Classification Certificate - Renewal	Renewal within five years of PIC being approved	$255
Dam Safety Assurance Programme	Dam Safety Assurance Programme (DSAP). Applies to high and medium impact dams only	$255
Dam Safety Assurance Programme - Renewal	Dam Safety Assurance Programme (DSAP). Renewal applied to high and medium impact dams.	$255
Annual dam compliance certificate	Annual Dam Compliance Certificate applies to medium and high impact dams only	$255

4.1.2 Resource consent fees

To better reflect the final fee for a number of resource consenting activities, we are proposing to increase deposit levels.

Description	Current deposit	Proposed deposit
Deemed permitted boundary activity	$500	$1,000
Multiple/bundle applications for any combination of two or more: land use, subdivision, or regional consent	$9,500	$12,000

Description	Current deposit	Proposed deposit
Certificate for completion; certificate of compliance; existing use; outline plan; extension of lapse date	$1,500	$1,850
Change or cancellation of consent conditions	$3,000	$4,400
Coastal structures, activities, and occupation	$7,000	$7,500
Extension of time	$1,500	$1,900
Land Use Consent Application - Residential	$4,000	$6,500
Outline Plan of Work Application	$1,500	$2,000
Resource consent pre-application appraisal	$860	$1,000
Subdivision Consent Application	$4,000	$5,000
Variation or cancellation of consent notices	$3,000	$3,500

We are also proposing to increase the application fee for tree consents from $670 to $710 to ensure that costs of processing these consents are recovered. Pruning or undertaking works within the protected root zone of notable (scheduled) trees, will not incur a deposit or charge.

4.1.3 Film permit fees

We are proposing an increase to film permitting fees to adjust for cumulative inflation increases since 2015 when standardised fees were introduced. The fee will be adjusted for inflation annually thereafter. This proposal will increase cost recovery while maintaining the ability to compete with other regions for film activity.

Film permitting is administered by Screen Auckland, a unit of Tātaki Auckland Unlimited (TAU) under the Public Trading, Events and Filming Bylaw 2022 and within the provisions of the Auckland Film Protocol adopted in 2019. The protocol acknowledges the contribution the film industry makes to Auckland's economy and supports the need to create a film friendly environment. It also seeks to balance the impact of filming on residents and businesses.

The protocols and bylaw set out a baseline code of practice for the film industry to ensure that local residents, businesses and the environment are not negatively impacted by filming. Film producers can also carry out their activities with the certainty provided by the film permit process.

Full cost recovery is not considered to be appropriate due to the nature of filming and the wider economic and cultural benefits that filming brings to Auckland. It would also mean that Auckland would appear a more expensive filming destination than other cities.

The charges that apply in some other film destination cities within New Zealand are shown in the table below.

	Low impact	Medium impact	High impact	Major impact
Screen Auckland *Current fees*	$50	$200/$400	$400/$800	$800/$1600
Christchurch City Council *Administration fees*	$0	$175-$350	$350-$700	$700-$1250
Tauranga City Council *Facilitation fee*	$106	$159-$318	$318-$636	

	Low impact	Medium impact	High impact	Major impact
Queenstown District Council *Administration fee*	$0	$250	$500	

Screen Wellington does not charge a fee for film permitting, but certain locations in the Wellington region will attract fees for filming. Film permitting fees are also not charged by seven of the nine local authorities supported by Waikato Screen.

In 2022, 1040 permit applications were processed, 14.5 per cent more than in the previous year. Due to the Hollywood writers and actors strikes, statistics for 2023 are not considered typical and cannot be used as an accurate indicator of volume. An increase in revenue of around $209k per year is estimated as a result of this proposal.

The full schedule of proposed changes to fees is in the table below.

	Current fees Half day / full day	Proposed FY25 Half day/ full day
Unit base / Bump in / Bump out	$200	$300
Low impact	$50	$75
Medium impact	$200 / $400	$250 / $500
High impact	$400 / $800	$500 / $1000
Major impact	$800 / $1600	$1000 / $2000
Administration / cancellation fee Non-refundable	New fee	$75

4.2 Active Communities fees

There are 45 Active Communities sites (pool and leisure facilities) across the Auckland region, 25 of which are currently managed directly by Auckland Council. Although annual adjustments for inflation have been applied, a full review of fees has not been conducted since amalgamation in 2010. The review of fees and charges for Active Communities services was split into two phases due to its size and complexity. In phase one which was implemented in 2023/2024, fees for the use of bookable spaces in council managed pool and leisure facilities were standardised to ensure that those hiring facilities are treated fairly across the city, and costs are recovered appropriately. Changes to fees for bookable spaces from phase one for facilities managed under contract are being implemented in the current renegotiation of facility management contracts.

In the second phase of the review the appropriate level of cost recovery for all the services provided from pool and leisure centres was assessed including for bookable spaces, memberships, and entry fees. The assessment of cost recovery was balanced with enabling the council to provide a service that can be accessed by all parts of the community across the network. The second phase includes both council managed pool and leisure facilities and those managed under contract.

The proposed fees will establish a baseline for like services across Active Communities activities. This will mean that the impact on each facility will vary. Most of the changes at the upper end of the scale are to bring charges in line with the charges elsewhere in the city. Establishing baseline fees for like services also means some fees will fall.

An Auckland-wide membership option is proposed to allow customers to access all 45 pool and leisure sites, both council-managed and contracted. The estimated increase in revenue from this proposal is expected to be around $90k per year.

It is also proposed to align legacy and discontinued memberships with current membership options over three years. In year one, around 4,500 memberships fees (approximately 20 per cent) will increase by up to 7 per cent. The increase in revenue in year one is estimated to be $260k.

Baseline aquatic entrance fees for all council managed and contracted pools and leisure sites are proposed to change. This will include fees for swimming, spa, sauna, and steam room use for adults as well as spectator and supervising adult fees. Alongside this change, an increased discount rate is proposed for seniors (over 65 years), students (over 17), Community Services card and permanent disability card holders from 15 per cent up to 40 per cent. This proposal is estimated to increase revenue by around $77k per annum.

An increase in swim school fees is proposed. This will align swimming lesson pricing closer to market rates while maintaining accessible pricing for Aucklanders. This proposal includes a new 30 per cent discount for Community Services card holders and their dependents and a 40 per cent discount for those with special needs requiring private lessons. The estimated revenue increase is approximately $745k per year.

It is also proposed to increase OSCAR before and after school care and holiday programme fees to maximise government subsidies and to ensure higher levels of cost recovery. Term programme fees have also been adjusted across the network to provide a simpler charging framework and recover costs appropriately.

A Request for Proposal (RFP) process for council-owned pool and leisure services is currently underway. The available options for pools and leisure services delivery include insourcing (council-managed and operated), outsourcing (contractor-managed) or a combination of both (hybrid model), to deliver these services. At present a hybrid model operates with, outsourcing of 19 facilities, insourcing of 25 facilities, and one site leased by a third party.

Decisions on the final delivery model are expected to be made by April 2024. Proposed fees and charges will be included as part of the negotiations with contractors who may be successful through the RFP process so that fees and charges are applied consistently across the region.

A full schedule of proposed changes to fees is in the table Attachment H: Active community fees.

4.3 Venue hire and bookable spaces

Venue hire and bookable spaces incorporates council-managed community halls, community centres, art centres and bookable library spaces. Fees for 252 bookable spaces at 110 venues are included in this review. Input from local boards has been sought for this review.

The review has been split into two phases. The existing pricing frameworks currently in place for bookable spaces contains variations and inconsistencies inherited from legacy councils. In the first phase fees for use of venue hire and bookable spaces has been reviewed with a focus on harmonising fees. In phase two, planned for 2025/2026, the focus will be on determining the appropriate level of cost recovery. This will include assessing the balance between rates and user pays to ensure an appropriate balance between value to the ratepayer and providing accessibility to customers and communities.

The basis for phase one of the review is the Hire Fee Framework which considers the size, condition and quality of each bookable space, the levels of staffing, the amenities available, and current patterns of utilisation of the spaces. Phase one of this review addresses variations within local board and adjacent areas to bring pricing of comparable venues closer together.

Fees for around half of the venues reviewed in phase one are not proposed to change as they have been set at an appropriate level when compared to spaces nearby or with similar types of spaces or capacity.

Around 40 per cent of fees are proposed to increase by up to $2 to align them to similar or nearby venues and a further 8 per cent of fees are proposed to increase by up to $12 for this reason. For a small number of venues, it is proposed to decrease fees to generate interest in hiring these facilities. The current discounts framework is not proposed to change, and regular hirer and community groups may be eligible for discounted venue hire. Overall, these proposed changes to venue hire fees are expected to generate an increase in revenue of around $160k per year.

A full schedule of proposed changes to fees is in the table Attachment I: Venue hire and bookable spaces fees.

4.4 Animal management fee increases

We are proposing to fully recover the additional costs required to respond to the growing need for animal management activities through rates.

Since the pandemic, the number of registered dogs has increased at an annual rate of around 5.5 per cent. Along with an increased dog population is a corresponding increase in unwanted dog behaviour. Removing roaming dogs from communities has a public good element.

The wider public of Auckland are the primary beneficiaries of the additional expenditure rather than registered dog owners or individual service users. The additional costs of out animal management activities are not caused by registered dog owners or the individual users of the services who make payments to the council. The costs are driven by dog owners who do not engage with the council. A strong case exists for funding this expenditure through general rates for the additional cost for services as the council has a responsibility to protect the public from harm and to ensure that dogs are sufficiently controlled to prevent harm and nuisance.

The additional education services such as engaging directly with at-risk communities and providing dog-bite prevention advice are also public goods.

Under this proposal, the total cost to fund additional staff and managing the increased kennel capacity including depreciation and maintenance by rates would be $5.9 million. This would increase rates for 2024/2025 by around 0.26 per cent. We will conduct a full review of animal management fees in 2025/2026 to ensure that the ongoing cost recovery level is appropriate.

4.4.1 Introduction

The Animal Management Unit’s main function is to enhance the safety of Aucklanders by ensuring dogs and other animals are sufficiently controlled to prevent harm and nuisance and are compliant with the Dog Control Act 1996.

Since the pandemic, the registered dog population has increased at an annual rate of approximately 5.5 per cent compared to around 1-2 per cent annually pre-COVID-19. There are now approximately 113,000 registered dogs. The number of known dogs (those which have been registered in the past) is 131,000. The impounded dog numbers indicate that the total dog population is significantly higher, as around 49 per cent of impounded dogs have never been registered.

Council's animal management activities have become more reactive with staff responding to over 33,000 complaints through requests for service (RFS) in 2022/2023. This is a 34 per cent increase when compared to the previous year. As a result, the ability to undertake proactive work such as following up on registrations and menacing dog compliance has decreased.

The following table shows the increase in unwanted dog behaviour over the last four years.

RFS category	FY20	FY21	FY22	FY23	Change FY22 vs FY23	% Change FY22 vs FY23	% Change FY20 vs FY22
Aggressive behaviour to animals	333	344	445	668	223	50%	101%
Aggressive behaviour to people	1,214	1,231	1,461	2,357	896	61%	94%
Dog attack on animals	887	829	1,059	1,339	280	26%	51%
Dog attack on people	716	756	848	1,098	250	29%	53%
Roaming dog	7,340	7,601	8,461	12,737	4,276	51%	74%

In 2022/2023, animal shelters housed and cared for approximately 6,600 impounded dogs, an increase of 32 per cent from the previous year. Around half of these dogs were registered at the time of impounding. Animal shelters have a capacity to house 214 dogs and have been operating at full capacity for the past year and a half. Around 80 requests by dog owners to surrender their dogs are declined each month due to lack of kennel space.

As dog attacks and aggressive behaviour increases, more dogs must be housed for the longer term of between one and three years, pending prosecution. At present, 50 kennel spaces are taken up by dogs in long term care at the Silverdale Animal Shelter.

Fewer dogs are being claimed by owners, and in 2022/2023 only 52 per cent of impounded dogs were returned to their owners. With pressure on kennel space increasing, euthanasia rates have almost doubled as dogs cannot be accommodated within existing kennels spaces. This includes adoptable dogs.

Impounds Statistics at Henderson, Manukau and Silverdale Animal shelters – FY21 to FY23

	2020/2021				2021/2022				2022/2023			
	HAS	MAS	SAS	Total	HAS	MAS	SAS	Total	HAS	MAS	SAS	Total
Dogs Impounded	1673	2903	628	5204	1426	2857	729	5012	1666	3843	1247	6756
Returned to Owner	1319	1858	517	3694	1058	1680	467	3205	1013	1817	659	3489
Euthanized	262	796	64	1122	262	913	154	1329	531	1661	425	2617
Adopted	69	220	39	328	73	195	67	335	70	207	108	385

4.4.2 Activities funded

To respond to the growing need for animal management activities the council is:

- Increasing kennel capacity at Henderson and Manukau to 56 kennel spaces
- Employing 54 additional field and shelter staff to support an increasing workload and to enhance health, safety, and well-being of staff.

- Increasing capacity for the Regional Compliance team to proactively focus on reduction of incidents of dog attacks, aggressive and roaming dogs and to increase dog registrations and compliance of dogs classified as menacing. This team will also enhance health and safety for staff by providing capacity for them to work in pairs.
- Establishing the Pukekohe Animal Shelter, currently leased by the Waikato District Council, to be used as an adoption centre for the Auckland region. This facility will also be used as an education centre for school groups, frontline workers who regularly enter onto properties in the course of their duties and community groups, promoting responsible dog ownership and animal management services and also to provide dog bite prevention education.

4.4.3 Expenditure options

As an alternative to funding the additional costs from general rates, we also considered retaining the previously determined cost recovery level of 60 per cent fees and 40 per cent from general rates, previously determined by the council as the appropriate funding mix. Fees relating to animal management would increase by around 30 per cent, including increases to cover the cost of inflation.

With increased costs for dog owners proposed by this option, we think the number of unregistered dogs may also increase as dog owners may not be able to pay the higher registration costs. We also anticipate an increase in vet services as higher numbers of dogs that cannot be accommodated at our already full animal shelters will need to be euthanised.

This approach would mean that the share of the additional costs funded by rates will be $3.3 million and the increase to general rates would be by around 0.15 per cent. Animal management fees would also increase by 30 per cent.

By way of comparison, the current (2023) charges that apply in some other cities within New Zealand are shown in the table below.

Fee Category	Auckland Council	Hamilton	Tauranga	Wellington	Lower Hutt	Christchurch
Responsible dog owner licence (RDOL) de-sexed	$70	$85	$100	$67	$84	$60
Responsible dog owner licence (RDOL) entire	$82	$85	$100	$67	$84	$60
De-sexed dog (no Responsible Dog Owner Licence)	$117	$155	$100	$135	$129	$83
Entire dogs	$163	$155	$100	$187	$168	$94

5. Funding impact statement including rating mechanism (proposed)

5.1 Prospective consolidated funding impact statement (proposed)

Auckland Council group consolidated

Financial year ending 30 June $000	Annual Plan 2023/2024	10-year Budget 2024/2025	Budget 2024/2025	Variance from 10-year Budget 2024/2025
Sources of operating funding:				
General rates, UAGCs, rates penalties	1,970,064	2,082,551	2,153,384	70,833
Targeted rates	311,088	302,291	302,269	(22)
Subsidies and grants for operating purposes	594,456	382,151	441,857	59,706
Fees and charges	1,476,859	1,781,236	1,686,159	(95,077)
Interest and dividends from investments	5,186	50,834	5,013	(45,821)
Local authorities fuel tax, fines, infringement fees and other receipts	688,456	525,852	673,315	147,463
Total operating funding	5,046,109	5,124,915	5,261,997	137,082
Applications of operating funding:				
Payment to staff and suppliers	3,464,241	3,340,367	3,545,448	205,082
Finance costs	503,387	510,238	471,671	(38,567)
Other operating funding applications	-	-	-	-
Total applications of operating funding	3,967,628	3,850,605	4,017,120	166,516
Surplus (deficit) of operating funding	1,078,481	1,274,310	1,244,877	(29,434)
Sources of capital funding:				
Subsidies and grants for capital expenditure	501,662	649,339	573,093	(76,246)

Development and financial contributions	265,251	268,546	268,545	(1)
Increase (decrease) in debt	843,263	557,523	(1,427,901)	(1,985,424)
Gross proceeds from sale of assets	106,238	173,666	173,666	0
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding	1,716,414	1,649,074	(412,597)	(2,061,671)
Application of capital funding:				
Capital expenditure:				
- to meet additional demand	739,882	724,629	924,373	199,744
- to improve the level of service	820,975	1,007,038	720,325	(286,714)
- to replace existing assets	724,838	1,001,508	860,298	(141,210)
Increase (decrease) in reserves	109,504	14,115	25,308	11,193
Increase (decrease) in investments	399,696	176,094	(1,698,025)	(1,874,119)
Total applications of capital funding	2,794,895	2,923,384	832,280	(2,091,105)
Surplus (deficit) of capital funding	(1,078,481)	(1,274,310)	(1,244,877)	29,434
Funding balance	0	0	0	0

Rating mechanism

This section sets out how the council sets its rates. It explains the basis on which rating liability will be assessed. In addition, it covers the council's early payment discount policy.

Background

The council's general rate is made up of the Uniform Annual General Charge (UAGC) and the value-based general rate. Revenue from the general rate is used to fund the council activities that are deemed to generally and equally benefit Auckland and that part of activities that are not funded by other sources.

Rating base information

The following table sets out the projected number of rating units at the end of the preceding financial year for each year of the long-term plan.

Financial year ending 30 June	Number of rating units for Auckland Council
2024	623,706
2025	632,625
2026	643,063
2027	652,838
2028	663,022
2029	673,631
2030	684,746
2031	696,386
2032	705,787
2033	715,598

5.2 How the increase in the rate requirement is applied

The increase in the general rate requirement is split to maintain the proportion of the UAGC at around 13.9 per cent of the total general rate (UAGC plus value based general rate). This is achieved by applying the general rates increase to the UAGC and rounding to the nearest dollar.

Uniform annual general charge (UAGC) and other fixed rates

The UAGC is a fixed rate that is used to fund general council activities. The council will apply the UAGC to all rateable land in the region per separately used or inhabited part of a rating unit (SUIP). The definition of a separately used or inhabited part of a rating unit is set out in the following section.

Where two or more rating units are contiguous or separated only by a road, railway, drain, water race, river, or stream, are owned by the same person or persons, and are used jointly as a single unit, those rating units will be treated as a single rating unit and only one uniform annual general charge will be applied.

A UAGC of $571 (including GST) will be applied per SUIP for 2024/2025. This is estimated to produce around $342.7 million (excluding GST) for 2024/2025.

The following targeted rates to be set by the council also have a fixed rate component, as described below in this Funding Impact Statement:

- waste management targeted rates
- part of some Business Improvement District targeted rates
- city centre targeted rate for residential properties
- electricity network resilience targeted rate
- Riverhaven Drive targeted rate
- Waitākere rural sewerage targeted rate
- Ōtara-Papatoetoe swimming pool targeted rate
- Māngere-Ōtāhuhu swimming pool targeted rate
- Rodney Local Board Transport targeted rate
- Franklin Local Board Paths Targeted Rate
- swimming/spa pool compliance targeted rate.

Funds raised by uniform fixed rates, which include the UAGC and any targeted rate set on a uniform fixed basis[10] set per rating unit or per SUIP, cannot exceed 30 per cent of total rates revenue sought by the council for the year (under Section 21 of Local Government (Rating) Act 2002).

The definition of a separately used or inhabited part of a rating unit

The council defines a separately used or inhabited part (SUIP) of a rating unit as 'any part of a rating unit that is separately used or inhabited by the ratepayer, or by any other person having a right to use or inhabit that part by virtue of a tenancy, lease, licence or any other agreement'. For the purposes of this definition, parts of a rating unit will be treated as separately used if they come within different differential categories, which are based on use. An example would be a rating unit that has a shop on the ground floor (which would be rated as business) and a residence upstairs (rated as residential).

Rating units used for commercial accommodation purposes, such as motels and hotels, will be treated for rating purposes as having one separately used or inhabited part, unless there are multiple businesses within the rating unit or another rating differential applies. Examples of how this might apply in practice are as follows:

- a business operating a motel on a rating unit will be treated for rating purposes as a single separately used or inhabited part. If that rating unit also includes a residential unit, in which the

10 Except rates set solely for water supply or sewerage disposal.

manager or owner resides, then the rating unit will be treated for rating purposes as having two separately used or inhabited parts

- a hotel will be treated for rating purposes as a single separately used or inhabited part, irrespective of the number of rooms. If, on the premises, there is a florist business and a souvenir business, then the rating unit will be treated for rating purposes as having three separately used or inhabited parts
- a residential house with a minor dwelling or granny flat would be treated for rating purposes as having two separately used or inhabited parts
- a residential house where part of the house contains a self-contained flat will be treated as having one separately used or inhabited part, where:
  - The flat is internally accessible from the main house
  - Both parts are used together as a single family home.

A similar approach applies to universities, hospitals, rest homes and storage container businesses. Vacant land will be treated for rating purposes as having one separately used or inhabited part.

Rating units that have licence to occupy titles, such as some retirement villages or rest homes, will be treated as having a separately used or inhabited part for each part of the property covered by a licence to occupy.

The above definition applies for the purposes of the UAGC as well as any targeted rate which is set on a "per SUIP" basis.

Value-based general rate

The value-based general rate will apply to all rateable land in the region and will be assessed on capital value and is determined by multiplying the capital value of a rating unit by the rate per dollar that applies to that rating unit's differential category.

Rates differentials

General and targeted rates can be charged on a differential basis. This means that a differential is applied to the rate or rates so that some ratepayers may pay more or less than others with the same value rating unit.

The differential for urban residential land is set at 1.00. Business attracts higher rates differentials than residential land. Lower differentials are applied to rural, farm/lifestyle and no road access land.

The council defines its rates differential categories using location and the use to which the land is put. When determining the use to which the land is put, the council will consider information it holds concerning the actual use of the land, and the land use classification that council has determined applies to the property under the Rating Valuation Rules.

Where there is no actual use of the land (i.e. the land is vacant), the council considers the location of the land and the highest and best use of the land to determine the appropriate rates differential. Highest and best use is determined by the activities that are permitted, controlled, or discretionary for the area in which the land is situated, and the rules to which the land is subject under an operative district plan or regional plan under the Resource Management Act 1991.

All land inside the Urban Rating Area that is used for lifestyle or rural industry purposes (excluding mineral extraction) will be treated as urban residential for rating purposes.

The definition for each rates differential category is listed in the table below. For clarity, where different parts of a rating unit fall within different differential categories then rates will be assessed for each part according to the differential category of that part. Where relevant, each part will also be classified as being a separate SUIP (see definition above).

Rates differential definitions

Differential group	Definition
Urban business	Land in the Urban Rating Area that is used for commercial, industrial, transport, utility, public communal – licensed or mineral extraction purposes. Also includes any land that is used for community services, but which is used for commercial, or governmental purposes, or which is covered by a liquor licence. Also includes land in the Urban Rating Area, where a residence is let out on a short-term basis, via online web-based accommodation services that offer short-term rental accommodation via peer-to-peer online marketplace such as Airbnb and Bookabach, for more than 180 nights in the 12 months ending 30 June of the previous financial year.
Urban residential	Land in the Urban Rating Area that is used exclusively or almost exclusively, for residential purposes, and includes tenanted residential land, rest homes and geriatric hospitals. It excludes hotels, motels, serviced apartments, boarding houses and hostels.[1] Land used for community services and used by a not for profit ratepayer for the benefit of the community will be charged the residential rate (this does not include land covered by a liquor licence). Also includes any land in the Urban Rating Area that is used for lifestyle or rural industry purposes, excluding mineral extraction[3 4]
Rural business	Land outside the Urban Rating Area that is used for commercial, industrial, transport, utility network[2], or public communal – licensed or mineral extraction purposes. Also includes any land that is used for community services, but which is used for commercial, or governmental purposes, or which is covered by a liquor licence. Also includes land outside the Urban Rating Area where a residence is let out on a short-term basis, via online web-based accommodation services that offer short-term rental accommodation via peer-to-peer online marketplace such as Airbnb and Bookabach for more than 180 nights in the 12 months ending 30 June of the previous financial year.
Rural residential	Land outside the Urban Rating Area that is used exclusively or almost exclusively for residential purposes, and includes tenanted residential land, rest homes and geriatric hospitals. It excludes hotels, motels, serviced apartments, boarding houses and hostels [1]. Land used for community services and used by a not for profit ratepayer for the benefit of the community will be charged the residential rate (this does not include land covered by a liquor licence) [4]
Farm and lifestyle	Any land outside the Urban Rating Area that is used for lifestyle or rural industry purposes, excluding mineral extraction[3]
No road access	Includes all land (irrespective of use) for which direct or indirect access by road is unavailable or not provided for,

	and all land situated on the islands of Ihumoana, Kaikoura, Karamuramu, Kauwahia, Kawau, Little Barrier, Mokohinau, Motahaku, Motuketekete, Motutapu, Motuihe, Pakatoa, Pakihi, Ponui, Rabbit, Rakitu, Rangiahua, Rotoroa and The Noises
Zero-rated	Includes land on all Hauraki Gulf islands and Manukau Harbour other than Waiheke, Great Barrier and the islands named in the definition of No road access. Also includes land used by religious organisations for: • housing for religious leaders which is onsite or adjacent to the place of religious worship • halls and gymnasiums used for community not-for-profit purposes • not-for-profit childcare for the benefit of the community • libraries • offices that are onsite and which exist for religious purposes • non-commercial op-shops operating from the same title • car parks serving multiple land uses but for which the primary purpose is for religious purposes.
Urban moderate-occupancy online accommodation provider	Land in the Urban Rating Area where a residence is let out on a short-term basis, via online web-based accommodation services that offer short-term rental accommodation via peer-to-peer online marketplace such as Airbnb and Bookabach, for more than 135 nights and less than 181 nights in the 12 months ending 30 June of the previous financial year.
Rural moderate-occupancy online accommodation provider	Land outside the Urban Rating Area where a residence is let out on a short-term basis, via online web-based accommodation that offer short-term rental accommodation services via peer-to-peer online marketplace such as Airbnb and Bookabach, for more than 135 nights and less than 181 nights in the 12 months ending 30 June of the previous financial year.
Urban medium-occupancy online accommodation provider	Land in the Urban Rating Area where a residence is let out on a short-term basis, via online web-based accommodation services that offer short-term rental accommodation via peer-to-peer online marketplace such as Airbnb and Bookabach, for more than 28 nights and less than 136 nights in the 12 months ending 30 June of the previous financial year.
Rural medium-occupancy online accommodation provider	Land outside the Urban Rating Area where a residence is let out on a short-term basis, via online web-based accommodation services that offer short-term rental accommodation via peer-to-peer online marketplace such as Airbnb and Bookabach, for more than 28 nights and less than 136 nights in the 12 months ending 30 June of the previous financial year.

Notes to table:

[1] Hotels, motels, serviced apartments, boarding houses and hostels will be rated as business except when the land is used exclusively or almost exclusively for residential purposes. Ratepayers must

provide proof of long-term stay (at least 90 days) as at 30 June of the previous financial year. Proof should be in the form of a residential tenancy agreement or similar documentation.

[2] Utility networks are classed as rural business differential. However, all other utility rating units are categorised based on their land use and location.

[3] To be considered "lifestyle," land must be in a rural or semi-rural area, must be predominantly used for residential purposes, must be larger than an ordinary residential allotment, and must be used for some small-scale non-commercial rural activity.

[4] Separate rating units used as an access way to residential properties will be treated for rating purposes as residential use.

Urban Rating Area

The Urban Rating Area includes all land within the Rural Urban Boundary as identified in the Unitary Plan, excluding any land that is:

- zoned Future Urban (with the exception of the land in the Hall's Farm and Ockleston Landing Urban Rating Area)
- within Warkworth
- rural zoned land on Waiheke Island.

Business differential

The council will set the business differential to raise around 31 per cent of general rates (UAGC and value based general rates) from business properties. This approach to the business differential removes the impact on the split of rates between business and non-business properties that changes in property values have resulting from the triennial region-wide revaluation.

The table below sets out the rates differentials and rates in the dollar of capital value to be applied in 2024/2025. This is estimated to produce around $2,115 million (excluding GST) for 2024/2025.

Value-based general rate differentials for 2024/2025

Property category	Effective relative differential ratio for general rate for 2024/2025	Rate in the dollar for 2024/2025 (including GST) ($)	Share of value-based general rate (excluding GST) ($)	Share of value-based general rate (%)
Urban business	2.6321	0.00512011	678,440,117	32.1%
Urban residential	1.0000	0.00194523	1,226,458,42	58.0%
Rural business	2.3689	0.00460810	51,086,194	2.4%
Rural residential	0.9000	0.00175071	61,552,372	2.9%
Farm and lifestyle	0.8000	0.00155618	95,649,685	4.5%
No road access	0.2500	0.00048631	300,025	Less than
Zero-rated1	0.0000	0.00000000	0	0.00%
Urban moderate-occupancy online accommodation provider	1.8161	0.00353267	44,787	Less than 0.1%

Rural moderate-occupancy online accommodation provider	1.6345	0.00317940	20,429	Less than 0.1%
Urban medium-occupancy online accommodation provider	1.4080	0.00273895	1,158,717	0.1%
Rural medium-occupancy online accommodation provider	1.2672	0.00246506	534,723	Less than 0.1%

Note to table:

Rating units within the Zero-rated differential category are liable for the UAGC only, which is automatically remitted through the Rates Remission and Postponement Policy.

Rates for Watercare land and defence land will be assessed on land value as required under section 22 of the Local Government (Rating) Act 2002 and Section 73 of the Local Government (Auckland Council) Act 2009. These properties will pay a share of the value-based general rates requirement determined on their share of the city's land value rather than a share of the city's capital value as applies for other properties.

5.3 Targeted rates

The council does not have a lump sum contribution policy and will not invite lump sum contributions for any targeted rate. Unless otherwise stated, the targeted rates described below will be used as sources of funding for each year until 2033/2034.

Water Quality Targeted Rate

Background

The council is funding an additional investment from 2018/2019 to 2033/2034 to clean up Auckland's waterways. The rate will fund expenditure within the following activities: Stormwater Management.

Activities to be funded

The Water Quality Targeted Rate (WQTR) will be used to help fund the capital costs of investment in cleaning up Auckland's waterways.

How the rate will be assessed

A differentiated targeted rate will be applied on the capital value of all rateable land except land categorised as zero-rated as defined for rating purposes. The business differential ratio is set so that around 30.98 per cent of the revenue requirement comes from businesses. A targeted rate of $0.00001566 (including GST) per dollar of capital value will be applied to all rateable land categorised as business (Urban business, and Rural business) as defined for rating purposes, and $0.00000688 (including GST) per dollar of capital value to all rateable land not categorised as business (Urban residential, Rural residential, Farm and lifestyle, Urban moderate-occupancy online accommodation provider, Rural moderate-occupancy online accommodation provider, Urban medium-occupancy online accommodation provider, Rural medium-occupancy online accommodation provider, and no road access) as defined for rating purposes. This is estimated to produce around $7.3 million (excluding GST) for 2024/2025, $2.3 million from business and $5 million from non-business.

Natural Environment Targeted Rate

Background

The council is funding an additional investment from 2018/2019 to 2033/2034 to enhance Auckland's natural environment. The rate will fund expenditure within the following activities: Regional environmental services.

Activities to be funded

The Natural Environment Targeted Rate (NETR) will be used to help fund the capital and operating costs of investment to deliver enhanced environmental outcomes.

How the rate will be assessed

A differentiated targeted rate will be applied on the capital value of all rateable land except land categorised as zero-rated as defined for rating purposes. The business differential ratio is set so that around 30.98 per cent of the revenue requirement comes from businesses. A targeted rate of $0.00007004 (including GST) per dollar of capital value will be applied to all rateable land categorised as business (Urban business, and Rural business) as defined for rating purposes, and $0.00003076 (including GST) per dollar of capital value to all rateable land not categorised as business (Urban residential, Rural residential, Farm and lifestyle, Urban moderate-occupancy online accommodation provider, Rural moderate-occupancy online accommodation provider, Urban medium-occupancy online accommodation provider, Rural medium-occupancy online accommodation provider, and No road access) as defined for rating purposes. This is estimated to produce around $32.6 million (excluding GST) for 2024/2025, $10.1 million from business and $22.5 million from non-business.

Climate Action Transport Targeted Rate

Background

The council is funding an additional investment from 2022/2023 to 2033/2034 to reduce Auckland's greenhouse gas emissions and increase the urban ngahere. The rate will fund expenditure within the following activities: Regional environmental services; Roads and footpaths; Public transport and travel management.

Activities to be funded

The Climate Action Transport Targeted Rate (CATTR) will be used to help fund the capital and operating costs of investment to fund the acceleration of regional climate action, by extending the regional networks for public transport, active transport and urban ngahere.

A differentiated targeted rate will be applied on the capital value of all rateable land except land categorised as zero-rated as defined for rating purposes. The business differential ratio is set so that around 30.98 per cent of the revenue requirement comes from businesses. Within the business category and the non-business category the rate will be further differentiated on the same basis as the value-based general rate.

The following table sets out the Climate Action Transport Targeted Rates to be applied in 2024/2025. This is estimated to produce around $50 million (excluding GST) for 2024/2025.

Property category	Rate in the dollar for 2024/2025 (including GST) ($)	Share of Climate Action Transport Targeted rate (excluding GST) ($)
Urban business	0.00010825	14,407,918
Urban residential	0.00004823	30,545,008
Rural business	0.00009743	1,084,964
Rural residential	0.00004341	1,533,068
Farm and lifestyle	0.00003858	2,381,919
No road access	0.00001206	7,474
Zero-rated (1)	0.00000000	0
Urban moderate-occupancy online accommodation provider	0.00008759	1,115
Rural moderate-occupancy online accommodation provider	0.00007883	509
Urban medium-occupancy online accommodation provider	0.00006791	28,858
Rural medium-occupancy online accommodation provider	0.00006112	13,318

Waste Management targeted rates

Background

The refuse, recycling, inorganic collection and other waste management services in Auckland are being standardised under the Waste Management and Minimisation Plan (WMMP). The provision of waste management services in public areas e.g. public litter bins provides benefits to all ratepayers and is therefore funded through the general rate. Privately generated waste is funded through a mixture of targeted rates and pay as you throw charges. The funding method for privately generated waste will be standardised over 2024/2025 and 2025/2026 when a region-wide targeted rate will be introduced to fund the refuse collection across Auckland. The food scraps collection service had been rolled out to the whole of urban and semi-urban Auckland.

The Waste management targeted rates for 2024/2025 include:

- a region-wide minimum rate to cover the cost of the base service including inorganic collection, resource recovery centres, the Hauraki Gulf Islands subsidy and other regional waste services
- a recycling rate to cover the cost of recycling collection based on the size of the bin (240-litre, 360-litre and 660-litre)
- a refuse rate that applies in the former Auckland City, the former Manukau City, the former North Shore City, the former Waitakere City and the former Papakura District to fund refuse bin collection based on the size of the bin (80-litre, 120-litre, or 240-litre) and the approximate number of months the service is available to the property
- a food scraps rate to cover the cost of the food scraps collection
- additional rates may apply to properties that request additional recycling or refuse services.

The council is implementing the Auckland WMMP. Information on the plan can be found on the council's website.

Activities to be funded

The targeted rates for waste management are used to fund refuse collection and disposal services (including the inorganic refuse collection), recycling, food scraps collection, waste transfer stations and resource recovery centres within the solid waste and environmental services activity.

How the rates will be assessed

For the purpose of assessing the liability of the waste management targeted rates:

- a residential SUIP means a part of a rating unit with a land use that is residential and is not vacant or carpark
- a lifestyle SUIP means a part of a rating unit with a land use that is lifestyle and is not vacant.

A residential multi-unit development (residential MUD), for the purpose of assessing the liability for the waste management targeted rates, is either

- a block of 10 or more attached residential dwellings, or
- 10 or more detached residential dwellings with controlled or restricted access

See the UAGC section prior for the council's definition of a SUIP.

All rating units that are not a residential multi-unit development (MUD) and not part of a residential MUD will be rated as follows:

- For all land where a rates-funded service is available and where no approved opt-out arrangement is in place, the targeted rates for the standard recycling service, the appropriate refuse service (for the former Auckland City, the former Manukau City, the former North Shore City, the former Waitakere City and the former Papakura District) and the food scraps service will be charged to all residential and lifestyle SUIPs. The standard recycling service includes one 240 litre recycling bin (or equivalent). The refuse service is available in three bin sizes: small (80-litre), standard (120 or 140-litre), and large (240-litre). The number of months the refuse service will be available during 2024/2025 varies depending on the location of the property. The food scraps service includes one 23 litre food scraps bin.
- For land with approved opt-out arrangement in place (within the district of the former Auckland City Council), the targeted rate for the standard recycling service and the refuse service will be charged based on the number and type of services provided to each rating unit, and the targeted rate for the food scraps service will be charged to all residential and lifestyle SUIPs where the service is available. For rating units made up of one SUIP (residential or lifestyle), the council will provide one recycling collection service, one refuse collection service and one food scraps collection service. For rating units made up of more than one residential or lifestyle SUIP, the council will provide one recycling collection service, one refuse collection service and one food scraps collection service for each residential or lifestyle SUIP the rating unit contains except where the rating unit did not receive a refuse or a recycling service (or both) for each of its residential or lifestyle SUIPs in 2023/2024 due to an existing opt-out arrangement, in which case the council will provide the same service as was provided at 30 June 2024 (that is, at least one recycling collection service and one refuse collection service for the rating unit), unless informed by the owner of the rating unit to increase the number of services, in addition to the relevant food scraps service that will apply in 2024/2025.
- The council will provide the same service as was provided at 30 June 2024 to all SUIPs that are not residential or lifestyle, and apply the targeted rate charges accordingly for 2024/2025 (as per

council record), unless informed by the owner of the rating unit before 1 July 2024 to decrease or increase the number of services for 2024/2025 (up to the number of SUIPs contained in the rating unit).

Rating units that are residential MUDs or are part of a residential MUD will be rated as follows:

- For all land where a rates-funded service is available and where no approved opt-out arrangement is in place, the targeted rates for the standard recycling service, the appropriate refuse service (for the former Auckland City, the former Manukau City, the former North Shore City, the former Waitakere City and the former Papakura District) and the food scraps service will be charged to all SUIPs.
- All land which has an approved alternative service (opt-out) will be charged based on number and type of services provided.

For all land across Auckland:

- A large refuse rate will apply if a 240-litre refuse bin is supplied.
- A small refuse rate will apply if an 80-litre refuse bin is supplied.
- An additional recycling rate will apply if an additional recycling service is supplied.
- A minimum base service rate will apply to all eligible SUIPs.

In the future, the waste management targeted rates may be adjusted to reflect changes in the nature of services and the costs of providing waste management services to reflect the implementation of the Auckland Waste Management and Minimisation Plan.

The following table sets out the waste management targeted rates to be applied in 2024/2025. This is estimated to produce around $191.4 million (excluding GST) for 2024/2025.

Waste management targeted rates

Service	Differential group	Amount of targeted rate for 2024/2025 (including GST) $	Charging basis	Share of targeted rate (excluding GST) ($)
Minimum base service	All rating units	58.43	Per SUIP	33,372,969
Standard recycling (240-litre bin)	Rating units with approved opt-out arrangement in place	108.16	Per service provided	57,336,807
	All other rating units, where a service is available	108.16	Per SUIP	
Large recycling (360-litre bin)	All rating unit	162.24	Per service provided	9,170
Extra large recycling (660-litre bin)	All rating unit	270.40	Per service provided	93,582
Standard refuse (120/140-litre bin or equivalent)	Rating units in the former Auckland City with approved opt-out arrangement in place	179.69	Per service provided	38,850,294
	All other rating units in the former Auckland City and Manukau City, where a service is available	179.69	Per SUIP, except for any SUIP which is provided with either a large refuse or a small refuse service	

	Rating units in the former North Shore City and Waitakere City with approved opt-out arrangement in place	104.82	Per service provided	12,855,042
	All other rating units in the former North Shore City and Waitakere City, where a service is available	104.82	Per SUIP, except for any SUIP which is provided with either a large refuse or a small refuse service	
	Rating units in the former Papakura District with approved opt-out arrangement in place	29.95	Per service provided	479,103
	All other rating units in the former Papakura District, where a service is available	29.95	Per SUIP, except for any SUIP which is provided with either a large refuse or a small refuse service	
Large refuse (240-litre bin)	Rating units in the former Auckland City and Manukau City	298.24	Per service provided	6,265,528
	Rating units in the former North Shore City and Waitakere City	173.97	Per service provided	1,255,466
	Rating units in the former Papakura District	49.71	Per service provided	229,232
Small refuse (80-litre bin)	Rating units in the former Auckland City and Manukau City	149.32	Per service provided	3,935,671
	Rating units in the former North Shore City and Waitakere City	87.10	Per service provided	640,874
	Rating units in the former Papakura District	24.89	Per service provided	40,700
Additional recycling	All rating units	108.16	Per service provided	217,566
Food scraps	Rating units in the former Papakura District, North Shore City and Waitākere City with approved opt-out arrangement in place	76.93	Per service provided	35,847,740
	All other rating units in the former Papakura District, North Shore City and Waitākere City, where a service is available	76.93	Per SUIP	

For maps of the areas where the Food Scraps Targeted Rate will apply, go to www.aucklandcouncil.govt.nz/ratingmaps

City centre targeted rate

Background

The City Centre targeted rate will be used to help fund the development and revitalisation of the city centre. The rate applies to business and residential land in the City Centre area.

Activities to be funded

The City Centre redevelopment programme aims to enhance the city centre as a place to work, live, visit and do business. It achieves this by providing a high-quality urban environment, promoting the competitive advantages of the city centre as a business location, and promoting the city centre as a place for high-quality education, research and development. The programme intends to reinforce and promote the city centre as a centre for arts and culture, with a unique identity as the heart and soul of Auckland. The rate will fund expenditure within the following activities: Regional planning; Roads and footpaths; Local community services.

The targeted rate will continue until 2030/2031 to cover capital and operating expenditure generated by the projects in the City Centre redevelopment programme. The depreciation and consequential operating costs of capital works are funded from general rates.

How the rate will be assessed

A differentiated targeted rate will be applied to business and residential land, as defined for rating purposes, in the city centre. You can view a map of the city centre area at www.aucklandcouncil.govt.nz/ratingmaps or at any Auckland Council library or service centre.

A rate in the dollar of $0.00123324 (including GST) of rateable capital value will be applied to business land in 2024/2025. This is estimated to produce around $26.3 million (excluding GST) for 2024/2025.

A fixed rate of $73.20 (including GST) per SUIP (see UAGC section prior for the council's definition of a SUIP) will be applied to urban residential, urban moderate-occupancy online accommodation provider, and urban medium-occupancy online accommodation provider land in 2024/2025. This is estimated to produce around $1.4 million (excluding GST) for 2024/2025.

Rodney Local Board Transport Targeted Rate

Background

The council is funding additional transport investment to deliver improved transport outcomes in the Rodney Local Board area. The rate will fund expenditure within the following activities: Roads and footpaths and public transport and travel demand management.

Activities to be funded

The Rodney Local Board Transport Targeted Rate (RLBTTR) will be used to help fund the capital and operating costs of additional transport investment and services.

How the rate will be assessed

The targeted rate will be applied as an amount per SUIP (see UAGC section prior for the council's definition of a SUIP) on all rateable land in the Rodney Local Board area except land categorised as zero-rated as defined for rating purposes. The amount of the targeted rate will be $150 (including GST) per SUIP. This is estimated to produce around $5 million (excluding GST) for 2024/2025.

Franklin Local Board Paths Targeted Rate

Background

The council is funding additional transport and parks investment to deliver improved walking and cycling outcomes in the Franklin Local Board area. The rate will fund expenditure within the following activities: Roads and footpaths and Local community services.

Activities to be funded

The Franklin Local Board Paths Targeted Rate (FLBPTR) will be used to help fund the capital and operating costs of additional investment in active transport modes (walking and cycling), including paths planning and delivery, partnership co-ordination, and programme management.

How the rate will be assessed

The targeted rate will be applied as an amount per SUIP (see UAGC section prior for the council's definition of a SUIP) on all rateable land in the Franklin Local Board area except land categorised as zero-rated as defined for rating purposes. The amount of the targeted rate will be $52 (including GST) per SUIP. This is estimated to produce around $1.68 million (excluding GST) for 2024/2025.

Electricity Network Resilience Targeted Rate

Background

Auckland Council undertakes management of Auckland Council-owned trees under or near Vector’s power lines. Tree maintenance near powerlines improves public safety around power lines, reduces power outages, and improves the resilience of public trees. The council also undertakes tree planting to support the Auckland Urban Ngahere (Forest) Strategy. The rate will fund expenditure within the following activities: Regional community services.

Activities to be funded

The Electricity Network Resilience Targeted Rate will be used to help fund the operating costs of:

- management of Auckland Council-owned trees under or near power lines
- additional tree planting activity to increase canopy cover as provided for in the Auckland Urban Ngahere (Forest) Strategy.
- capital costs of engineering solutions as an alternative to pruning for trees where it is the most appropriate approach to protect the tree and protect the lines network.

How the rate will be assessed

The targeted rate will be applied as a fixed charge of $13,991,350.80 (including GST) for 2024/2025 on Vector's electricity network utility rating unit where tree management service is provided. This is estimated to produce around $12.2 million (excluding GST) for 2024/2025.

Rodney drainage districts targeted rate

Auckland Council is responsible for maintaining the public drainage assets in the drainage districts of Te Arai and Okahukura in northern Rodney. The Rodney drainage districts targeted rate will be used to fund the capital and operating costs of maintaining the drainage assets. A management plan will be developed to establish the levels of service for the drainage district assets. The rate will fund expenditure within the following activities: Stormwater management.

The targeted rate will be applied to all rating units that are located entirely or partially within the drainage districts of Te Arai and Okahukura as defined in the former Rodney County Council drainage district maps. The table below sets out the differentiated rates that apply based on location of the land. This is estimated to produce around $69,500 (excluding GST) for 2024/2025.

Drainage district	Rate for each square metre of Class A land for 2024/2025 (including GST) ($)	Rate for each square metre of Class B land for 2024/2025 (including GST) ($)	Rate for each square metre of Class C land for 2024/2025 (including GST) ($)
Te Arai	0.00212443	0.00106222	0.00021244
Okahukura	0.00299673	0.00149836	0.00029967

For maps that show where Class A, B and C land is located, go to www.aucklandcouncil.govt.nz/ratingmaps.

Business Improvement District targeted rates

Background

Business Improvement Districts (BID) are areas within Auckland where local businesses have agreed to work together, with support from the council, to improve their business environment and attract new businesses and customers. The funding for these initiatives comes from BID targeted rates, which the businesses within a set boundary have voted and agreed to pay to fund BID projects and activities.

Activities to be funded

The main objectives of the BID programmes are to enhance the physical environment, promote business attraction, retention and development, and increase employment and local business investment in BID areas. The programmes may also involve activities intended to identify and reinforce the unique identity of a place and to promote that identity as part of its development. The rate will fund expenditure within the following activities: Local planning and development.

How the rates will be assessed

The BID targeted rates will be applied to business land, as defined for rating purposes, that is located in defined areas in commercial centres outlined in the following table. For maps of the areas where the BID rates will apply, go to www.aucklandcouncil.govt.nz/ratingmaps.

The BID targeted rates will be assessed using a fixed rate and value-based rate on the capital value of the property. Each BID area may recommend to council that part of its budget be funded from a fixed rate of up to $575 (including GST) per rating unit. The remaining budget requirement will be funded from a value-based rate for each area and be applied as a rate in the dollar. There will be different rates for each BID programme.

The table below sets out the budgets and the rates for each BID area that the council will apply in 2024/2025. This is estimated to produce around $23.2 million (excluding GST) in targeted rates revenue for 2024/2025.

Business Improvement Districts fixed rates per rating unit and rates in the dollar of capital value

BID area	Amount of BID grant 2024/2025 (excluding GST) ($)	Amount of BID targeted rate revenue 2024/2025 (excluding GST) ($)	Amount to be funded by fixed charge for 2024/2025 (excluding GST) ($)	Fixed rate per rating unit for 2024/2025 (including GST) ($)	Amount to be funded by property value rate based on the capital value of the rating unit for 2024/2025 (excluding GST) ($)	Rate in the dollar for 2024/2025 to be multiplied by the capital value of the rating unit (including GST) ($)
Avondale	154,000	153,954	0	0.00	153,954	0.00098131
Birkenhead	229,027	230,060	0	0.00	230,060	0.00087383
Blockhouse Bay	79,860	79,860	0	0.00	79,860	0.00165399
Browns Bay	165,000	166,684	0	0.00	166,684	0.00045382
Central Park Henderson	466,560	468,184	222,825	250.00	245,359	0.00009286
Devonport	142,223	142,150	16,956	250.00	125,194	0.00067107
Dominion Road	267,750	267,846	0	0.00	267,846	0.00048463
Ellerslie	192,000	186,519	0	0.00	186,519	0.00174264
Glen Eden	103,550	103,225	0	0.00	103,225	0.00077756

Glen Innes	175,100	175,099	0	0.00	175,099	0.00082886
Greater East Tāmaki	600,372	599,334	339,140	195.00	260,194	0.00002895
Heart of the City	5,021,745	4,945,624	0	0.00	4,945,624	0.00034079
Howick	201,546	202,444	0	0.00	202,444	0.00089780
Hunters Corner	132,920	132,655	0	0.00	132,655	0.00051912
Karangahape Road	539,359	530,844	0	0.00	530,844	0.00046380
Kingsland	245,068	243,525	0	0.00	243,525	0.00035847
Mairangi Bay	86,900	86,900	5,000	250.00	81,900	0.00137382
Māngere Bridge	34,729	34,729	0	0.00	34,729	0.00111295
Māngere East Village	6,100	6,100	0	0.00	6,100	0.00017331
Māngere Town	345,570	342,648	0	0.00	342,648	0.00326792
Manukau Central	595,165	583,837	0	0.00	583,837	0.00025529
Manurewa	363,825	357,255	0	0.00	357,255	0.00084459
Milford	175,450	170,803	0	0.00	170,803	0.00063857
Mt Eden Village	99,035	98,592	0	0.00	98,592	0.00056428
New Lynn	231,983	231,577	0	0.00	231,577	0.00058718
Newmarket	2,006,809	2,003,326	0	0.00	2,003,326	0.00057153
North Harbour	822,084	823,087	344,466	150.00	478,621	0.00008783
North West District	189,000	189,350	101,739	250.00	87,611	0.00013326
Northcote	125,000	125,000	0	0.00	125,000	0.00212788
One Mahurangi	148,500	143,000	143,000	575.00	0	0.00000000
Onehunga	1,000,000	1,000,540	0	0.00	1,000,540	0.00063382
Orewa	311,029	311,842	0	0.00	311,842	0.00087812
Ōtāhuhu	749,232	754,678	0	0.00	754,678	0.00062488
Ōtara	99,456	100,640	0	0.00	100,640	0.00128062
Panmure	485,057	494,518	0	0.00	494,518	0.00125285
Papakura	302,500	296,790	0	0.00	296,790	0.00062817
Papatoetoe	100,692	100,440	0	0.00	100,440	0.00077471
Parnell	1,104,395	1,116,237	0	0.00	1,116,237	0.00057223
Ponsonby	835,439	816,198	0	0.00	816,198	0.00081142
Pukekohe	520,000	516,991	0	0.00	516,991	0.00042182
Remuera	257,335	257,180	0	0.00	257,180	0.00113691
Rosebank	495,000	494,579	0	0.00	494,579	0.00026272
Silverdale	525,500	525,500	228,176	400.00	297,324	0.00019641
South Harbour	87,425	87,834	0	0.00	87,834	0.00030254
St Heliers	158,771	157,088	0	0.00	157,088	0.00109454

Takapuna	533,291	524,282	0	0.00	524,282	0.00038103
Te Atatu	120,000	120,000	0	0.00	120,000	0.00116569
Torbay	20,633	20,633	0	0.00	20,633	0.00093369
Uptown	787,500	790,501	0	0.00	790,501	0.00034901
Waiuku	148,400	147,793	0	0.00	147,793	0.00086862
Wiri	755,425	750,285	0	0.00	750,285	0.00011593
Total	23,343,309	23,208,759	1,401,302		21,807,458	

Note to the table: Targeted rate amounts include surpluses and deficits (if any) carried over from 2022/2023 so may differ from grant amounts.

Business Improvement Districts fixed rate per rating unit and rates in the dollar based on land value

Rates for Watercare land and defence land will be assessed on land value as required under section 22 of the Local Government (Rating) Act 2002 and Section 73 of the Local Government (Auckland Council) Act 2009. These properties will pay a share of the Business Improvement District value based rates requirement determined on their share of the BID areas land value rather than a share of the BID areas capital value as applies for other properties.

Māngere-Ōtāhuhu and Ōtara-Papatoetoe swimming pool targeted rates

Background

Auckland Council has a region-wide swimming pool pricing policy, whereby children 16 years and under have free access to swimming pool facilities and all adults are charged. These targeted rates fund free access to swimming pools for adults 17 years and over in the Māngere-Ōtāhuhu Local Board and Ōtara-Papatoetoe Local Board areas.

Activities to be funded

To fund the cost of free adult entry to swimming pool facilities in the Māngere-Ōtāhuhu Local Board and Ōtara-Papatoetoe Local Board areas. The rate will fund expenditure within the following activity: Local parks sport and recreation – asset based services.

How the rate will be assessed

These local activity targeted rates apply to all urban residential, rural residential, urban moderate-occupancy online accommodation provider, urban medium-occupancy online accommodation provider, rural moderate-occupancy online accommodation provider and rural medium-occupancy online accommodation provider land, as defined for rating purposes that are located in the Māngere-Ōtāhuhu Local Board and Ōtara-Papatoetoe Local Board areas.

The local activity targeted rate will be assessed using a fixed rate applied to each SUIP (see UAGC section prior for the council's definition of a SUIP). There will be a different fixed rate for each local board area.

The following table sets out the local activity targeted rates that apply in 2024/2025 for the Māngere-Ōtāhuhu Local Board and Ōtara-Papatoetoe Local Board areas. This is estimated to produce around $1.5 million (excluding GST) for 2024/2025.

Local board area	Local activity targeted rates	
	Fixed rate for each separately used or inhabited part of a rating unit for 2024/2025 (including GST) ($)	Revenue from the targeted rate (excluding GST) ($)
Māngere-Ōtāhuhu	38.97	725,299
Ōtara-Papatoetoe	36.97	785,291

Swimming/spa pool fencing compliance targeted rate

Background

All residential swimming pools and spa pools must be inspected once every three years to ensure compliance with the Building Act 2004. Pools failing the first inspection require subsequent inspections until all defects have been remedied. Inspection can be carried out by either the council or an independently qualified pool inspector (IQPI).

Activities to be funded

To fund the costs of providing pool fence and barrier inspections and associated administrative costs. The rate will fund expenditure within the following activity: Regulatory services.

How the rate will be assessed

The pool fencing compliance targeted rate will apply to all rateable land on council's register of pool fence and barrier inspections. The rate will be assessed as a fixed rate per rating unit. The table below sets out the differentiated rates that apply based on whether the council is required to carry out a three-yearly inspection. Additional fees will be invoiced separately where subsequent inspections are required.

Inspection service provided	Fixed rate per rating unit for 2024/2025 (including GST) ($)
Council inspection required	66.67
No council inspection required – successful inspection carried out by Independently Qualified Pool Inspector	33.34

This is estimated to produce around $1.6 million (excluding GST) for 2024/2025.

Riverhaven Drive targeted rate

The council has constructed Riverhaven Drive for the benefit of the rating units in the immediate area. The construction of the road and the payment of the rate have been agreed with the association representing the owners of the rating units. The Riverhaven Drive targeted rate is used to repay the council for the cost of the road, including interest costs. The rate will fund expenditure within the following activities: Local planning and development – locally driven initiatives, Roads and footpaths.

The targeted rate applies to the land which benefits from the construction of a road that provides access to the rating unit. The council will charge interest on the financial assistance provided. The ratepayer will repay the financial assistance and interest. The council will calculate the level of the targeted rate each year to fund the interest and principal repayment required for that year. The targeted rate will apply for 25 years (2006/2007 to 2030/2031). The outstanding balance will reduce each year as the principal is repaid.

The council will apply a uniform rate of $10,045.09 (including GST) per rating unit for 2024/2025. This is estimated to produce around $43,700 (excluding GST) for 2024/2025.

Waitākere rural sewerage targeted rate

The Waitākere rural sewerage targeted rate is set as a uniform charge on all rating units in the non-reticulated wastewater area of the Waitākere Ranges Local Board that have private on-site wastewater systems which are scheduled to be pumped out by the council within a three-yearly cycle. The uniform charge is assessed in respect of each on site waste management system utilised in conjunction with the particular rating unit. The rate will fund expenditure within the following activities: Stormwater management.

The council will set the Waitākere rural sewerage targeted rate to fully recover the costs of providing this service.

To align with the rules set by the Auckland Unitary Plan chapter E5, the property owner remains responsible for repairs and routine servicing of their onsite wastewater system.

For 2024/2025 the targeted rate will be a uniform charge of $336.80 (including GST) for each on-site waste management system utilised in conjunction with the rating unit. This is estimated to produce around $980,000 (excluding GST) for 2024/2025.

Retro-fit your home targeted rate

The Retro-fit Your Home targeted rate is set on land that has received financial assistance from Auckland Council for energy efficiency assessment, and the installation of clean heat, insulation, water conservation, mechanical extraction and fireplace decommissioning in respect of the land. The rate will fund expenditure within the following activities: Regulatory services.

The ratepayer will repay the financial assistance and interest. The council will calculate the level of the targeted rate each year to fund the interest and principal repayment required for that year. The targeted rate will apply for nine years. The outstanding balance will reduce each year as the principal is repaid.

The targeted rate will apply as a rate in the dollar, which is multiplied against the ratepayer's outstanding balance as at 30 June each year. The rate in the dollar is set at different levels for each year that the ratepayer has been repaying the financial assistance.

The following table sets out the Retro-fit Your Home targeted rate that the council will apply in 2024/2025. This is estimated to produce around $2.4 million (excluding GST) for 2024/2025.

Retro-fit your home targeted rate

Year of repayment	Rate in the dollar for 2024/2025 to be multiplied by the ratepayers outstanding balance as at 30 June 2024 (including GST) ($)
3	0.17244600
4	0.19605000
5	0.22919600
6	0.27903800
7	0.36228200
8	0.52902600
9	1.02976000

Kumeū Huapai Riverhead wastewater targeted rate

The Kumeū Huapai Riverhead wastewater targeted rate is set on land that has received financial assistance from Auckland Council for the purchase and installation of equipment for pumping waste from the property to Watercare's pressurised wastewater scheme. The rate will fund expenditure within the following activity: Organisational support.

The council will charge interest on the financial assistance provided. The ratepayer will repay the financial assistance and interest. The council will calculate the level of the targeted rate each year to fund the interest and principal repayment required for that year. The targeted rate will apply for 15 years from the time the targeted rate is first applied to the rating unit. The outstanding balance will reduce each year as the principal is repaid.

The targeted rate will apply as a rate in the dollar, which is multiplied against the ratepayer's outstanding balance as at 30 June each year. The rate in the dollar is set at different levels for each year that the ratepayer has been repaying the financial assistance.

The following table sets out the Kumeū Huapai Riverhead wastewater targeted rate that council will apply in 2024/2025. This is estimated to produce $4,669 (excluding GST) for 2024/2025.

Kumeū Huapai Riverhead wastewater targeted rate

Year of repayment	Rate in the dollar for 2024/2025 to be multiplied by the ratepayers outstanding balance as at 30 June 2024 (including GST) ($)
10	0.22484570
12	0.32030030

On-site wastewater systems (septic tank) upgrades targeted rate

The On-site wastewater systems (septic tank) upgrades targeted rate is set on land that has received financial assistance from Auckland Council for the replacement or upgrade of failing on-site wastewater systems (septic tanks) in the west coast lagoons (Piha, Te Henga and Karekare) and Little Oneroa

(Waiheke Island) catchments. The rate will fund expenditure within the following activities: Regulatory services.

The council will charge interest on the financial assistance provided. The ratepayer will repay the financial assistance and interest. The council will calculate the level of the targeted rate each year to fund the interest and principal repayment required for that year. The targeted rate will apply for 15 years from the time the targeted rate is first applied to the rating unit. The outstanding balance will reduce each year as the principal is repaid.

The targeted rate will apply as a rate in the dollar, which is multiplied against the ratepayer's outstanding balance as at 30 June each year. The rate in the dollar is set at different levels for each year that the ratepayer has been repaying the financial assistance.

The following table sets out the On-site wastewater systems (septic tank) upgrades targeted rate that the council will apply in 2024/2025. This is estimated to produce $1,685 (excluding GST) for 2024/2025.

On-site wastewater systems (septic tank) upgrades targeted rate

Year of repayment	Rate in the dollar for 2024/2025 to be multiplied by the ratepayers outstanding balance as at 30 June 2024 (including GST) ($)
7	0.16262993

Rates payable by instalment

All rates will be payable by four equal instalments due on:

- Instalment 1: 30 August 2024
- Instalment 2: 29 November 2024
- Instalment 3: 28 February 2025
- Instalment 4: 30 May 2025.

It is council policy that any payments received will be applied to the oldest outstanding rates before being applied to the current rates.

Penalties on rates not paid by the due date

The council will apply a penalty of 10 per cent of the amount of rates assessed under each instalment in the 2024/2025 financial year that are unpaid after the due date of each instalment. Any penalty will be applied to unpaid rates on the day following the due date of the instalment.

A further 10 per cent penalty calculated on former years' rate arrears to be added on 8 July 2024 and then again six months later.

Early payment discount policy

Objectives

The council encourages ratepayers to pay their rates in full by the date that their first instalment is due by providing a discount.

Conditions and criteria

Ratepayers will qualify for the discount if their rates are paid in full, together with any outstanding prior years' rates and penalties, by 5.00pm on the day their first rates instalment for the new financial year is due.

Delegation of decision-making

Decisions about applying the discount will be made by staff in accordance with the chief executive's delegation register.

Review process

The council will set the rate of discount that ratepayers are eligible for on an annual basis. The discount will be set to return to those ratepayers making an early payment the interest cost saving to the council. The interest cost saving will be set based on the council's short-term cost of borrowing for the financial year in which the discount will apply. In making this forecast the council will take into account current market interest rate forecasts provided by financial institutions. The reviewed discount rate will be adopted by a council resolution at the same time as other rates-related decisions are made as part of its annual plan or 10-year Budget decision making process.

If the council wants to make any significant change to the discount policy, it must consult with the public.

Discount in 2024/2025

The discount is 2.12 per cent for 2024/2025.

Sample properties

The following section is intended to provide examples of the individual rates for 2024/2025. The following targeted rates are not shown:

- Business improvement district targeted rates
- Riverhaven Drive targeted rate
- On-site wastewater systems (septic tank) upgrades targeted rate
- Electricity network resilience targeted rate.

For more information on these and other rates please see the relevant section of the Rating mechanism.

5.4 General rates, Water Quality Targeted Rate, Natural Environment Targeted Rate and Climate Action Transport Targeted Rate

The table below shows indicative rates (rounded to the nearest dollar) (general rate, Water Quality Targeted Rate, Natural Environment Targeted Rate and the Climate Action Transport Targeted Rate) for fully rateable rating units with one SUIP at different values for each of the main differential categories. An extra UAGC charge should be added for each extra SUIP the rating unit has.

Differential category	Capital value ($)	UAGC (including GST) ($)	General rate (including GST) ($)	Water quality targeted rate (including GST) ($)	Natural environment targeted rate (including GST) ($)	Climate action transport targeted rate (including GST) ($)	Total rates (including GST) ($)
Urban - business	500,000	571	2,560	8	35	54	3,228
	1,500,000	571	7,680	23	105	162	8,542
	3,000,000	571	15,360	47	210	325	16,513
	10,000,000	571	51,201	157	700	1,083	53,712
Urban - residential	750,000	571	1,459	5	23	36	2,094
	1,000,000	571	1,945	7	31	48	2,602
	1,500,000	571	2,918	10	46	72	3,618
	2,000,000	571	3,890	14	62	96	4,633
	3,000,000	571	5,836	21	92	145	6,664
Rural - business	500,000	571	2,304	8	35	49	2,967
	1,500,000	571	6,912	23	105	146	7,758
	3,000,000	571	13,824	47	210	292	14,945
	10,000,000	571	46,081	157	700	974	48,483
Rural - residential	750,000	571	1,313	5	23	33	1,945
	1,000,000	571	1,751	7	31	43	2,403
	1,500,000	571	2,626	10	46	65	3,319
	2,000,000	571	3,501	14	62	87	4,235
	3,000,000	571	5,252	21	92	130	6,066
Farm/lifestyle	1,000,000	571	1,556	7	31	39	2,203
	1,500,000	571	2,334	10	46	58	3,020
	2,000,000	571	3,112	14	62	77	3,836
	3,000,000	571	4,669	21	92	116	5,468
	10,000,000	571	15,562	69	308	386	16,895
Urban moderate-occupancy online accommodation provider	500,000	571	1,766	3	15	44	2,400
	750,000	571	2,650	5	23	66	3,314
	1,000,000	571	3,533	7	31	88	4,229
	1,500,000	571	5,299	10	46	131	6,058

Rural moderate-occupancy online accommodation provider	500,000	571	1,590	3	15	39	2,219
	750,000	571	2,385	5	23	59	3,043
	1,000,000	571	3,179	7	31	79	3,867
	1,500,000	571	4,769	10	46	118	5,515
Urban medium-occupancy online accommodation provider	500,000	571	1,369	3	15	34	1,993
	750,000	571	2,054	5	23	51	2,704
	1,000,000	571	2,739	7	31	68	3,416
	1,500,000	571	4,108	10	46	102	4,838
Rural medium-occupancy online accommodation provider	500,000	571	1,233	3	15	31	1,853
	750,000	571	1,849	5	23	46	2,494
	1,000,000	571	2,465	7	31	61	3,135
	1,500,000	571	3,698	10	46	92	4,417

The following tables contain indicative values (rounded to the nearest dollar) for the most common targeted rates. If a rating unit is liable for one of these, then the value shown should be added to the general rates, Water Quality Targeted Rate, Natural Environment Targeted Rate and Climate Action Transport Targeted Rate figure from the table above to determine the total rates liability.

Waste management targeted rate

Most rating units are liable for waste management targeted rates. These vary depending on the former council area that the property is located in.

Former council area	Service	Total amount of charges (including GST) ($)				
	Number of waste management charges	1	2	3	5	10
All areas	Standard recycling	108	216	324	541	1,082
Auckland City and Manukau City	Standard refuse	180	359	539	898	1,797
	Large refuse	298	596	895	1,491	2,982
	Small refuse	149	299	448	747	1,493
All areas	Minimum base charge	58	117	175	292	584
All areas	Additional recycling	108	216	324	541	1,082
Waitakere City and North Shore City	Standard refuse	105	210	314	524	1,048
	Small refuse	87	174	261	436	871
	Large refuse	174	348	522	870	1,740
Papakura District	Standard refuse	30	60	90	150	300
	Small refuse	25	50	75	124	249
	Large refuse	50	99	149	249	497
All areas	Food scraps	77	154	231	385	769
All areas	Large recycling	162	324	487	811	1,622

	Extra large recycling	270	541	811	1,352	2,704

City centre targeted rate

All rating units in the City Centre are liable for the City Centre targeted rate.

Business rating units located in the city centre area	
Capital value	Rate (including GST) ($)
500,000	617
1,500,000	1,850
3,000,000	3,700
10,000,000	12,332
Residential rating units located in the city centre area	
Number of separately used or inhabited parts	Rate (including GST) ($)
1	73
2	146
3	220
5	366
10	732

Rodney Local Board Transport Targeted Rate

Rating units in the Rodney local board area are liable for the Rodney Local Board Transport Targeted Rate.

	Total targeted rate amount (including GST) ($)				
Number of separately used or inhabited parts	1	2	3	5	10
Rate amount	150	300	450	750	1,500

Rodney drainage districts targeted rate

Rating units with Class A or Class B land located in the drainage districts of Te Arai and Okahukura are liable for the Rodney drainage districts targeted rate.

Drainage district	Size of land (HA)	1	2	3	5	10	50
Te Arai	Rate for Class A land	21	42	64	106	212	1,062
	Rate for Class B land	11	21	32	53	106	531
	Rate for Class C land	2	4	6	11	21	106

Okahukura	Rate for Class A land	30	60	90	150	300	1,498
	Rate for Class B land	15	30	45	75	150	749
	Rate for Class C land	3	6	9	15	30	150

Franklin Local Board Paths Targeted Rate

Rating units in the Franklin local board area are liable for the Franklin Local Board Paths Targeted Rate.

	Total targeted rate amount (including GST) ($)				
Number of separately used or inhabited parts	1	2	3	5	10
Rate amount	52	104	156	260	520

Māngere-Ōtāhuhu and Ōtara-Papatoetoe swimming pool targeted rates

Residential rating units in Māngere-Ōtāhuhu and Ōtara-Papatoetoe local board areas are liable for Swimming Pool targeted rates.

Residential rating units located in	Total targeted rate amount (including GST) ($)				
Number of separately used or inhabited parts	1	2	3	5	10
Māngere-Ōtāhuhu	39	78	117	195	390
Ōtara-Papatoetoe	37	74	111	185	370

Waitākere rural sewerage targeted rate

Some residential rating units not connected to the wastewater system in the Waitākere Ranges Local Board area are liable for the Waitākere Rural Sewerage targeted rate.

Residential rating units located in	Total targeted rate amount (including GST) ($)				
Number of septic tanks pumped out once every 3 years	1	2	3	5	10
Waitākere Ranges Local Board area that have septic tanks pumped out by council	337	674	1,010	1,684	3,368

Swimming/spa pool fencing compliance targeted rate

Rating units on council's register of pool fence and barrier inspections are liable for the Swimming/spa pool fencing compliance targeted rate.

Inspection service provided	Total targeted rate amount (including GST) ($) for the rating unit
Council inspection required	66.67

No council inspection required – successful inspection carried out by Independently Qualified Pool Inspector	33.34

Retro-fit your home targeted rate

Ratepayers who have taken advantage of the Retro-fit Your Home scheme repay the financial assistance provided via a targeted rate.

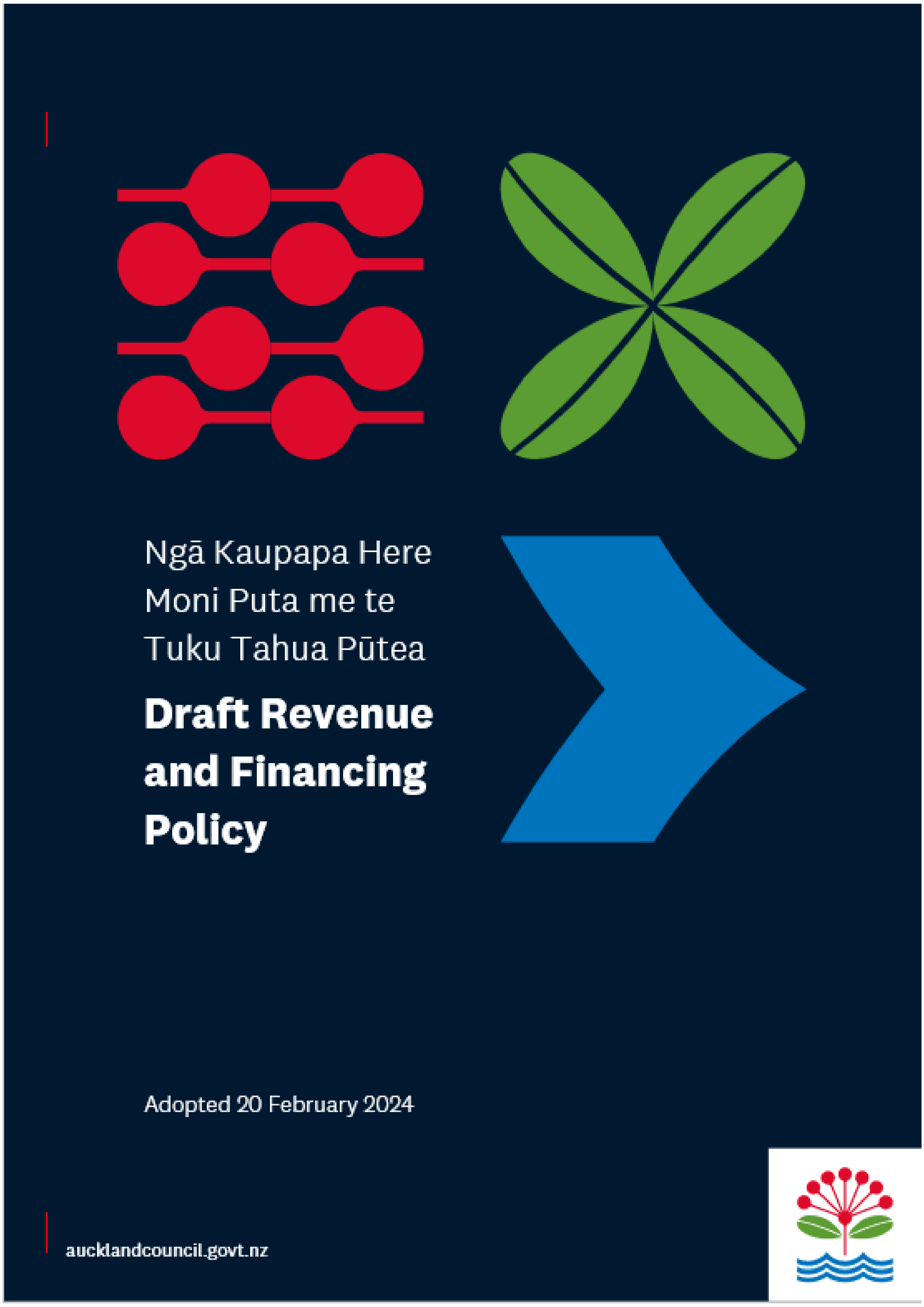
Category	Outstanding balance as at 30 June 2024 ($)			
	1,500	2,000	2,500	3,500
Rate for 2nd year of repayment (including GST) ($)	232	310	387	542
Rate for 3rd year of repayment (including GST) ($)	259	345	431	604
Rate for 4th year of repayment (including GST) ($)	294	392	490	686
Rate for 5th year of repayment (including GST) ($)	344	458	573	802
Rate for 6th year of repayment (including GST) ($)	419	558	698	977
Rate for 7th year of repayment (including GST) ($)	543	725	906	1,268
Rate for 8th year of repayment (including GST) ($)	794	1,058	1,323	1,852
Rate for 9th year of repayment (including GST) ($)	1,545	2,060	2,574	3,604

Kumeū Huapai Riverhead wastewater targeted rate

Ratepayers who have taken advantage of the Kumeū Huapai Riverhead wastewater scheme repay the financial assistance provided via a targeted rate.

Category	Outstanding balance as at 30 June 2024 ($)			
	`5,000	7,000	9,000	11,000
Rate for 10th year of repayment (including GST) ($)	1,124	1,574	2,024	2,473
Rate for 12th year of repayment (including GST) ($)	1,602	2,242	2,883	3,523

Attachment A: Draft Revenue and Financing Policy


Ngā Kaupapa Here Moni Puta me te Tuku Tahua Pūtea

Draft Revenue and Financing Policy

Adopted 20 February 2024

aucklandcouncil.govt.nz

Proposed amendments to the Revenue and Financing Policy are highlighted in the blue call out boxes.

Policy purpose and overview

The purpose of the Revenue and Financing Policy is to provide predictability and certainty about sources and levels of funding available to the council. It explains the rationale for, and the process of selecting various tools to fund the operating and capital expenditures of the council.

Policy background

Funding principles

To assist with the identification of the appropriate funding methods, the council has used a set of guiding principles that incorporate the matters set out in Section 101 of the Local Government Act 2002. These are set out in table 3.1.1 below.

Table 3.1.1

Principle	Rationale for its application
Paying for benefits received or costs imposed	Under this principle, the council considers benefit distribution and cost causation and the period in or over which benefits and costs are expected to occur. The allocation of costs to those who benefit from a council service or those who impose costs to the council (whether the community as a whole, any identifiable part of community, or individuals) is considered economically efficient and equitable and the extent to which the actions or inaction of individuals or a group contribute to the need to do the activity. Section 101(3)(a)(ii), Section 101(3)(a)(iv), Section 101(3)(a)(iii)
Transparency, accountability and costs and benefits of funding activities separately	This principle is applied when considering the costs and benefits of separate funding. Transparency of funding enables the users of services to assess whether they get value for money. Accountability makes the council more efficient in providing these services. From the perspective of the service users, transparency and accountability also enables them to make more informed decisions in using council services. Section 101(3)(a)(v)
Market neutrality	This principle is relevant when the council is competing with the private sector in producing or delivering services. The council can be placed in an advantageous position vis a vis the private sector because of its ability to fund such services from rates, either fully or partially. This can lead to market distortions and economic inefficiencies. It can also discourage private enterprise. To avoid this, in tandem with other principles such as affordability, the council will apply commercial best practice when providing such services. Section 101(3)(b)
Financial prudence and sustainability	This principle is relevant in determining appropriate funding mixes. It is recognised that additional revenue may be required to support debt repayment and manage treasury ratios. Section 101(2)
Optimal capital usage	This principle relates to the effectiveness of funding tools in achieving efficiencies. The council's limited financial resources should be used in such a way to maximise the benefits provided to the community, while minimising the burden on ratepayers. Among other things, this principle influences the council's decisions on the best mix of funding (between rates income, other revenue sources, borrowings and asset sales) to pay for its assets and activities. Section 101(3)(b)

Principle	Rationale for its application
Strategic alignment	The Auckland Plan sets out a vision for the city over the next 30 years. The Revenue and Financing Policy should have regard to its impact on the broader strategies and priorities as set out in the council's vision and the Auckland Plan. The infrastructure strategy outlines how the council intends to manage its infrastructure assets. The Revenue and Financing Policy will show how investment in infrastructure is funded. Section 101(3)(b)
Overall social, economic, environmental and cultural impacts	Decisions on how the council's revenue requirements will be met (by ratepayers and other groups) should take into account the impact of such decisions on the current and future social, economic, environmental and cultural well-being of the community and the community outcomes to which the activity relates. Section 101(3)(b)
Community outcomes in the Auckland Plan	Decisions on how the councils revenue requirements will be met (by ratepayers and other groups) should take into account the impact of such decisions on the community outcomes in the Auckland Plan. Section 101(3)(a)(i)
Affordability	The council needs to consider the impact of funding methods on people's ability to pay as this can have implications for community well-being. Section 101(3)(b)
Minimise the effects of change	Decisions that change funding methods may lead to major changes in the incidence or rates and user charges for services. Funding and financial policies should seek to minimise or manage the impact of these changes. Section 101(3)(b)
Efficiency and effectiveness	The council's financial policies should have regard to the costs of carrying them out, and how effective they will be in achieving their objectives. Section 101(3)(a)(v)
Practicality of policy	The council's funding policies must be achievable and unconstrained by practical issues that will prevent compliance. Section 101(3)(a)(v)
Legal compliance	The LGA 2002 and related legislation include a number of legal requirements for the development of the Revenue and Financing Policy. All aspects of the policy will comply with legislation.

There are some inherent conflicts between these guiding principles. In practice, establishing the council's specific revenue and financing policies involves balancing competing guiding principles. For example, the principle of paying for benefits received may call for a high degree of user pays for an activity, but this must be balanced against the principle of affordability. In practice, when the council applies these principles to assess how to fund the separate activities, the council then considers the overall impact of any allocation of liability on the community.

Other guiding principles

In addition to the matters set out above, Section 102(3A) of the Local Government Act 2002 requires that our Revenue and Financing Policy support the principles set out in the Preamble to Te Ture Whenua Māori Act 1993. The principles are set out below:

- reaffirmation of the special relationship between the Māori people and the Crown established in the Treaty of Waitangi
- recognition that land is a taonga tuku iho of special significance to Māori people
- promotion of the retention of that land in the hands of its owners, their whānau, and their hapū, and to protect wāhi tapu
- facilitation of the occupation, development, and utilisation of that land for the benefit of its owners, their whānau, and their hapū.

The council will take these principles into account when considering funding decisions that specifically impact Māori landowners.

Policy details

Expenditure to be funded

Legislation requires the council to make adequate and effective provision in its long-term plan to meet the expenditure needs identified in that plan. Generally, this will mean that all expenditure is funded.

Funding depreciation

Depreciation is a non-cash charge that reflects the reduction in the usability of our assets over time. Because this is a non-cash expense, any revenue raised to cover depreciation (referred to as "funding depreciation") generates a cash surplus which is used to fund capital expenditure.

Fully funding depreciation from rates and current revenue would mean that on average, over the long run, we are not relying on borrowing to fund asset replacement expenditure. This represents a sustainable approach.

In some cases, it is not financially prudent to fund depreciation. In determining the level of non-funded depreciation, the council will have regard to:

- whether at the end of its useful life, the replacement of an asset will be funded by way of a grant or subsidy from a third party
- whether the council has elected not to replace an asset at the end of its useful life
- whether a third party has a contractual obligation to maintain the service potential of an asset throughout all or part of its useful life or to replace the asset at the end of its useful life
- whether fully funding depreciation in the short-term will result in an unreasonable burden on ratepayers, presenting conflict between funding principles, for example between affordability and financial prudence and sustainability. In such circumstances, the council will remain prudent and ensure it promotes both the current and future interests of the community by forecasting to reach a position over time where it fully funds depreciation (apart from the exceptions above).

On creation of the Auckland Council the legacy councils only funded, on average, 63 per cent of the qualifying depreciation (that which does not come under a-c above). The council adopted a policy of moving towards funding 100 per cent of qualifying depreciation by 2025. Given the impacts of COVID-19 on our operating revenues maintaining this target would present an unreasonable burden on ratepayers so we have extended this target by three years to 2028.

Table 3.1.2 below sets the targeted minimum levels of depreciation funding for this long-term plan.

Table 3.1.2 Targeted minimum proportion of depreciation expenditure to be funded

Year	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Funded	85%	90%	95%	100%	100%	100%	100%	100%	100%	100%
Not funded	15%	10%	5%	0%	0%	0%	0%	0%	0%	0%

The council considers that this policy on funding depreciation and the consequential impacts on council's operating budgets and debt levels is financially prudent, reasonable and appropriate having had regard to our funding principles, the factors in section 100(2) of the Local Government Act 2002 and all other relevant matters.

Sources of funding

The sources of funding applied under this policy are limited to those set out under section 103 (2) of the LGA 2002.

Sources of funding: Operating expenditure

The council has determined the funding sources for operating expenditure after considering the funding principles set in Table 3.1.3.

Table 3.1.3 Funding sources for operating expenditure

Funding source	Rationale
Fees and charges	Fees and charges can be applied where the users of a service can be identified and charged according to their use of the service (and those that do not pay are denied access to the service). This is based on the paying for benefits received principle. Fees are also appropriate where an individual's action or inaction creates the need for an activity (cost causation). For example, the cost of obtaining a building consent is met by the building owner.
Grants and subsidies	Grants and subsidies are generally only appropriate for funding the operating costs of the particular activity that the grant or subsidy is intended to pay for. For example, NZTA (government) transport subsidies can only be used to fund transport projects.
Development or financial contributions	Development contributions or financial contributions can only be used to fund capital expenditures related to growth. Development contributions also include financing costs incurred due to timing differences between growth-related capital expenditure being incurred and the related development contribution being received.
Targeted rates	Appropriate to fund operating expenditure (including projects to support growth) where one or more of the following apply: • that benefit a specific group of ratepayers • to incentivise land owners to develop land in response to a commitment to the provision of infrastructure • to provide certainty of the council recovering its costs • where greater transparency in funding the cost of the activity is desirable

Funding source	Rationale
	• where an individual or a group of ratepayers voluntarily chooses to adopt the rate, such as for business improvement districts or the Retrofit Your Home scheme • where the rate is for a specific service, or bundle of services, such as for waste collection.
General rates	General rates are appropriate for funding activities where it is not practicable or cost-effective to identify the individual or group of beneficiaries (or causers of costs) of the service and charge them for the benefits received or costs imposed (e.g. regional parks and open spaces). It is also appropriate for general rates to partially fund activities where the provision of a private good also generates wider social benefits or where the application of fees and charges either causes affordability issues or compromises the wider objectives of the activity. This is consistent with the guiding principle of affordability.
CCO profits, and net rental and interest from investments	CCO profits and net returns from investments will be used to offset the general rates funding requirement of other council activities, reducing the burden on all ratepayers.
Borrowing	Borrowing will not generally be used to fund operating expenses. The council may choose to borrow for an operating expense where it is providing a grant to an external community organisation that is building an asset such as a community facility or in other cases where operating expenditure provides enduring economic benefits. Borrowing may also be used to fund the interest expense accrued on borrowing during the period of construction of an asset; and to fund the cost of discovered liabilities such as the council's share of weathertightness claims. In these cases borrowing and repaying the debt over time promotes intergenerational equity by spreading the responsibility for funding across the generations who will benefit.
Trusts, bequests and other reserve funds	Certain operating expenditure may be funded from restricted or special funds that are subject to special conditions of use, whether under statute or accepted as binding by the council. Transfers from reserves may only be made when the specified conditions for use of the funds are met.
Other funding sources	The use of any other funding sources should be assessed with regard to the guiding principles. Any miscellaneous revenue not linked to a specific activity should be used to fund activities that would otherwise be funded through the general rate.
Surpluses from previous financial years	A surplus may be available to be carried forward if the actual surplus/(deficit) is improved compared to the forecast surplus/(deficit). Generally, only those factors that are cash in nature will be available for use in determining the level of surplus to be carried forward. The amount of any surplus carried forward will be accounted for as an operating deficit in the year the benefit is passed to ratepayers.
Regional Fuel Tax	A Regional Fuel Tax may be used to fund the operating expenditure associated with the approved list of transport capital projects as set out in the Regional Fuel Tax scheme.

Note: Auckland Council does not intend to use lump sum contributions or proceeds from asset sales to fund operating expenditure.

The funding mix for activities shown in Table 3.1.6 below reflects the application of the above principles and rationale to the operating expenditure of individual activities.

Sources of funding: Capital expenditure

The council has determined the funding sources for capital expenditure after considering the funding principles set out in Table 3.1.4.

Table 3.1.4 Funding sources for capital expenditure

Funding source	Rationale
General rate	Appropriate funding source where it is not practicable or cost-effective to identify the individual or group of beneficiaries (or causers of costs) of the capital expenditure.
Targeted rates	Appropriate to fund capital expenditure projects (including projects to support growth) where one or more of the following apply: • that benefit a specific group of ratepayers • to incentivise land owners to develop land in response to a commitment to the provision of infrastructure • to provide certainty of the council recovering its costs • where greater transparency in funding the cost of the activity is desirable.
Fees and charges	Appropriate funding source where users of a service can be identified and charged according to their service. Examples include water charges and Infrastructure Growth Charges from Watercare Services Limited.
Interest and dividends from investments	Interest and dividends from investments may be used where appropriate and consistent with the council's funding principles to fund capital expenditure projects and to reduce the reliance on ratepayer funding.
Borrowing	Borrowing is used to spread the funding requirement for capital expenditure across multiple years. Given assets deliver benefits throughout their useful lives it is appropriate that the funding is spread across the useful life.
Proceeds from asset sales	Funds received from the sale of surplus assets will generally be used to repay borrowings. On a case-by-case basis these surpluses may be used to fund investment in another asset of higher strategic priority than the asset sold.
Development or financial contributions	Appropriate to fund capital expenditure in anticipation of or in response to development (growth) that will generate a demand for additional reserves, network or community infrastructure (such as stormwater systems). Contributions are set through the council's Contributions Policy.
Grants, subsidies, and donations	Appropriate to fund specific capital expenditure projects as per terms of the grant, subsidy or donation. An example of this is NZTA subsidies to partially fund transport projects.
Trusts, bequests and other reserve funds	Certain capital expenditure may be funded from restricted or special funds that are subject to special conditions of use, whether under statute or accepted as binding by the council. Transfers from reserves may only be made when the specified conditions for use of the funds are met.
Other sources	Other revenue sources may be used where appropriate and consistent with the council's funding principles to fund capital expenditure projects and to reduce the reliance on ratepayer funding. An example of this is the use of commercial returns from property holdings to fund capital spend on those property assets.
Regional Fuel Tax	A Regional Fuel Tax may be used to fund the capital expenditure associated with the approved list of transport capital projects as set out in the Regional Fuel Tax scheme.

Note: Auckland Council does not intend to use lump sum contributions to fund capital expenditure.

The funding mix for activities shown in Table 3.1.6 below reflects the application of the above principles and rationale to the operating and capital expenditure of individual activities.

Rating Policy

The council will use general rates to fund activities which have a 'public good' element, e.g. civil defence, or where it wishes to subsidise the provision of services because of the wider social benefits they provide e.g. libraries.

Valuation basis

The general rate will be set on the basis of capital value. Capital value better reflects the level of benefit a property is likely to receive from services rather than land value or annual value.

Application of a uniform annual general charge

To ensure that the rates incidence isn't disproportionately borne by higher value properties the council sets a uniform annual general charge (UAGC). Every ratepayer will therefore make a minimum contribution to meeting the council's costs.

The charge will apply to every separately used or inhabited part of a rating unit e.g. shop in a mall or granny flat. This ensures equal treatment between these properties and main street shops or apartments on individual titles.

Rates differentials

It is the council's view that some land uses receive more benefit from, or place more demand on, council services and/or may have a differing ability to pay rates. The differentials will be determined based on land use (including consideration of land use classifications determined under the Rating Valuation Rules), location, and the activities that are permitted, controlled, or discretionary for the area in which the land is situated, and the rules to which the land is subject under the Auckland Unitary Plan.

The council will apply general rates differentially (the base level for rating is the urban residential sector) and may also apply targeted rates differentially to:

Proposed amendment

Remove the following bullet points from the list below as they no longer apply

- *business properties transitioning from rural to urban*
- *residential properties transitioning from rural to urban*
- *farm/lifestyle properties transitioning from farm/lifestyle to urban residential*
- *moderate-occupancy online accommodation providers transitioning from rural to urban*
- *medium-occupancy online accommodation providers transitioning from rural to urban*

- business properties in the urban area
- business properties transitioning from rural to urban
- business properties in rural areas
- residential properties transitioning from rural to urban
- residential properties in the rural areas
- farm/lifestyle properties transitioning from farm/lifestyle to urban residential
- farm/lifestyle properties in the rural areas
- moderate-occupancy online accommodation providers in the rural areas
- moderate-occupancy online accommodation providers transitioning from rural to urban
- moderate-occupancy online accommodation providers in the urban area
- medium-occupancy online accommodation providers in the rural areas
- medium-occupancy online accommodation providers transitioning from rural to urban
- medium-occupancy online accommodation providers in the urban area
- properties with no direct or indirect road access
- properties where the council chooses not to charge rates (eg: zero-rated).

Proposed amendment to remove the council's previous approach to slowly reduce the share of rates paid by business each year, which resulted in non-business ratepayers facing higher increases in rates than business ratepayers:

Amend the following paragraph to read

"The council will set the differential for business to raise around 31 per cent of the general rates take. From 2024/2025 any general rates increase will be applied evenly across all ratepayers. This approach to the business differential removes the impact that changes in property values resulting from the triennial region-wide revaluation have on the split of rates between business and non-business properties.

The council has decided that the appropriate differential for business is to raise 25.8 per cent of the general rates take, which is substantially lower than the current level. Business rates will be held at 31 per cent in 2023/2024 and then from 2024/2025 reduce in equal steps each year to reach 25.8 per cent in 2038/2039. The differential will be reduced in equal steps each year to manage the affordability impact of the shift in the rates incidence to the non-business sector. This approach to the business differential removes the impact on the split of rates between business and non-business properties that changes in property values have resulting from the triennial region-wide revaluation.

Targeted rates

The council mainly uses targeted rates where there is a clearly identifiable group benefiting from a specific council activity. Targeted rates will apply to properties that receive certain services, or which are located in specified areas. Targeted rates may be used where the council wishes to incentivise development in areas where infrastructure investments have been made and/or to provide more certainty over the timing of payment for those investments. Targeted rates may also apply universally to fund a specific activity where a greater degree of transparency is desired. The council does not have a lump sum contribution policy and will not invite lump sum contributions for any targeted rate.

The council intends to set targeted rates to fund activities as set out in Table 3.1.5 below.

Proposed amendment

Remove the row for the "Accommodation provider targeted rate" from the table below as this is no longer used as a source of funding.

Table 3.1.5: Services to be funded by targeted rates

Targeted rate	Services to be funded or part funded
Waste management targeted rates	Refuse, inorganic, food scraps collection, resource recovery centres and recycling services as appropriate for former council areas
City centre targeted rate	Investment in projects to enhance the central city environs
Local targeted rates as proposed by local boards	Local or regional activities in the local board's area
Business improvement district targeted rates	Investments to enhance the environs in the area of the business association as agreed with the business association
Loan repayment targeted rates	To repay financial assistance provided by the council to ratepayers for specific purposes
Waitākere rural sewerage targeted rate	To pay for the provision of inspection and pump out services for on-site waste management systems
Swimming pool fence inspection targeted rate	To pay for the provision of pool fence and barrier inspections including associated administrative costs
Infrastructure targeted rates	Activities requiring infrastructure investment
Accommodation provider targeted rate	Visitor attraction and major events expenditure
Water Quality targeted rate	Additional investment in improving water quality
Natural Environment targeted rate	Additional investment in improving environmental outcomes
Electricity network resilience targeted rate	To pay for the maintenance of trees near powerlines
Rodney drainage districts targeted rate	To pay for maintenance of drainage assets in the drainage districts
Climate action transport targeted rate	Additional investment to reduce or mitigate the effects of climate change.

Annual adjustments to regulatory fees and charges

The council will amend its regulatory fees and charges annually to:

- reflect increases in costs as measured by the council rate of inflation and/or
- maintain the cost recovery levels underlying the basis for setting the fee levels.

The change to fee levels will be made on a practical basis recognising that the percentage change applied to individual fees may not precisely equal the council rate of inflation. This also means smaller fees may increase by more material amounts in one year and remain constant for a period before being adjusted again.

Application of funding principles to the funding of operating and capital expenditure for each activity

The council has determined the sources of funding for capital and operating expenditure for each of its activities after considering the principles set out in Table 3.1.1 and the rationale for the use of funding sources in Tables 3.1.3 and 3.1.4 above. A brief summary of the decisions and consideration of funding principles for each activity is set out in Table 3.1.6 below.

Table 3.1.6 Funding sources for operating and capital expenditure for each activity

Groups of Activities: Council controlled services

Proposed amendment

Amend the Economic development and destination Funding policy to remove reference to targeted rates funding Visitor attraction and major events expenditure as the Accommodation Provider Targeted Rate is no longer used as a source of funding for Visitor attraction and major events expenditure.

Activities	Consideration of funding principles	Funding policy
Development Auckland	This involves both commercial operations that deliver private benefits and public initiatives that benefit the community as a whole Lessees, tenants and purchasers derive the full benefit	Costs of commercial operations are funded from user charges and other non-rates revenue Costs of public initiatives are primarily funded from the general rate Targeted rates are used to fund operations, maintenance and renewal costs where a project benefits a specific group of ratepayers Targeted rates are used to fund interest and capital expenditure cost for infrastructure (including projects to support growth) not funded from development contributions where a project benefits a specific group of ratepayers Development contributions are used to fund the majority of the total cost of interest and capital expenditure on qualifying growth-related public infrastructure Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences
Economic development and destination	The related industries benefit from increased visitor numbers The community as a whole benefit from growth in the economy and employment	Visitor attraction and major events expenditure is funded by a mix of general and targeted rates Economic development costs are primarily funded from the general rate Subsidies from government and other sources are utilised where available User charges are applied where benefits are private (event tickets) Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences

Activities	Consideration of funding principles	Funding policy
Regional facilities	Users of the facilities derive a direct benefit The community as a whole benefit through a more diverse and vibrant lifestyle and an increased sense of pride and identity created by the events hosted in the facilities. An enhancement to the overall economy and employment resulting from increased visitor numbers	The majority of the costs are funded from the general rate with the balance funded from user charges such as venue hire Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences

Groups of Activities: Local services

Activities	Consideration of funding principles	Funding policy
Local planning and development	Business improvement districts (BIDs) directly benefit from council expenditure on local economic development made at their direction The rest of the council's service in local planning and development benefits the community as a whole	Grants provided to each BID for spending in the BID area are funded from the respective BID targeted rate Revenue from any other sources (including from any user charges, targeted rate, grants, donations and sponsorships) will be utilised should they become available The balance of the costs are funded from the general rate Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences
Local environmental management	These are public goods that benefit the community as a whole	Costs are fully funded from the general rate Revenue from any other sources (including from any user charges, targeted rate, grants, donations and sponsorships) will be utilised should they become available Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences
Local governance	These are public goods that benefit the community as a whole	Costs are primarily funded from the general rate Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences
Local community services	Service users derive a direct benefit The wider public benefit from a more vibrant and friendly community, a safer community environment and access to high quality open space In most cases it is impractical to directly charge users In some cases the service is private and a charge can be implemented (e.g. use of park space or facilities for private functions)	Costs are primarily funded from the general rate User charges may apply where the service is private and a charge can be implemented without compromising the council's social objectives Subsidies from government and other sources, (including from any targeted rate, grants, donations and sponsorships) are utilised where available Targeted rates are used to fund operations, maintenance and renewal costs where a project benefits a specific group of ratepayers

Activities	Consideration of funding principles	Funding policy
	The target recipients of the services may have affordability issues	Targeted rates are used to fund interest and capital expenditure cost for infrastructure (including projects to support growth) not funded from development contributions where a project benefits a specific group of ratepayers Development contributions are used to fund the majority of the total cost of interest and capital expenditure on qualifying growth-related public infrastructure Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences

Proposed amendment

Amend the Funding policy column for the Solid Waste Services entry to read

"Costs for the collection and disposal of kerbside refuse will be funded from user charges and targeted rates until 2024/2025 and then from targeted rates from 2025/2026 onwards.

Costs for recycling, food scrap, and resource recovery initiatives are funded from targeted rates. Cost for the operation of Waitākere Refuse and Recycling Transfer Station are funded from user charges.

Subsidies from government and other sources are utilised where available.

Where the benefit is public or it is difficult to identify the exacerbators, the costs will be funded from the general rate.

Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences."

Groups of Activities: Regional council services

Activities	Consideration of funding principles	Funding policy
Regional planning	The community as a whole benefit from this activity The city centre redevelopment programme directly benefits businesses in the city centre area through enhancing the quality of the environment in the city centre for workers and visitors	Costs are primarily funded from the general rate Costs associated with the city centre redevelopment programme are funded from a combination of the city centre targeted rate and general rates Targeted rates are used to fund operations, maintenance and renewal costs where a project benefits a specific group of ratepayers Targeted rates are used to fund interest and capital expenditure cost for infrastructure (including projects to support growth) not funded from development contributions where a project benefits a specific group of ratepayers Development contributions are used to fund the majority of the total cost of interest and capital

Activities	Consideration of funding principles	Funding policy
		expenditure on qualifying growth-related public infrastructure Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences
Regulatory services	The need for the council involvement is mainly caused by licence or consent applicants or holders whose activities, if unregulated, could cause nuisance to the public or pose a threat to the safety or health of the community In some cases it is difficult to identify and charge the parties who cause the costs (e.g. owners of unregistered dogs) In some cases charging the full cost may discourage compliance Certain related services (e.g. provision of property information) deliver private benefit to users	Costs are primarily funded from user charges Certain charges are set at a level below cost to encourage compliance, with the balance funded from general rates Where costs cannot be easily attributed to individual parties, they are funded from the general rate Targeted rates are used where there is a clearly identifiable group benefiting from a specific council activity (e.g. on-site sewerage pump out) Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences
Organisational support	Certain services within this activity (e.g. provision of financial assistance to certain ratepayers and supply of information for commercial or private use) deliver private benefits The remainder of the activity contributes to the council's provision of other external services	Targeted rates are used where financial assistance is provided by the council for a specific group of ratepayers to fund local projects that solely benefit those ratepayers There is a small amount of revenue from fees and charges The remainder of the costs are allocated to the council's external services Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences
Regional governance	These are public goods that benefit the community as a whole	Costs are primarily funded from the general rate (see note below) Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences
Regional community services	Service users derive a direct benefit The wider public benefit from a more vibrant and friendly community, a safer community environment and access to high quality open space In most cases it is impractical to directly charge users In some cases the service is private and a charge can be implemented (e.g. use of park space or facilities for private functions) The target recipients of the services may have affordability issues	Costs are primarily funded from the general rate User charges may apply where the service is private and a charge can be implemented Subsidies from government and other sources (including from any targeted rate, grants, donations and sponsorships) are utilised where available Targeted rates are used to fund operations, maintenance and renewal costs where a project benefits a specific group of ratepayers Targeted rates are used to fund interest and capital expenditure cost for infrastructure (including projects to support growth) not funded from development contributions where a project benefits a specific group of ratepayers

Activities	Consideration of funding principles	Funding policy
		Development contributions are used to fund the majority of the total cost of interest and capital expenditure on qualifying growth-related public infrastructure Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences
Environmental services	The provision of environmental services is primarily a public good that benefits the community as a whole	Costs are funded predominantly from the general rate Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences Targeted rates applied universally on a differential basis (business and non-business) are used where a greater degree of transparency is desired in relation to how funds are spent
Solid waste services	Service users derive a direct benefit The waste minimisation goals set by the council support recycling and resource recovery initiatives The community as a whole benefit from the public services such as street cleaning, waste minimisation education and hazardous waste collection and disposal In some cases, it is difficult to identify and charge the parties who cause the costs (e.g. illegal dumping)"	The funding policy outlined below will be implemented over time in conjunction with the implementation of the council's Waste Management and Minimisation Plan (WMMP) Costs for the collection and disposal of refuse will be funded from user charges or targeted rates. These may be standardised following review of the WMMP Costs for recycling, food scrap, and resource recovery initiatives are funded from targeted rates Subsidies from government and other sources are utilised where available Where the benefit is public or it is difficult to identify the exacerbators, the costs will be funded from the general rate Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences.
Investment	All ratepayers as a whole bear the risk of the investments	Any operating profit realised is used to reduce the general rate requirement Any operating loss would be funded from the general rate or other revenue Borrowings are used to address cash-flow timing differences
3rd party amenities and grants	Regional amenities such as MOTAT and Auckland War Memorial Museum benefit the community as a whole Council is required under legislation to provide funding for amenities included in this activity	Costs to the council are primarily funded from the general rate Borrowings may be used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences

Note: Revenue from council owned cafeteria is currently grouped under this activity and is used to offset the general rate.

Groups of Activities: Roads and Footpaths

Activities	Consideration of funding principles	Funding policy
Road and footpaths	Road and footpath users derive a direct benefit There are legal and practical constraints in directly charging users The vast majority of the public are users	Costs are funded from a combination of the general rate, user charges, and government grants. Targeted rates may also be used where financial assistance is provided by the council for a specific group of ratepayers to fund local projects that solely benefit those ratepayers Costs associated with the city centre redevelopment programme are funded from a combination of the city centre targeted rate and general rates Targeted rates are used to fund operations, maintenance and renewal costs where a project benefits a specific group of ratepayers Targeted rates are used to fund interest and capital expenditure cost for infrastructure (including projects to support growth) not funded from development contributions where a project benefits a specific group of ratepayers Development contributions are used to fund the majority of the total cost of interest and capital expenditure on qualifying growth-related public infrastructure Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences The Regional Fuel Tax may be used to fund the some of the operating and capital expenditure associated with approved list of transport capital projects as set out in the Regional Fuel Tax scheme

Groups of Activities: Public Transport and Travel Demand Management

Activities	Consideration of funding principles	Funding policy
Public Transport and travel demand management	Service users derive a direct benefit Public transport provides benefit for the wider community by reducing demand from private transportation for roading infrastructure	Costs are funded from a combination of the general rate, user charges and government grants Targeted rates are used to fund operations, maintenance and renewal costs where a project benefits a specific group of ratepayers Targeted rates are used to fund interest and capital expenditure cost for infrastructure (including projects to support growth) not funded from development contributions where a project benefits a specific group of ratepayers Development contributions are used to fund the majority of the total cost of interest and capital expenditure on qualifying growth-related public infrastructure

Activities	Consideration of funding principles	Funding policy
		Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences The Regional Fuel Tax may be used to fund the some of the operating and capital expenditure associated with approved list of transport capital projects as set out in the Regional Fuel Tax scheme
Parking and enforcement	Parking customers derive the full benefit Individuals failing to comply with restrictions create the need for the council involvement	Costs are fully funded from user charges and fines Borrowings are used to address cash-flow timing differences
Organisational support (Auckland Transport)	Certain services within this activity (e.g. provision of financial assistance to certain ratepayers and supply of information for commercial or private use) deliver private benefits The remainder of the activity contributes to the council's provision of other external services	Costs are allocated to the council's external services Targeted rates are used where financial assistance is provided by the council for a specific group of ratepayers to fund local projects that solely benefit those ratepayers Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences

Groups of Activities: Stormwater Management

Activities	Consideration of funding principles	Funding policy
Stormwater management	These are public goods that benefit the community as a whole (except for a small number of local projects that benefit a specific group of ratepayers)	Costs are primarily funded from the general rate Targeted rates are used where financial assistance is provided by the council for a specific group of ratepayers to fund local projects that solely benefit those ratepayers Targeted rates are used to fund operations, maintenance and renewal costs where a project benefits a specific group of ratepayers Targeted rates are used to fund interest and capital expenditure cost for infrastructure (including projects to support growth) not funded from development contributions where a project benefits a specific group of ratepayers Development contributions are used to fund the majority of the total cost of interest and capital expenditure on qualifying growth-related public infrastructure Financial contributions are used to fund the costs of environmental mitigation through the resource consent process Borrowings are used to spread the costs fairly and prudently across different generations of ratepayers and to address cash-flow timing differences

		Targeted rates applied universally on a differential basis (business and non-business) are used where a greater degree of transparency is desired in relation to how funds are spent

Groups of Activities: Wastewater treatment and disposal

Activities	Consideration of funding principles	Funding policy
Wastewater	Water and wastewater customers derive the full benefit	Costs are mainly funded from user charges Targeted rates are used to fund operations, maintenance and renewal costs where a project benefits a specific group of ratepayers Targeted rates are used to fund interest and capital expenditure cost for infrastructure (including projects to support growth) and are not funded by other user charges and/or development contributions where a project benefits a specific group of ratepayers Borrowings are used to spread the costs fairly and prudently across different generations of water users and to address cash-flow timing differences

Groups of Activities: Water Supply

Activities	Consideration of funding principles	Funding policy
Water supply	Water and wastewater customers derive the full benefit	Costs are mainly funded from user charges Targeted rates are used to fund operations, maintenance and renewal costs where a project benefits a specific group of ratepayers Targeted rates are used to fund interest and capital expenditure cost for infrastructure (including projects to support growth) and are not funded by other user charges and/or development contributions where a project benefits a specific group of ratepayers Borrowings are used to spread the costs fairly and prudently across different generations of water users and to address cash-flow timing differences

Attachment B: Assessment against statutory criteria for the business differential

When deciding from what sources to meet its funding needs, council must consider the matters set out in section 101(3) of the Local Government Act 2002, see below. This involves elected members exercising their political judgement and considering the proposal in the context of council's funding decisions as a whole.

101(3) The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of,—

a) in relation to each activity to be funded,—

   (i) the community outcomes to which the activity primarily contributes; and
   (ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and
   (iii) the period in or over which those benefits are expected to occur; and
   (iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
   (v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and

b) the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.

The following section considers the proposal to change the business differential and the long-term differential strategy in the general rate against the criteria in section 101(3) of the Local Government Act 2002.

The community outcomes to which the activity primarily contributes

General rates fund a broad range of council activities that contribute towards the outcomes set out in the Auckland Plan. General rates are used as general revenue and can fund the operating and capital costs of any activity that council undertakes. Where practicable, and cost-effective, the council will seek to recover the cost of providing its services from individuals or groups of beneficiaries (or causers of costs) where they directly benefit from, or impose costs on, the council undertaking an activity.

The council uses general rates to fund activities:

- which have a 'public good' element, e.g., civil defence
- where it wishes to subsidise the provision of services because of the wider social benefits they provide e.g., pools, libraries, and other community facilities, these are called merit goods
- where the application of fees and charges causes affordability issues.

The outcomes of council's general activities affect owners of business land in different ways to owners of non-business land. Both business and non-business land receive the benefits of council provided public good services. However, the council generally only subsidises merit goods for services provided to residents while it requires user charges to fully recover the costs for services provided to business. The nature of activities therefore provides rationale for distinguishing between the two.

The distribution of benefits between the community as a whole; any identifiable part of the community; and individuals

Assessing the benefits of general rates funded council activities is largely a subjective process. There is no way to objectively measure the benefits received from public and merit goods.

The provision of roads and public transport benefit both business and non-business land by providing accessibility and connectivity. Stormwater activities protect all land from flooding and ensure the maintenance of connectivity by protecting the transport network.

Other activities such as parks and community services primarily benefit residents. However, businesses also benefit when co-location attracts more customers and from a happier and healthier workforce. Businesses also benefit from the availability of a workforce and more customers attracted to the city for the lifestyle provided by the availability of these services.

Activities such as Destination Marketing and Major Events (DME) and Economic Development (ED) are primarily undertaken to increase economic activity. In the first instance this will benefit business. DME expenditure is primarily focussed on attracting visitors to Auckland and the resulting benefits accrue to tourism related business. ED expenditure generally benefits business across Auckland. The benefits of both DME and ED also flow through to residents in the form of increased employment opportunities and greater availability/choice of services.

The cultural events component of DME, such as Lantern Festival, Pasifika and Diwali make up around $3 million of the combined $25 million DME plus ED spend. These are community-focussed and primarily benefit residents.

From a benefits perspective any rationale for general rates business differential comes down to the weighting applied to how the benefits accrue. A detailed assessment of benefits was carried out when the rating policy was adopted in 2012/2013. Findings from this analysis have been supported by recent analysis.

The period in or over which the benefits are expected to occur

General rates fund the operating costs of council activities and consequential operating costs of assets in line with the period over which the benefits are received. Changing the level of the business differential has no impact on the relationship between the funding of activities and the period over which benefits are received.

The extent to which the actions or inactions of particular individuals or as a group contribute to the need to undertake the activity

Owners of business land place more demand on council roading and stormwater infrastructure. Roads serving business land are more expensive to develop and maintain. Heavy vehicles serving business land require roads designed to higher engineering standards and incur greater maintenance and replacement costs as a result of the damage caused.

Unitary Plan rules allow for business land to be developed to a greater extent than most residential land. This results in a greater proportion of business land being covered in impervious surface area in comparison to non-business land. This contributes to increased run-off from the land during heavy rain events which places increased demand on stormwater infrastructure. Some residential land is also allowed to develop to the same level as business land. However, this land is a relatively small proportion of all residential land.

Owners of non-business land place more demand on the need for council to provide community services, such as parks, pools, libraries, and other community facilities. These services are primarily provided for residents. Businesses place relatively little demand on these services.

From a causation perspective there is rationale for having a general rates business differential.

The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities

General rates raise revenue that can be used to fund any of council's activities. General rates do not add transparency or accountability to the extent that user fees and targeted rates can. Changing the level of the business differential has no impact on the transparency or accountability for funding council activities and will not affect administration costs.

Changing the general rates business differential will not result in any additional ongoing administrative issues for council as it already forms part of council's rating policy.

Consideration of overall impact

Having considered the above criteria, the council needs to consider the proposal in terms of the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community. This involves elected members exercising their judgement and considering the proposal in the context of council's funding decisions as a whole.

Matters for council to consider include:

a. General rates fund council activities which generally benefit all ratepayers. There is no way of objectively measuring the level of benefits received between business and non-business properties and ultimately decisions on the level of the business differential require the application of political judgement
b. Business place more demand on some council activities, such as transport and stormwater infrastructure. However, businesses place less demand on other council services, such as parks, libraries, and pools
c. The level of business rates has no material impact on the incentives for owning and developing business land in Auckland. Rates are a relatively low cost for businesses in relation to other costs
d. Estimated annual rates (including water charges) make up around 3.29 per cent of the median income for a median value residential property. On average business rates make up around 0.24 per cent of total business income and have remained around this level since 2015/2016. Changes to the business differential will not have a material impact on the level of affordability of rates for either category.
e. Businesses receive tax advantages that owners of residential land generally do not. Businesses are able to reclaim the GST portion of rates and rates are treated as a pre-tax expense. In comparison residents are unable to claim GST and are an expense that is paid after taxation has been applied. Tax advantages also apply to residential land used as rental accommodation or where part of the property is used for business purposes. Farm land also benefits from the same tax advantages as business
f. Adding the cost of DME and ED to the business share of rates under the business differential will increase business rates by around 1.3 to 1.8 per cent and free up around $9.4 million of general

rates from non-business ratepayers. This would help mitigate the impact of any proposed rates increase on non-business properties in 2024/2025.

Attachment C: Rates impact on business and farm/lifestyle properties of options for the Water Quality Targeted Rate and Natural Environment Targeted Rate

Business property impacts

Impact of WQTR options on the average value business property

Option	Rates impact 2024/2025		Additional increase 2025/2026 onwards
	Rate	Additional increase	
1. Retain at 2023/2024 level plus a 3.5 per cent increase, with expiry in 2030/2031	$78.58	0.01%	Around 0.01%
2. Resume at previously planned level and extend to 2033/2034	$357.94	1.48%	Around 0.06%
3. Rate set to fund programme and repayment over 30 years	$134.47	0.31%	Around 0.02%
4. Rate set to cover only annual programme operating and interest costs in each year and extend to 2033/2024	$48.96	-0.14%	Between 0.05% and 0.20%

Impact of WQTR and LTDS options on the average value business property

Option	LTDS option	
	Retain LTDS	Bus differential 30.98%
	% increase $ in 2024/2025	% increase $ in 2024/2025
1. Retain at 2023/2024 level plus a 3.5% increase, with expiry in 2030/2031	0.01% $78.58	0.10% $94.38
2. Resume at previously planned level and extend to 2033/2034	1.48% $357.94	1.86% $429.87
3. Rate set to fund programme and repayment over 30 years	0.31% $134.47	0.45% $161.49
4. Rate set to cover only annual programme operating and interest costs in each year and extend to 2033/2024	-0.14% $48.96	-0.09% $58.80

Impact of NETR options on the average value business property

Option	Rates impact 2024/2025		Additional increase 2025/2026 onwards
	Rate	Additional increase	
1. Retain at 2023/2024 level	$110.27	n/a	n/a
2. Resume at $30 in 2024/2025 for average value residential property and increase at 2.0 per cent per year	$139.65	0.16%	Around 0.01%
3. Resume at previously planned level	$218.91	0.57%	n/a
4. Resume at previously planned level and increase at 3.5% per year	$218.91	0.57%	Around 0.04%

Impact of NETR and LTDS options on the average value business property

Option	LTDS option	
	Retain LTDS	Bus differential 30.98%
	% increase $ in 2024/2025	% increase $ in 2024/2025
1. Retain at 2023/2024 level	n/a $110.27	0.12% $132.43
2. Resume at $30 in 2024/2025 for average value residential property and increase at 2.0 per cent per year	0.16% $139.65	0.30% $167.71
3. Resume at previously planned level	0.57% $218.91	0.80% $262.91
4. Resume at previously planned level and increase at 3.5% per year	0.57% $218.91	0.80% $262.91

Farm/lifestyle property impacts

Impact of WQTR options on the average value farm/lifestyle property

Option	Rates impact 2024/2025		Additional annual increase 2025/2026 onwards
	Rate	Additional increase	
1. Retain at 2023/2024 level plus a 3.5 per cent increase, with expiry in 2030/2031	$27.35	0.02%	Around 0.02%
2. Resume at previously planned level and extend to 2033/2034	$124.59	2.60%	Around 0.09%
3. Rate set to fund programme and repayment over 30 years	$46.81	0.54%	Around 0.04%

4. Rate set to cover only annual programme operating and interest costs in each year and extend to 2033/2024	$17.04	-0.25%	Between 0.08% and 0.31%

Impact of WQTR and LTDS options on the average value farm/lifestyle property

Option	LTDS option	
	Retain LTDS	Bus differential 30.98%
	% increase $ in 2024/2025	% increase $ in 2024/2025
1. Retain at 2023/2024 level plus a 3.5% increase, with expiry in 2030/2031	0.02% $27.35	-0.03% $25.44
2. Resume at previously planned level and extend to 2033/2034	2.60% $124.59	2.37% $115.89
3. Rate set to fund programme and repayment over 30 years	0.54% $46.81	0.45% $43.53
4. Rate set to cover only annual programme operating and interest costs in each year and extend to 2033/2024	-0.25% $17.04	-0.28% $15.85

Impact of NETR options on the average value farm/lifestyle property

Option	Rates impact 2024/2025		Additional annual increase 2025/2026 onwards
	Rate	Additional increase	
1. Retain at 2023/2024 level	$38.38	n/a	n/a
2. Resume at $30 in 2024/2025 for average value residential property and increase at 2.0 per cent per year	$48.61	0.27%	Around 0.02%
3. Resume at previously planned level	$76.20	1.00%	n/a
4. Resume at previously planned level and increase at 3.5% per year	$76.20	1.00%	Around 0.06%

Impact of NETR and LTDS options on the average value farm/lifestyle property

Option	LTDS option	
	Retain LTDS	Bus differential 30.98%
	% increase $ in 2024/2025	% increase $ in 2024/2025
Retain at 2023/2024 level	n/a $38.38	-0.07% $35.70
Resume at $30 in 2024/2025 for average value residential property and increase at 2.0 per cent per year	0.27% $48.61	0.18% $45.21
Resume at previously planned level	1.00%	0.86%

	$76.20	$70.88
Resume at previously planned level and increase at 3.5% per year	1.00% $76.20	0.86% $70.88

Attachment D: Natural Environment Rate expenditure options

Introduction

We considered four options for the NETR and the level of expenditure it funds. The table below shows an estimate of the level of investment in each element of the programme under the expenditure level in each option.

NETR programme expenditure	10-year total			
	Option 1	Option 2	Option 3	Option 4
Mainland: plant and pest management	$85m	$115m	$173m	$198m
Plant pathogens: kauri dieback, myrtle rust	$48m	$63m	$80m	$91m
Islands: plant and animal pest management	$19m	$22m	$24m	$28m
Marine pest pathways and biosecurity	$10m	$13m	$13m	$25m
Marine ecology	$3m	$3m	$4m	$6m
Enabling tools: monitoring/data collection	$3m	$3m	$4m	$4m
Expanding community-led action	$4m	$18m	$40m	$46m
Biodiversity focus areas: priority ecosystems	$4m	$8m	$12m	$14 m
Total	**$176m**	**$245m**	**$350m**	**$412m**

The sections below provide detail on the programmes that could be delivered under expenditure level funded by each of the rating options discussed in the report.

Option 1.

Retaining the rate at its current level would raise around half the funding of currently planned investment levels over the period of the Long-term Plan 2024-2034. In 2024/2025 this would raise around $16.4 million of a planned budget of $30.9 million. This would be a significant reduction in funding required to deliver the originally planned NETR work programme and would mean that the council would not be able to meet its commitments set out in the Regional Pest Management Plan or progress obligations set out in the NPS-IB.

The table below shows the key outputs the council could deliver for each programme element under this option. This is an initial assessment of implications on the NETR work programme. This level of reduction in operating budget would require a full review of current work programmes taking into account legal obligations, contractual commitments and loss on investment if programmes are reduced or ceased.

NETR Programme	Budget 10-year total	Delivery
Mainland: plant and pest management	$85m	Continued possum control across the region at approximately half the area initially planned (between 10,000 to 12, 000 ha annually). This will result in a reduction in the overall area under sustained management. Continue protection of priority species and ecosystems on regional and local parks at a reduced level with focus on a smaller number of sites, for example Hunua and Waitakere Ranges and Aotea. Continue pest plant control in buffer areas around a reduced number of high priority parks and or at a reduced level, for example Waitākere Ranges and Tāwharanui Regional Parks. Ceasing efforts to eradicate some low-incidence pest species. Reduced surveillance and prevention of deer, pig, and goat incursions into the Waitākere and Hunua Ranges. Not commencing pest control on new species programmes set out in the Regional Pest Management Plan (for example cockatoo management).
Plant pathogens: kauri dieback, myrtle rust	$48m	Continuing kauri track maintenance and compliance activity but at reduced level which may not consistently meet requirements to keep these open to the public. Kauri health monitoring would be conducted in the Hunua and Waitakere Ranges only with no monitoring on Aotea, and research to inform future management would cease.
Islands: plant and animal pest management	$19m	Continuing some elimination of low incidence plant species at Aotea, Waiheke, and mainland sites. Sites not managed will become established or require ongoing management. Ceasing financial support to community organisations we have partnered with to deliver multi-species landscape scale pest eradication including Te Korowai o Waiheke (Waiheke) and Tū Mai Taonga (Aotea/Great Barrier).
Marine pest pathways and biosecurity	$10m	A significantly scaled back programme of underwater inspection of commercial and non-commercial vessel hulls to assess compliance with allowable hull biofouling standards. A lower proportion of commercial sailings to Aotea Great Barrier and Waiheke Islands

		inspected to detect and eliminate any potential pest incursions.
Marine ecology	$3m	Reprioritised marine species protection, including seabirds and habitat mapping.
Enabling tools: monitoring/data collection	$3m	No new investment in conservation data collection and management tools.
Expanding community-led action	$4m	Continue volunteer coordination on parks at a reduced level. Ceasing support for community-led initiatives, including the Community Coordination and Facilitation funds, supply of traps/bait and training. Continuing native re-vegetation on parkland, riparian and high erosion areas at a reduced level.
Biodiversity focus areas: priority ecosystems	$4m	Continuing monitoring activity at a reduced level that may not meet the needs of the NPS-IB. Some of this work also informs other activities in Council. Reduced number of threatened species and priority ecosystems being managed.

Under Option One there would be no funding to support the current response to the exotic Caulerpa seaweeds or any emerging threats. Examples of these include new marine and pest animal incursions or increased weed infestations as a result of the January/February storm events.

Proceeding with this option would require a review of the Regional Pest Management Plan with consultation on amendments that reflected the available funding. Officers have commenced preparatory work on the 2030-2040 Regional Pest Management Plan with a view to commencing public consultation in 2025.

The investment levels identified in the table above are indicative. Further work would be required to refine budgets pending additional investigation of legal and contractual obligations. If this option is pursued, we will consider further advice prior to final decision-making on the Long-term Plan 2024-2034.

Option 2.

A partial resumption of the rate would raise around 70 per cent the funding of currently planned levels over the period of the Long-term Plan 2024-2034. This would raise around $20.8 million in 2024/2025. This would enable more activity than Option One but would still require significant reductions in activity for some parts of the NETR work programme. As per Option One, council would not be able to fully meet its commitments set out in the RPMP or substantially progress obligations as set out in the NPS-IB.

The table below shows the key outputs the council would deliver for each programme element under this option. This is an initial assessment of implications on the NETR work programme. This level of reduction in operating budget would require a full review of current work programmes taking into account legal obligations, contractual commitments and loss on investment if programmes are reduced or ceased.

NETR Programme	Budget 10-year total	Delivery
Mainland: plant and pest management	$115m	Continue sustained possum control across the region at approximately two-thirds of the area initially planned. Continue protection of priority species and ecosystems on regional and local parks at a reduced level. Continue pest plant control in buffer areas around a reduced number of high priority parks and or at a reduced level, for example Waitākere Ranges and Tāwharanui Regional Parks Ceasing efforts to eradicate some low-incidence pest species. Reduced surveillance and prevention of deer, pig, and goat incursions into the Waitākere and Hunua Ranges. Not commencing pest control on new species programmes set out in the Regional Pest Management Plan (for example cockatoo management).
Plant pathogens: kauri dieback, myrtle rust	$63m	Continuing kauri track maintenance and compliance activity but at reduced level. No new investment in kauri health monitoring or research to inform future management.
Islands: plant and animal pest management	$22m	Limited support for multi-species landscape scale pest eradication programmes being delivered in partnership with community organisations including Te Korowai o Waiheke (Waiheke) and Tū Mai Taonga (Aotea/Great Barrier) but at a significantly scaled back level. Continuing the elimination of low incidence plant species being eliminated at Aotea, Waiheke, and mainland sites at a reduced level. This will likely result in these plant species establishing and requiring ongoing control.
Marine pest pathways and biosecurity	$13m	A scaled back programme of underwater inspection of commercial and non-commercial vessel hulls to assess compliance with allowable hull biofouling standards. A lower proportion of commercial sailings to Aotea Great Barrier and Waiheke Islands inspected to detect and eliminate any potential pest incursions.
Marine ecology	$3m	As per Option One.
Enabling tools: monitoring/data collection	$3m	As per Option One.
Expanding community-led action	$18m	Some support for community-led initiatives, including the Community Coordination and Facilitation funds, supply of traps/bait and training, volunteer

		coordination on parks but at a significantly reduced level. Continuing native re-vegetation on parkland, riparian and high erosion areas at a reduced level.
Biodiversity focus areas: priority ecosystems	$8m	Continuing monitoring activity at a reduced level that may not meet the needs of the NPS-IB. Some of this work also informs other activities in Council. Reduced number of threatened species and priority ecosystems being managed.

As with Option One, under Option Two there would be no funding to support the current response to the exotic Caulerpa seaweeds or any emerging threats such as new marine and pest animal incursion or increased weed infestations as a result of the January/February storm events.

The investment levels identified in the table above are indicative. Further work would be required to refine budgets pending additional investigation of legal and contractual obligations. If this option is pursued, we will consider further advice prior to final decision-making on the Long-term Plan 2024-2034.

Option 3.

Resuming the rate at previously planned levels would raise most of the funding initially planned for the 10-year period of the Long-term Plan 2024-2034[11]. This would raise around $32.6m in 2024/2025 and grow over time at around 1.35 - 1.7 per cent per year in line with forecast growth in the rating base.

The NETR rate had previously been set at a level that does not increase each year for existing ratepayers. NETR revenue only increases through growth in the underlying ratepayer base. Since 2018 there have been significant increases to programme costs (materials and contracted services) over recent years and additional costs incurred to some activity as a result of the recent storm events. These costs have been managed through adjusting to the work programme, scaling back some activity, pushing out the delivery timeframes and procurement efficiencies.

In 2023/2024 an additional pressure has been placed on the programme through utilising NETR budget reserves to reduce the overall impact of rate increases. These reserves had accumulated to enable higher levels of delivery in some years where cyclical pest management is being carried out (for example the aerial control of rats and possums in the Hunua Ranges which occurs every three to four years).

Resuming the NETR at its previously planned level would allow for the funding for maintenance of current programmes but require scaling back of some activity to absorb identified cost increases and the programme peaks. Additional adjustments to timeframes for programmes committed to in the RPMP would need to be made.

The current assessment of implications on the planned NETR work programme under this option include continued delivery of programmes to exclude, eradicate, progressively contain, or control

[11] There will be a slight reduction in revenue from previously planned levels due to lower than forecast growth in the rating base.

priority pest animals, pest plants and pest pathogens across the region year on year. Some adjustments to programmes will be required for example reducing pest plant control in buffer areas around high priority parks and pushing out the timeframes for the management of some priority species and ecosystems on regional and local parks, noting that this could ultimately result in increased costs with pest infestations expanding in the meanwhile.

The table below shows the key outputs the council would deliver for each programme element under this option.

NETR Programme	Budget 10-year total	Delivery
Mainland: plant and pest management	$173m	Continue sustained possum control across the region as planned. Continue protection of priority species and ecosystems on regional and local parks with some reductions. Continue pest plant control in buffer areas around high priority parks, for example Waitākere Ranges and Tāwharanui Regional Parks. Continued focus on eradicating low-incidence pest species. Not commencing pest control on new species programmes set out in the Regional Pest Management Plan (for example cockatoo management).
Plant pathogens: kauri dieback, myrtle rust	$80m	Continued investment in kauri health monitoring to inform management decisions and targeted compliance to deliver on national pest management plan objectives. Increased levels of track maintenance to meet standards.
Islands: plant and animal pest management	$24m	Continued focus on eradicating low-incidence pest species. No new support/investment in multi-species landscape scale pest eradication programmes being delivered in partnership with community organisations including Te Korowai o Waiheke (Waiheke) and Tū Mai Taonga (Aotea/Great Barrier).
Marine pest pathways and biosecurity	$13m	Underwater inspection of approx. ~1,000 commercial and non-commercial vessel hulls to assess compliance with allowable hull biofouling standards. Inspection of approx. 75-80% of commercial sailings to Aotea Great Barrier and Waiheke Islands to detect and eliminate any potential pest incursions, and response capability for island incursions.
Marine ecology	$4m	Expanded marine habitat mapping to support management and reporting. Seabird monitoring and protection programmes delivered.
Enabling tools: monitoring/data collection	$4m	Tools used for monitoring, data capture and reporting are kept current and investment into new technology to improve conservation management efficiencies is enabled.

Expanding community-led action	$40m	Support for community-led conservation through Conservation Coordination and Facilitation Grant funding, scaled-back provision of tools and resources, training, advice, and volunteer coordination support.
Biodiversity focus areas: priority ecosystems	$12m	Management, and monitoring of an increased number of high priority ecosystems and indigenous species.

Under this option $200,000 of the revenue from this rate in 2024/2025 will be used to deal with Caulerpa. However, there is no funding to respond to any other emerging threats such as new marine and pest animal incursions.

If costs continue to increase, further reductions across these programmes could be required.

Option 4.

Resuming the NETR at previously planned levels and providing for it to increase at 3.5 per cent per year would provide additional funding over the 10-year period of the Long-term Plan 2024-2034 to meet the cost pressures discussed in Option Three. NETR revenue would rise over time from around $32.6m in 2024/2025 at around 5 per cent per year in line with the 3.5 per cent increase and forecast growth in the rating base.

This level of investment would enable higher levels of delivery in some years where cyclical pest management is being carried out (for example the aerial control of rats and possums in the Hunua Ranges which occurs every three to four years) and would provide the funding required to deliver the full programmes originally planned. The table below shows the key outputs the council could deliver for each programme element under this option.

NETR Programme	Budget 10-year total	Delivery
Mainland: plant and pest management	$198m	The sustained management of possum control across rural Auckland and areas of high biodiversity value The sustained management of pest plants across approximately 65% of priority native habitats on regional parks Control of small mammal pests, including mustelids, rats, rabbits, and pigs, across offshore islands and eighteen of our Regional Parks and in areas of high biodiversity value. Ongoing surveillance and prevention of deer, pig, and goat incursions into the Waitākere and Hunua Ranges. Inspection and educational visits to commercial entities to ensure sellers are aware of and compliant with the rules in regard to sale, breeding and distribution of high-risk pest species
Plant pathogens: kauri dieback, myrtle rust	$91m	Mitigation of human induced spread of kauri dieback disease across the majority of kauri areas managed by Council. Kauri health surveys include Aotea/Great Barrier. Kauri tracks maintained to meet standards

		and remain open to the public. Development of tools to support more effective management.
Islands: plant and animal pest management	$28m	Management of pest plant and animal pests in accordance with the Regional Pest Management Plan objectives.
Marine pest pathways and biosecurity	$25m	Underwater inspection of ~1,500 commercial and non-commercial vessel hulls to assess compliance with allowable hull biofouling standards. Inspection of 90-100% of commercial sailings to Aotea Great Barrier and Waiheke Islands to detect and eliminate any potential pest incursions, and response capability for island incursions.
Marine ecology	$6m	Expanded marine habitat mapping to support management and reporting. Seabird monitoring and protection programmes delivered.
Enabling tools: monitoring/data collection	$4m	As per Option Three.
Expanding community-led action	$46m	Support for community-led conservation through current levels of Conservation Coordination and Facilitation Grant funding, provision of tools and resources, training, advice, and volunteer coordination support.
Biodiversity focus areas: priority ecosystems	$14m	Management, and monitoring of a representative range of high priority ecosystems and indigenous species.

- This option would enable the council to provide some funding towards the management of exotic Caulerpa species and better position council to respond to any new biosecurity incursions. It would support the delivery of obligations (for example the National Pest Management Plan for Kauri Dieback Disease) and those under the National Policy Statement for Indigenous Biodiversity.
- This option would provide some additional funding towards community-led landscape scale pest control programmes (up to around $500k annually). It is anticipated there will be increased demand from community groups for support as a number are facing a significant reduction in funding with the expiry of the central government funded Jobs for Nature scheme. In Auckland Jobs for Nature boosted funding for the region's environment by over 82 million dollars over the past 4 years. Community-led entities received around $33.5 million.

Attachment E: Current scope of CATTR funded bus services

Overall CATTR investment programme

The climate package will require funding of $574 million for the 10-year period 2022/2023 to 2032/2033. This is funded through the Climate Action Transport Targeted Rate. A cost summary and the CAPEX/OPEX requirements are provided below.

Table 1 Cost summary

Climate Action Package	10-year total
Bus	$627 million
Ferry	$122 million
Cycling	$144 million
Walking	$84 million
Urban Ngahere	$13.3 million
Resourcing (Auckland Council)	$9 million
Administration Costs (Auckland Transport)	$7 million
Depreciation	$39 million
Gross Total	$1,045 million
Projected Additional Fare Revenue	$127 million
Net Total	$918 million
Co-funding from Central Government	$344 million
Funding required from the targeted rate	$574 million

Bus service investment programme

Currently 39.5 per cent of Auckland’s population (approximately 600,000 people) lives within 500 meters of the Rapid (RTN) and Frequent (FTN) Transit Networks.

A number of service improvements are planned and funded through the RLTP. This additional investment will add approximately 170,000 people (and 140,000 jobs) that are within 500 meters of RTN/FTN routes - setting the foundation for the transport system change required to reduce transport emissions.

The investment will also enable a significant number of other bus routes to be upgraded to full connector status – meaning routes which have services at least every 30 minutes between 6am and 11pm, 7 days a week (as specified in the Regional Public Transport Plan (RPTP).

Just over 1,000,000 people and 420,000 jobs are within 500m walking distance of bus routes that will receive some level of improvement from the proposed package.

Maps showing the full extent of the RTN, FTN and connector network following the addition of the proposed climate action package improvements, are provided in the following section. The combined investments (by ward) are included in 2.

Table 2 Bus service improvements (RLTP and proposed Climate Action Targeted Rate)

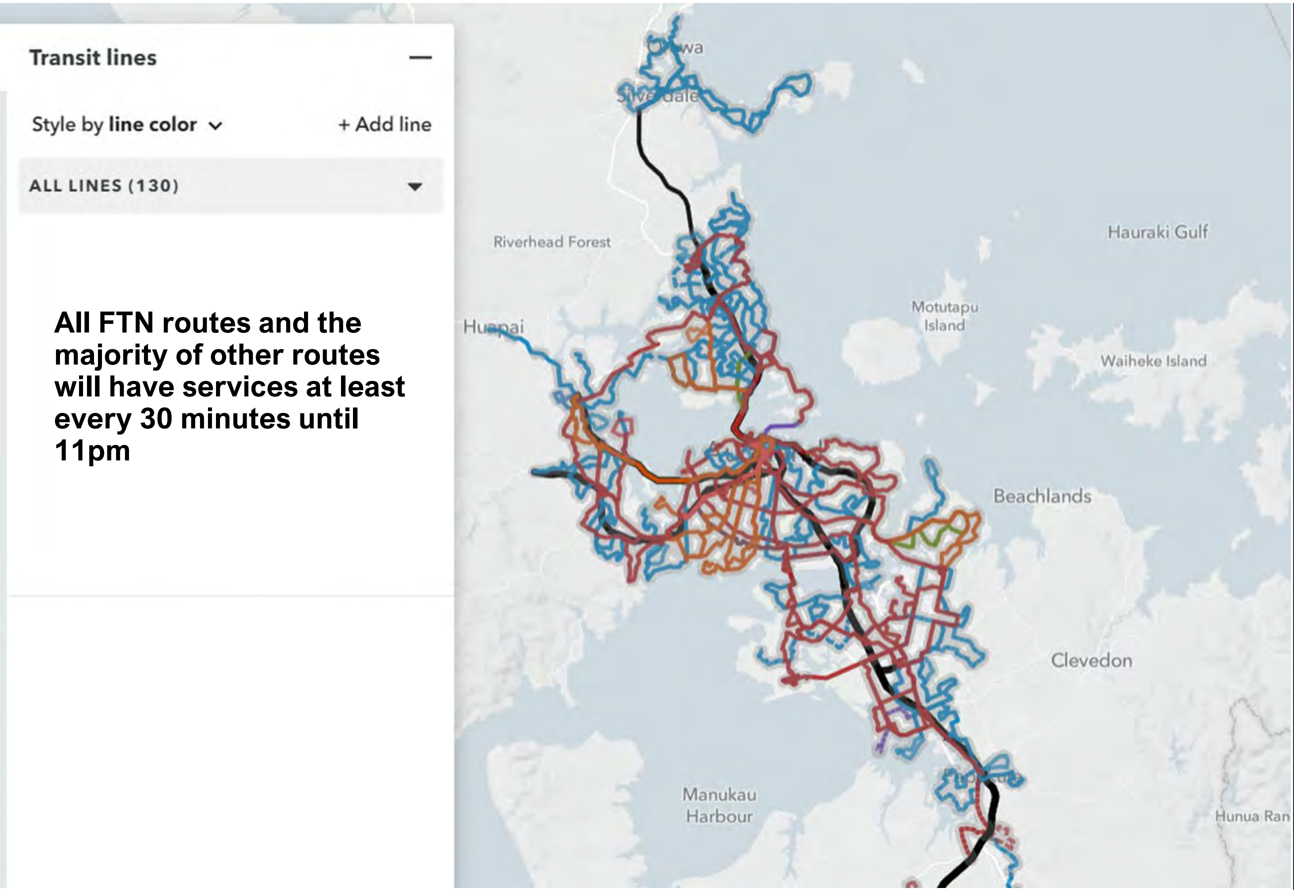
RLTP - funded (FYs 2021/2022 – 2023/2024)	CATR - funded proposals
Rodney	
Services to support Northwestern Busway investment Northwestern Bus Improvements: WX1 motorway express service – Westgate to City via new stations at Lincoln Rd and Te Atatū Service to Huapai South Huapai to Westgate – 6 buses per hour in peak; at least every 30 minutes at other times **Other improvements** New bus route for **Milldale** Significant service improvements for Warkworth, Snells Beach, Matakana, including to support Warkworth Park and Ride when motorway opens Wellsford – Warkworth (998) trial service becomes permanent Westgate, Riverhead, Coatesville, Albany (126) trial service becomes permanent and frequency increases	**NX1 becomes FREQUENT** north of Albany - will operate t**o Hibiscus Coast** at least every 15 minutes, 7am - 7pm, 7 days a week Warkworth to Hibiscus Coast Station peak frequency increased to 20 minutes
Albany	
Network changes to serve new Rosedale Station on Northern Busway extension Service improvements for all Hibiscus Coast local and connector routes and new service for West Hoe Heights FREQUENT route 12 to and from West Auckland Additional ferry services to/from Hobsonville Additional peak ferry services to/from Gulf Harbour	**NX1 becomes FREQUENT** north of Albany - will operate **to Hibiscus Coast** at least every 15 minutes, 7am-7pm, 7 days a week Service level improvements to 4 upper North Shore bus routes
North Shore	
Devonport to Takapuna route becomes **FREQUENT route 81** upgrades to Beach Haven to Takapuna, Devonport local and Hillcrest West routes Ferry frequency improvements for Birkenhead, Northcote and Bayswater	Service level improvements to **2 FREQUENT** and 5 other lower North Shore bus routes as well as NX1 and NX2
Waitākere	
Northwestern Bus Improvements: o WX1 motorway express service – Westgate, Lincoln Rd, Te Atatū, City o FREQUENT bus route 11 Massey, Lincoln Rd, Te Atatū, Pt Chevalier, City o FREQUENT bus route 12 Henderson, Don Buck Rd, Westgate, Hobsonville, Greenhithe, Constellation o FREQUENT bus route 13 Te Atatū Peninsula, Te Atatū Station, Te Atatū South, Henderson	**Two new FREQUENT routes**: o 15 along West Coast Rd and Henderson Valley Rd o 17 along Titirangi Rd and Atkinson Rd Service improvements on the following RLTP-funded routes: o WX1 (Westgate, Lincoln Rd Station, Te Atatū Station, City) o FREQUENT route 12 (Don Buck Rd and Hobsonville Rd)

o local network improvements to serve new bus stations at Te Atatū and Lincoln Rd Titirangi Rd improvements (already delivered)	o FREQUENT route 13 (Te Atatū Rd) Other service improvements to local routes in Glen Eden, Sunnyvale and Swanson - Ranui
Whau	
Northwestern Bus Improvements: Rosebank Rd service (current 138) will serve Te Atatū and Lincoln Rd stations for connections throughout the Northwest	Service level improvements in Kelston, South Lynn and Green Bay, Rosebank, New Windsor, Blockhouse Bay Crosstown 670 from New Lynn to Mt Roskill and Onehunga becomes **FREQUENT route 67**
Albert Eden Puketāpapa	
Reinstatement of 15 minute frequency service until midnight on city centre routes to support Access for Everyone (A4E) Service improvements to support Tāmaki Regeneration Area and Roskill South developments Outer Link to operate St Lukes, City, Newmarket only to improve reliability (no longer a circular route) **FREQUENT route 64** extended to St Lukes to replace Outer Link between Mt Eden and St Lukes **New FREQUENT route 65** Pt Chevalier, St Lukes, Greenlane, Glen Innes (current 650)	Service level improvements to routes 22 New North Rd, 24 Sandringham Rd, 25 Dominion Rd, 27 Mt Eden Rd, 30 Manukau Rd, 66 Mt Albert Rd (crosstown) Crosstown 670 from New Lynn to Mt Roskill (Stoddard Rd) and Onehunga becomes **FREQUENT route 67**
Waitematā and Gulf	
Outer Link changes to improve reliability (no longer a circular route) Reinstatement of 15 minute frequency service until midnight on city centre routes to support A4E 105 extended to Westmere shops Tāmaki Drive services extended to Wynyard Quarter	Improvements on routes to/from city centre such as 22 New North Rd, 24 Sandringham Rd, 25 Dominion Rd, 27 Mt Eden Rd, 30 Manukau Rd, 75 Remuera Rd
Ōrākei	
Extension of Tāmaki Drive routes to Wynyard Quarter New link between Remuera and Ōrākei Station (extension of route 755) Reinstatement of 15 minute frequency service until midnight on route 75 Remuera Rd to support A4E	Route 762 (West Tāmaki Rd, Kohimarama Rd, Kepa Rd to Wynyard Quarter) becomes **FREQUENT route 76** Service level improvements on route 75 Remuera Rd
Maungakiekie Tāmaki	
Service improvements to support Tāmaki Regeneration Area	**3 routes become FREQUENT:** 76 (currently 762) Glen Innes (Taniwha St, West Tāmaki Rd) to Wynyard Quarter via Kepa Rd 74 (currently 743) Glen Innes, Tāmaki (Tripoli Rd), Panmure, Sylvia Park, Onehunga (Church St) 67 (currently 670) Onehunga, Mt Roskill (Stoddard Rd), Avondale, New Lynn Service level improvements to routes: 30 Manukau Rd 66 Mt Albert Rd (crosstown) 298 Onehunga, Ōranga, Ellerslie, Penrose, Sylvia Park 751 Marua Rd

Howick	
Eastern Busway-associated route adjustments Half Moon Bay ferry weekend frequency improvements, and regular timetable throughout the day Evening improvements to route 35 and 355 services (Chapel Rd, Flat Bush) Improvements to Bucklands Beach connections	Service level improvements to most bus routes in the ward including all routes in Howick, Pakuranga, Bucklands Beach: 31 Botany, East Tāmaki, Papatoetoe, Māngere 35 Chapel Rd (Botany, Ormiston, Manukau) 70 Ti Rakau Drive (main Botany to City route) 72 Pakuranga Rd (Howick to Panmure) 314 (Ormiston Rise) 711 Bradbury Rd, Cascades Rd, Reeves Rd to Panmure 712 Bucklands Beach to Panmure 734 Half Moon Bay, Pigeon Mountain, Botany Rd, Botany 735 Botany, Cockle Bay, Howick, Half Moon Bay 752 Panmure, Highbrook, East Tāmaki, Manukau
Manukau	
Puhinui Station service improvements (delivered July 2021) – including Airport Link and new FREQUENT route 36 between Manukau, Papatoetoe, Māngere and Onehunga Frequent routes 31, 32, 33 - restore evening frequencies Māngere - service improvements on minor routes; new service for Ihumatao and improved access to Middlemore Goodwood Heights - new service	Two **new FREQUENT** routes: o 37 Highbrook, Ōtara (Preston Rd), Puhinui Interchange (connects with trains and Airport Link), Roscommon Rd, Clendon, Manurewa o 39 (currently 361) (Ōtara North, Papatoetoe East, Manukau, Super Clinic, Clendon, Manurewa) Ihumatao - extension of route 326 from Middlemore and Māngere Service improvements on 2 existing **FREQUENT** routes and two local routes: o 31 (Māngere-Papatoetoe-Ōtara-East Tāmaki) o 33 (Great South Rd) o 314 Ōtara to Middlemore o 324 Seaside Park, Otahuhu, Favona, Boggust Park, Māngere
Manurewa Papakura	
Auranga (Drury West) - extended to new development, partly delivered already Park Farm, Hingaia - new/improved services Some evening service improvements to Papakura local services New on-demand service in Papakura-Takaanini	**Three new FREQUENT routes**: o 37 Manurewa, Mahia Rd, Clendon (Roscommon Rd), Puhinui Interchange (connects with trains and Airport Link), Ōtara (Preston Rd), Highbrook o 39 (currently 361) (Manurewa, Weymouth Rd, Clendon, Manurewa Marae, Super Clinic, Manukau, Papatoetoe East, Ōtara North o 40 Drury West to Papakura o 41 Drury South Service level improvements to most other bus routes: o 33 Great South Rd (Papakura, Manurewa, Manukau, Otahuhu o 362 Weymouth, Manurewa, Manukau o 363 Wattle Downs, Manurewa o 365 Papakura, Takaanini, Randwick Park, Manurewa, Homai, Manukau

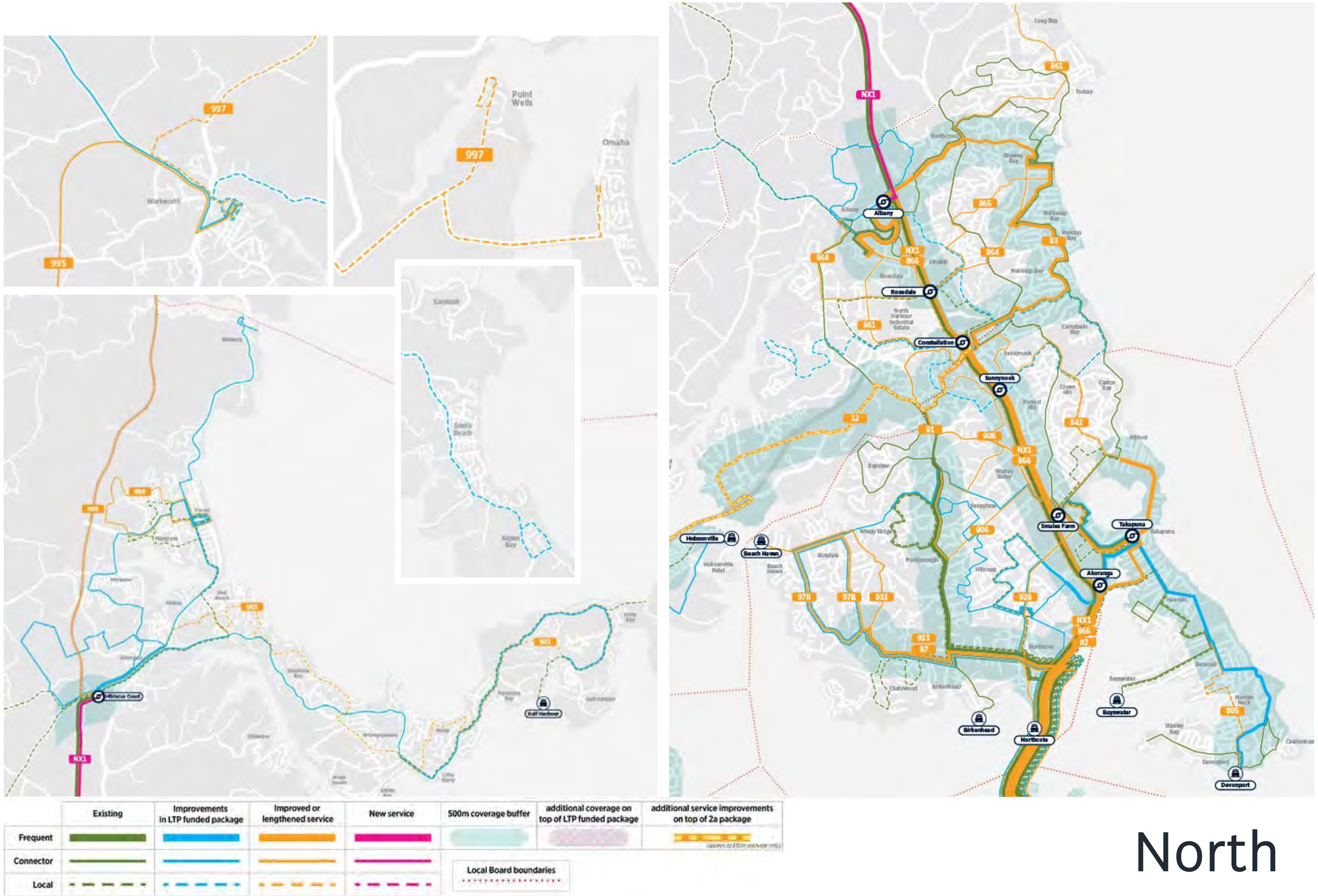
	o 366 Manurewa, The Gardens, Everglade Drive, Manukau o 372 Keri Hill to Papakura
Franklin	
Auranga (Drury West) - new service, partly delivered already Paerata Rise - new/improved services New on-demand service in Pukekohe New weekend ferry service from Pine Harbour, plus later running services on weekday evenings	**Two new FREQUENT routes**, one each in Drury West and Drury South, to complement new train stations New route Clarks Beach to Papakura Service improvements: o Paerata Rise to Pukekohe o Waiuku to Pukekohe

All routes with service improvements funded by the targeted rate



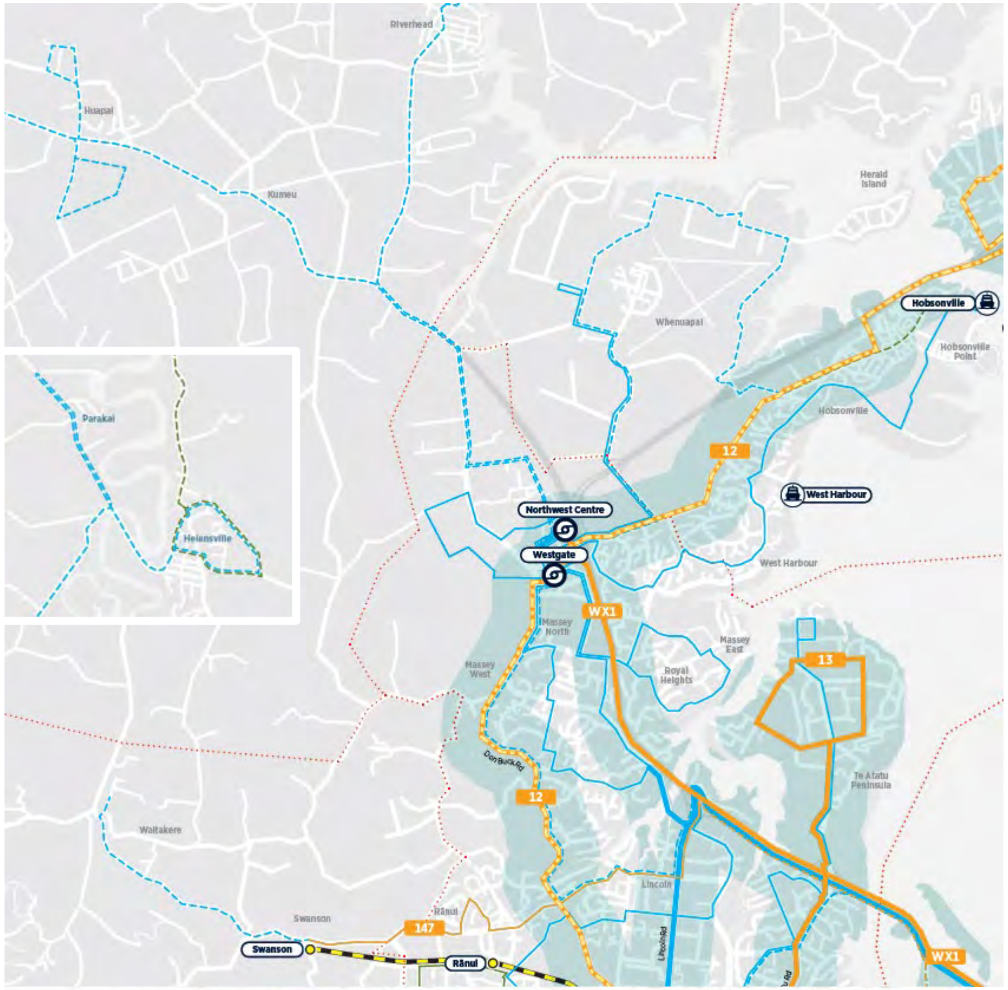
Just over 1,000,000 people (2018 Census) and 420,000 jobs within 500m of bus routes that will receive some level of improvement from the proposed targeted rate.

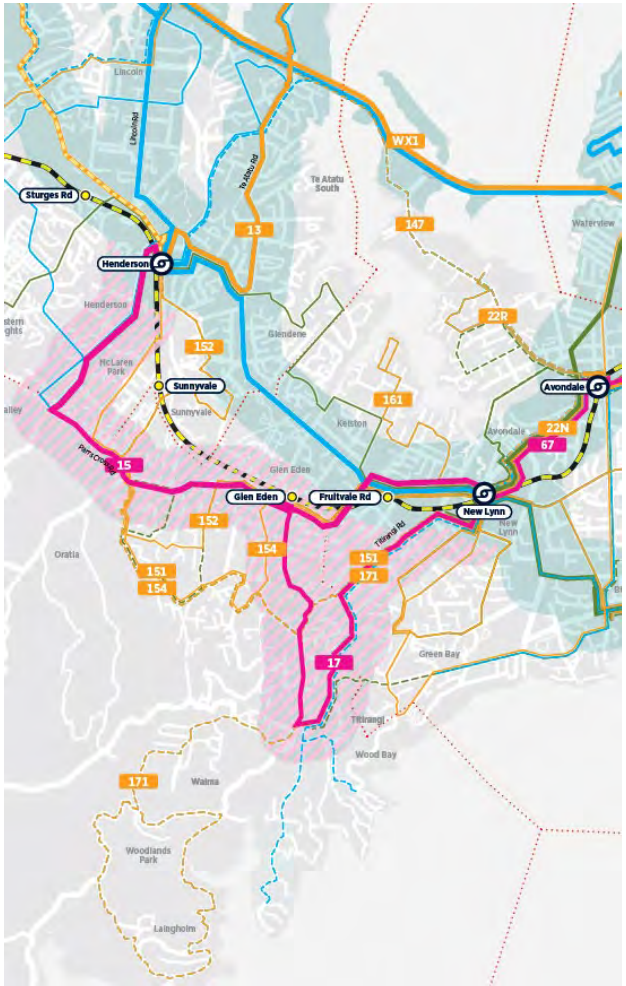
Key
RTN
FTN
FTN with branches
Connector
Local
Peak only



997
995
Point Wells
Omaha
Warkworth
Hibiscus Coast
Gulf Harbour
NX1
Albany
Rosedale
Constellation
Sunnynook
Smales Farm
Takapuna
Akoranga
Hobsonville
Beach Haven
Birkenhead
Northcote
Bayswater
Devonport
861
865
864
83
12
91
906
842
866
97R
97B
933
97
928
82
805
Existing
Improvements in LTP funded package
Improved or lengthened service
New service
500m coverage buffer
additional coverage on top of LTP funded package
additional service improvements on top of 2a package
Frequent
Connector
Local
Local Board boundaries

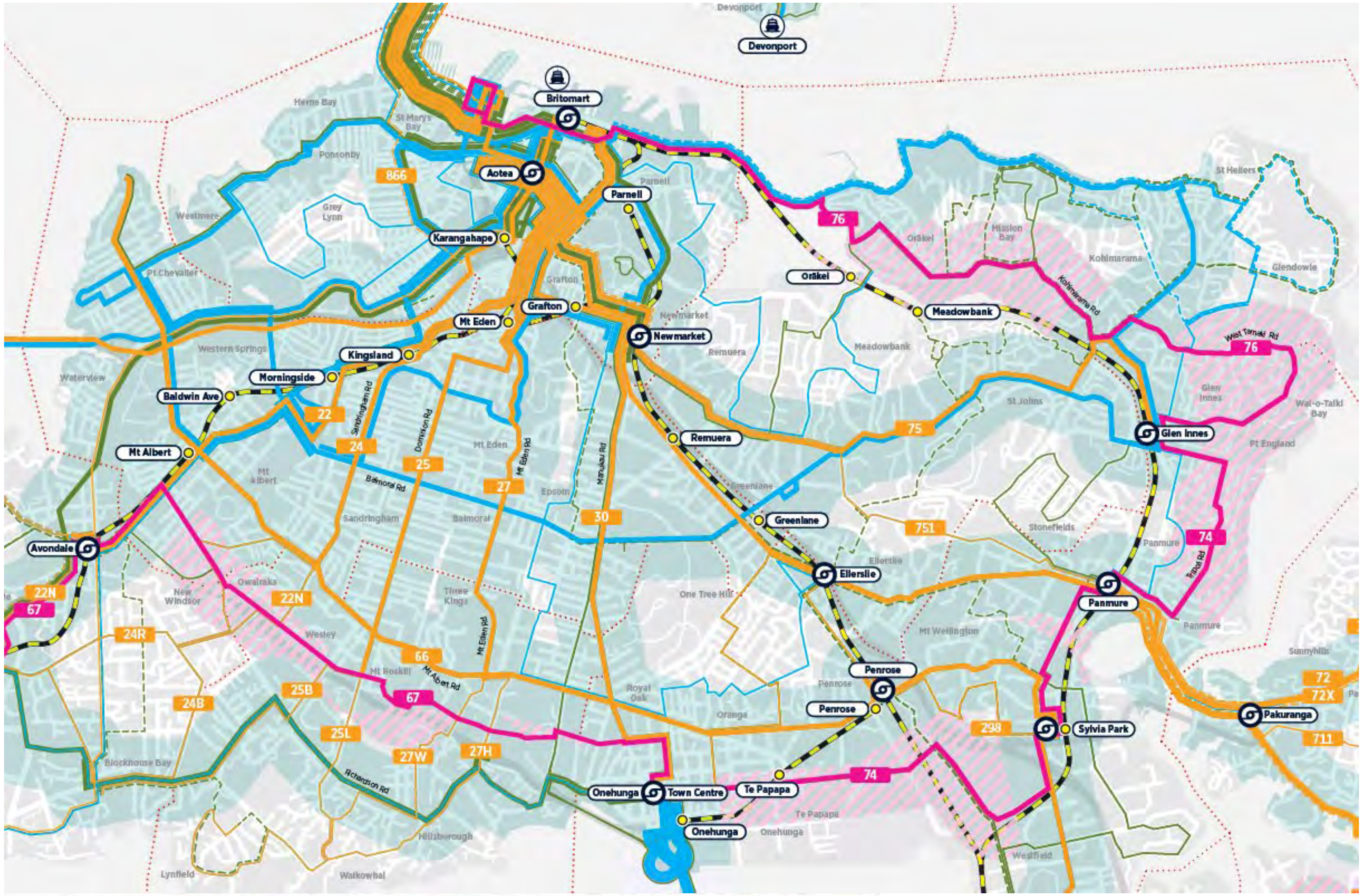
North





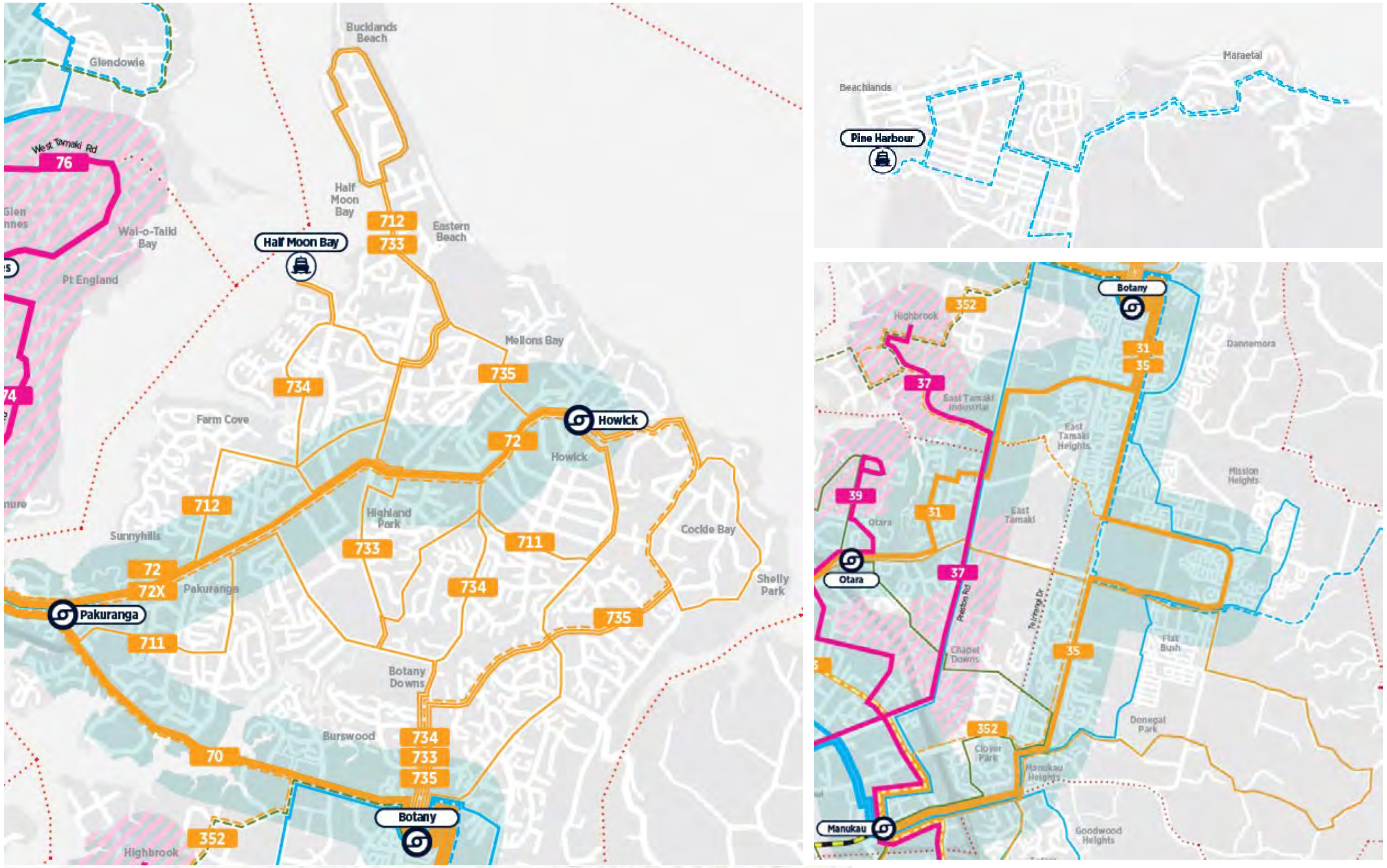
	Existing	Improvements in LTP funded package	Improved or lengthened service	New service	500m coverage buffer	additional coverage on top of LTP funded package	additional service improvements on top of 2a package
Frequent							(applies to $30m package only)
Connector							
Local					Local Board boundaries		

West


Devonport
Britomart
Aotea
Parnell
Karangahape
Grafton
Mt Eden
Newmarket
Kingsland
Morningside
Baldwin Ave
Mt Albert
Avondale
Orākei
Meadowbank
Remuera
Greenlane
Ellerslie
Glen Innes
Panmure
Penrose
Sylvia Park
Pakuranga
Onehunga
Town Centre
Te Papapa
Herne Bay
St Marys Bay
Ponsonby
Westmere
Grey Lynn
Pt Chevalier
Western Springs
Waterview
Mt Albert
Sandringham
Balmoral
Epsom
Mt Eden
Three Kings
Owairaka
New Windsor
Wesley
Mt Roskill
Blockhouse Bay
Lynfield
Waikowhai
Hillsborough
Royal Oak
One Tree Hill
Oranga
Penrose
Mt Wellington
Stonefields
St Johns
Meadowbank
Mission Bay
Kohimarama
St Heliers
Glendowie
Glen Innes
Wai-o-Taiki Bay
Pt England
Sunnyhills
Westfield
Te Papapa
Ellerslie
Greenlane
Sandringham Rd
Dominion Rd
Mt Eden Rd
Manukau Rd
Balmoral Rd
Mt Albert Rd
Richardson Rd
Kohimarama Rd
West Tamaki Rd
Tripoli Rd
866
22
24
25
27
30
75
76
74
751
22N
67
24R
24B
25B
25L
27W
27H
66
298
72
72X
711


Existing
Improvements in LTP funded package
Improved or lengthened service
New service
500m coverage buffer
additional coverage on top of LTP funded package
additional service improvements on top of 2a package
Frequent
Connector
Local
Local Board boundaries

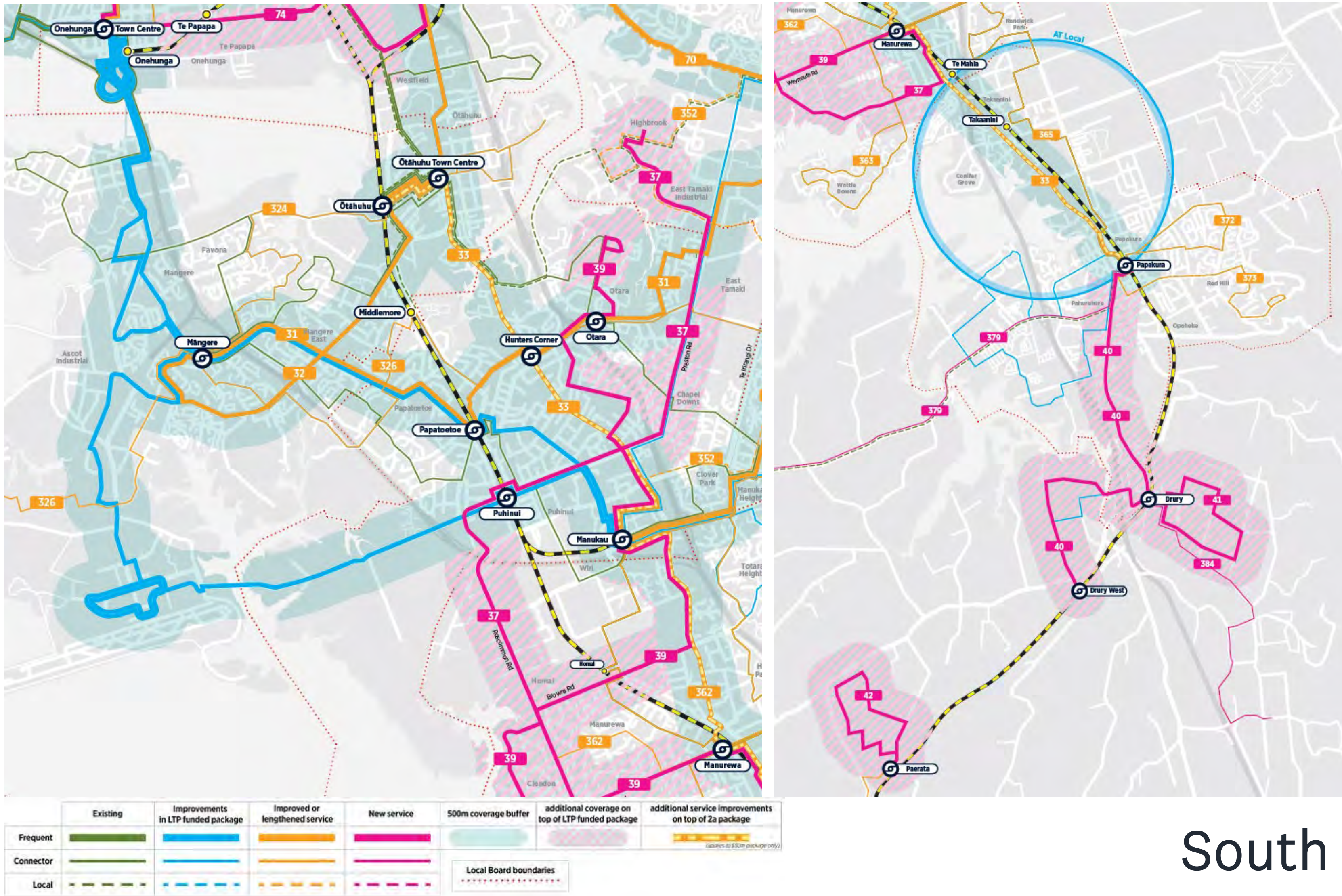
Isthmus



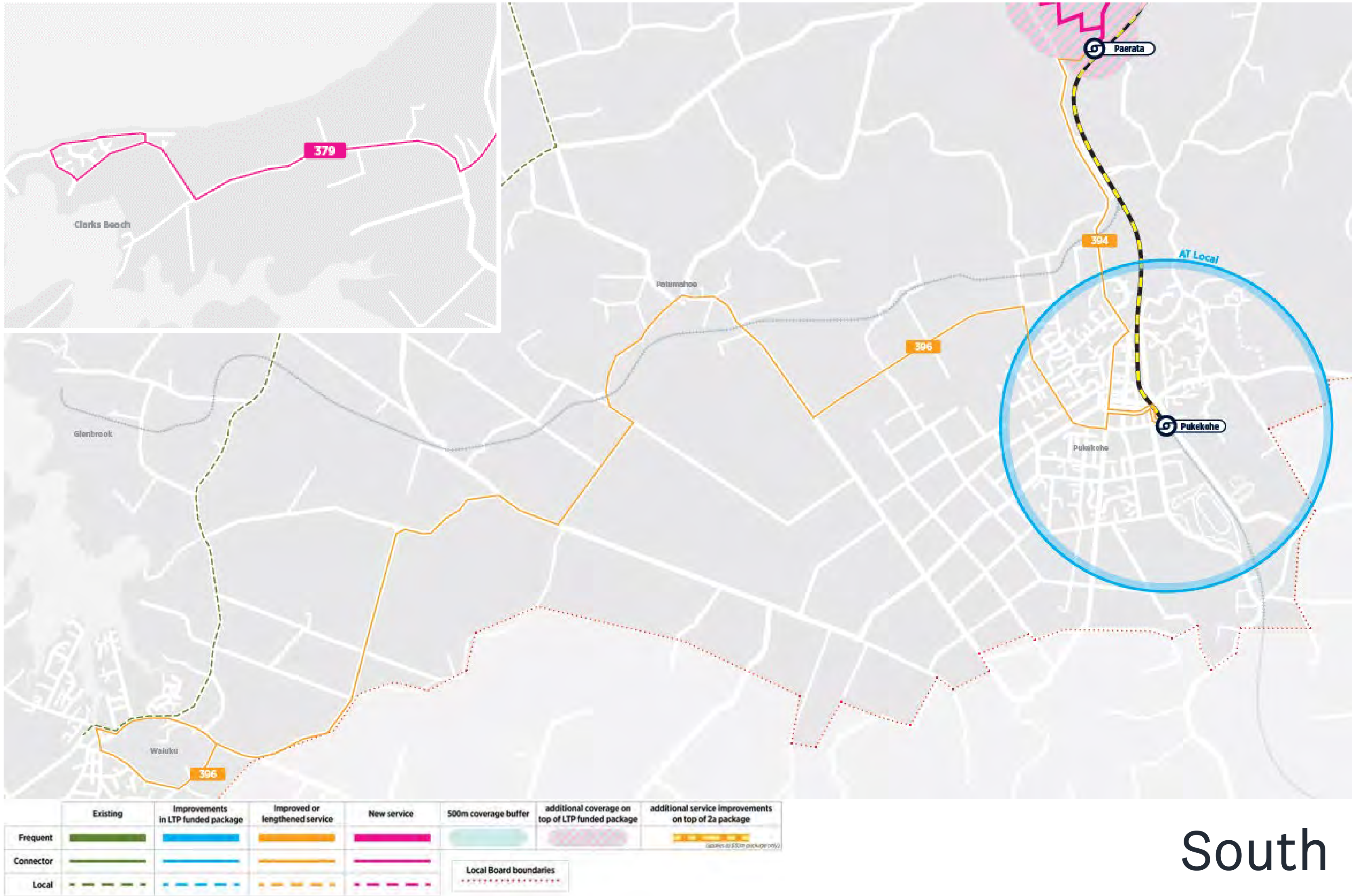
	Existing	Improvements in LTP funded package	Improved or lengthened service	New service	500m coverage buffer	additional coverage on top of LTP funded package	additional service improvements on top of 2a package
Frequent							(applies to $30m package only)
Connector							
Local							

Local Board boundaries

East


Onehunga
Town Centre
Te Papapa
Ōtāhuhu Town Centre
Ōtāhuhu
Middlemore
Māngere
Hunters Corner
Ōtara
Papatoetoe
Puhinui
Manukau
Homai
Manurewa
Te Mahia
Takaanini
Papakura
Drury
Drury West
Paerata
AT Local
Existing
Improvements in LTP funded package
Improved or lengthened service
New service
500m coverage buffer
additional coverage on top of LTP funded package
additional service improvements on top of 2a package
Frequent
Connector
Local
Local Board boundaries

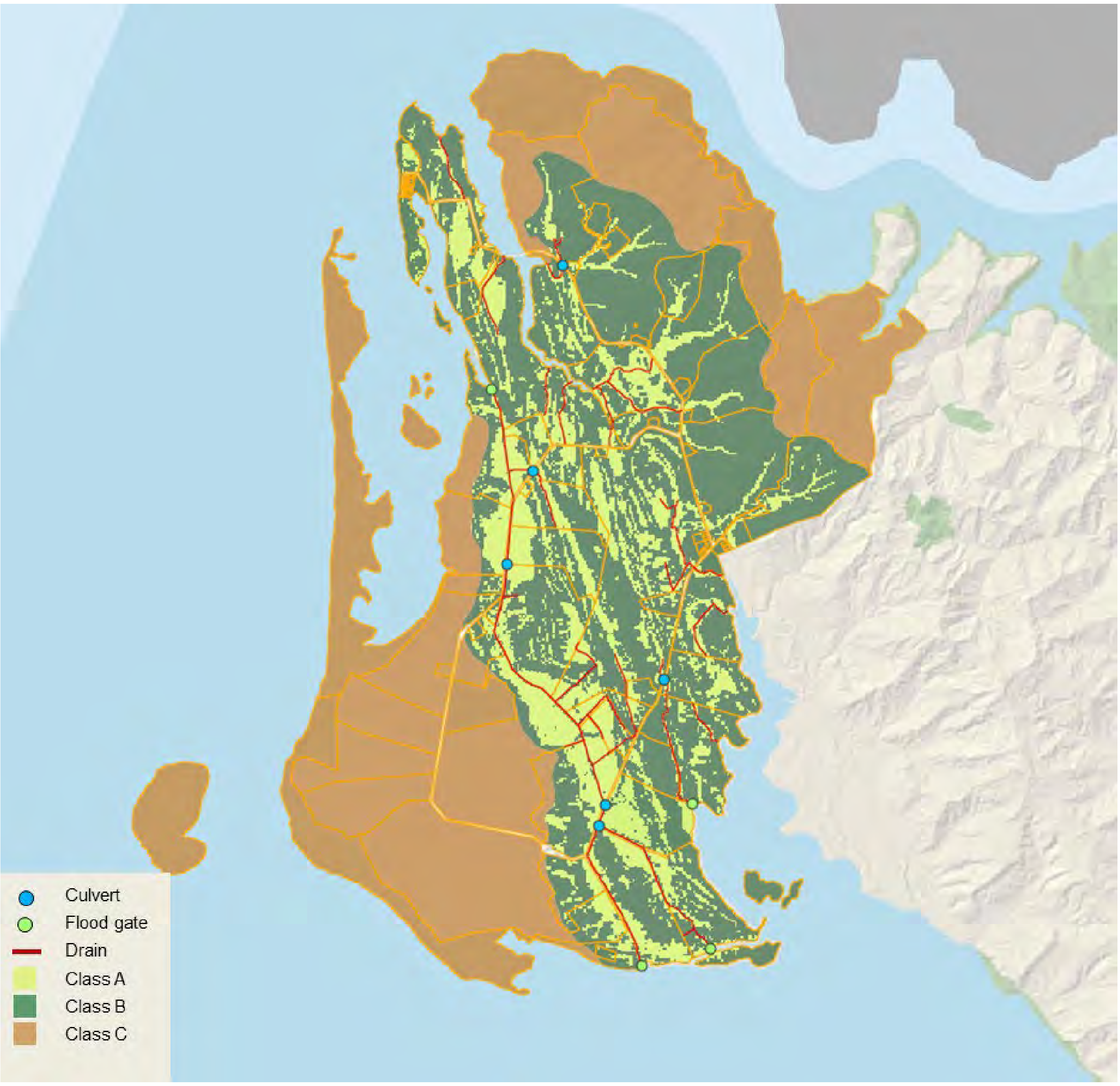
South


379
Clarks Beach
Glenbrook
Patumahoe
396
394
Paerata
AT Local
Pukekohe
Waiuku
Existing
Improvements in LTP funded package
Improved or lengthened service
New service
500m coverage buffer
additional coverage on top of LTP funded package
additional service improvements on top of 2a package
Frequent
Connector
Local
Local Board boundaries

South

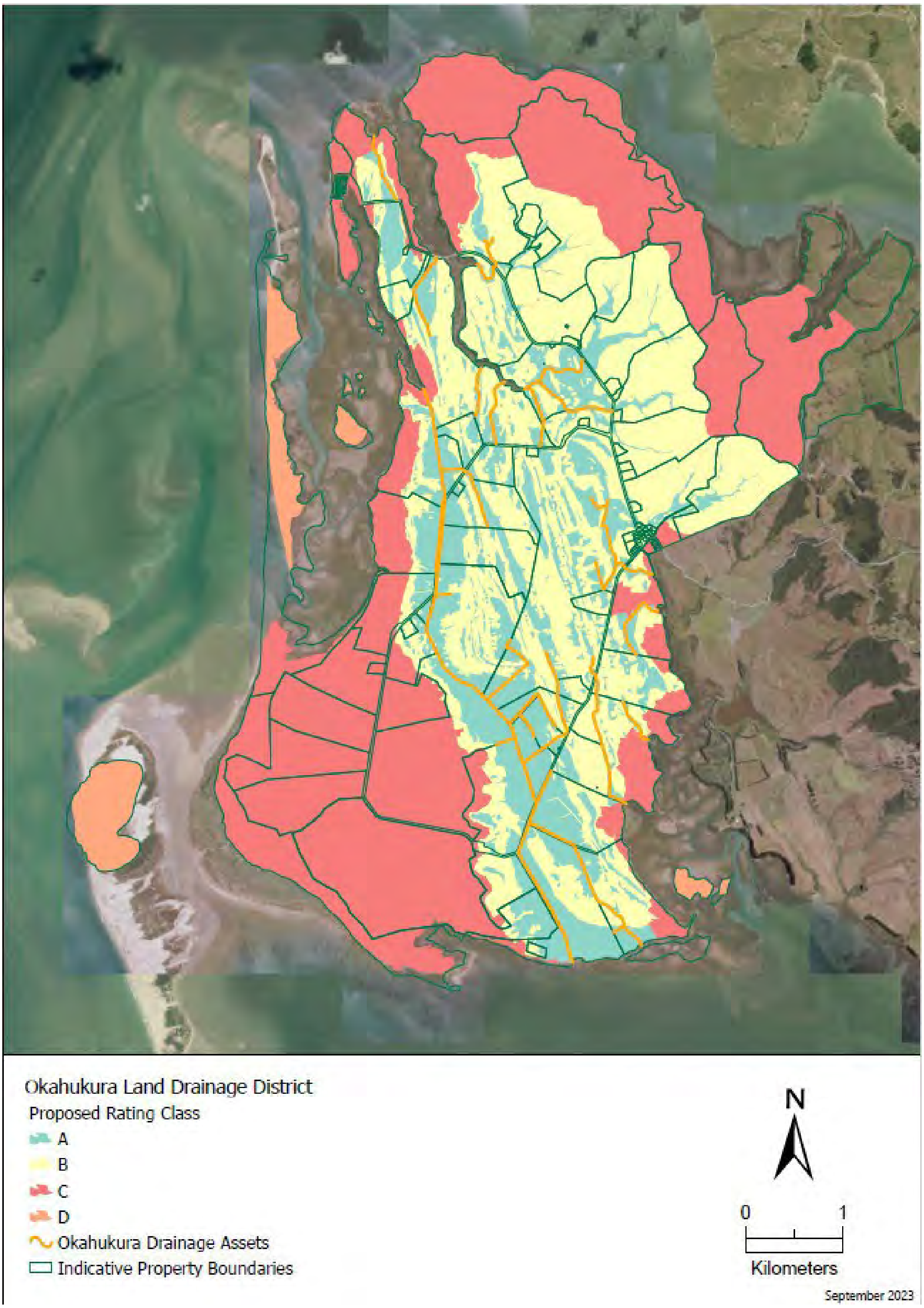
Attachment F: Rodney Drainage District land classification maps

Current map Okahukura drainage district land classification

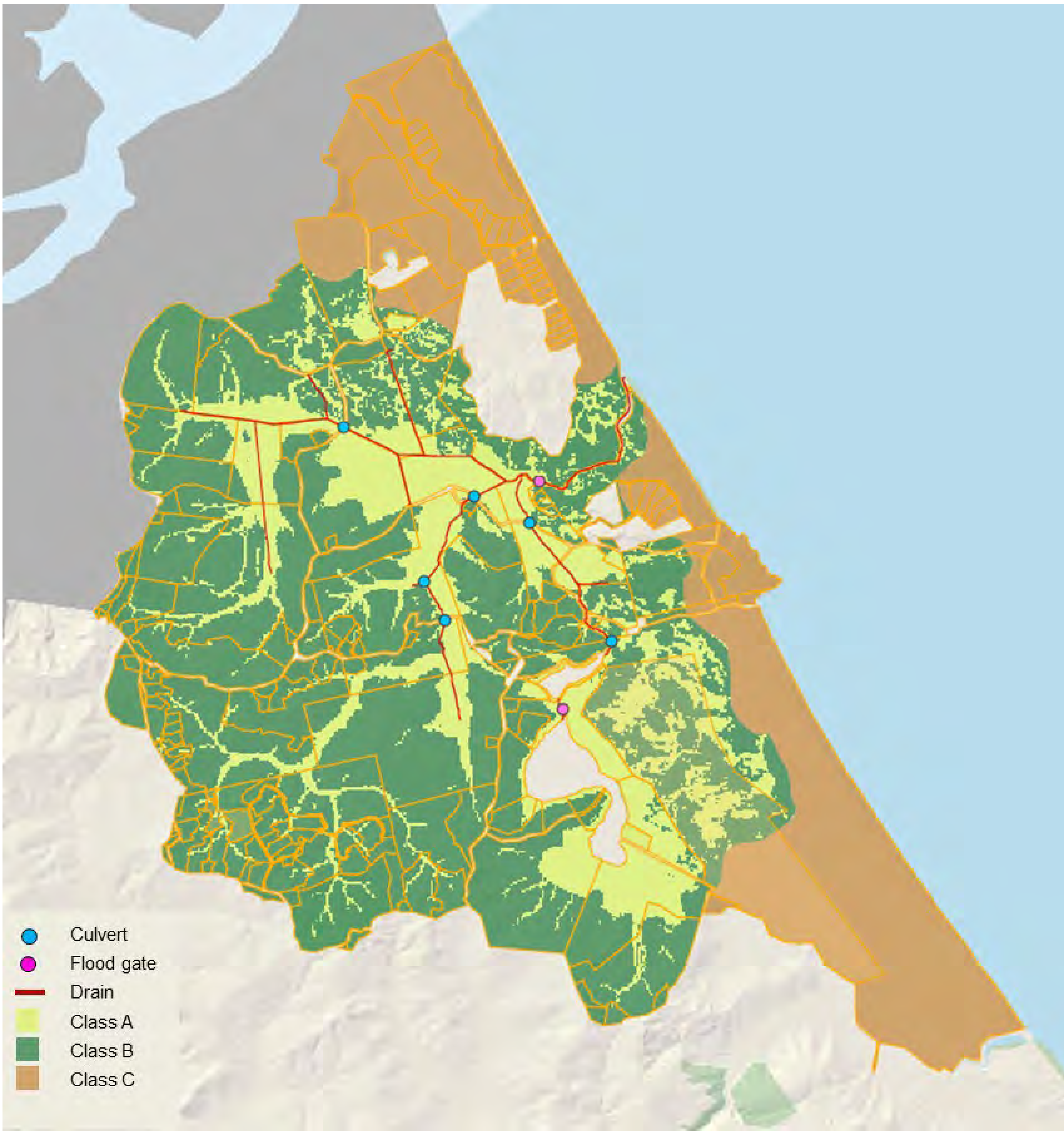


Class A: land within the drainage catchment and in a flood plain. Class B: land within the drainage catchment but not in a flood plain. Class C: land outside the drainage catchment.

Proposed land class boundaries for the Okahukura drainage district

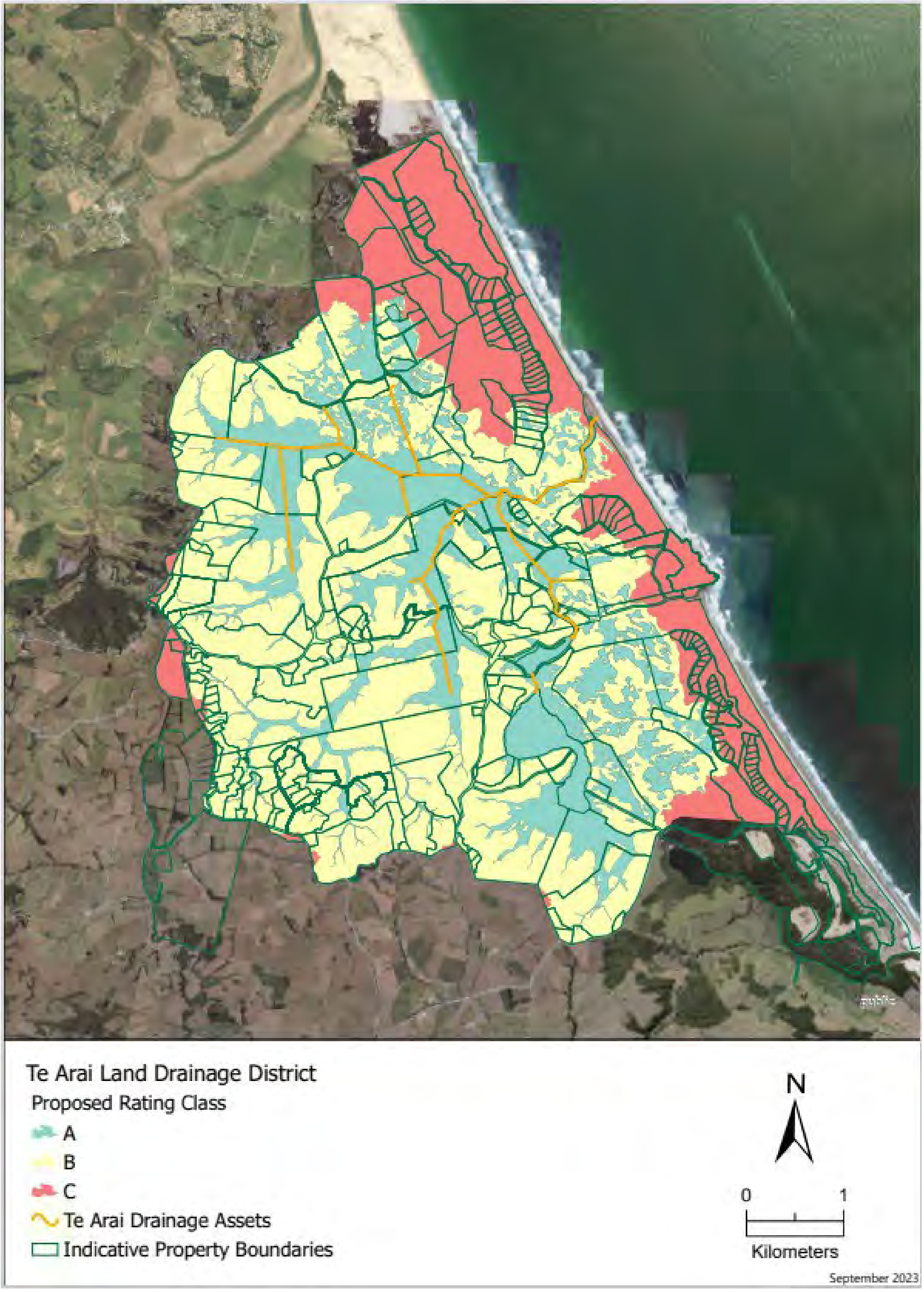


Current map of Te Arai drainage district land classification



Class A: land within the drainage catchment and in a flood plain.
Class B: land within the drainage catchment but not in a flood plain.
Class C: land outside the drainage catchment.

Proposed land class boundaries for the Te Arai drainage district



Attachment G-1: Assessment against statutory criteria for the Franklin Local Board Paths Targeted Rate

When deciding from what sources to meet its funding needs, council must consider the matters set out in section 101(3) of the Local Government Act 2002, see below. This involves elected members exercising their political judgement and considering the proposal in the context of council's funding decisions as a whole.

101(3) The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of,—

a) in relation to each activity to be funded,—

(i) the community outcomes to which the activity primarily contributes; and

(ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and

(iii) the period in or over which those benefits are expected to occur; and

(iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and

(v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and

b) the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.

The following section considers funding for the proposed additional investment in walking and cycling pathways in the Franklin Local Board area against the criteria in section 101(3) of the Local Government Act 2002.

The community outcomes to which the activity primarily contributes

The proposed Franklin Local Board paths improvement programme plans to invest in pathways in the Franklin Local Board area.

The community outcomes to which the road and footpaths (active networks) primarily contributes are:

- Providing safe opportunities for physical activities
- Reflecting Māori identity in transport network and services
- Supporting and enabling growth by unlocking development opportunities
- Making walking and cycling preferred choices
- Providing sustainable travel choices that mitigate negative environmental impacts
- Delivering efficient transport networks to support productivity growth.

While the proposed additional investment in paths connect to wider regional outcomes they have a large impact within the immediately surrounding area and a small overall impact at a regional level. The proposed additional investment in paths are not identified as priority investments for funding by Auckland Transport. Recovering the costs from the landowners in the immediately surrounding areas is the most appropriate source of funding.

The distribution of benefits between the community as a whole; any identifiable part of the community; and individuals

Users of the new paths will directly benefit from their use. However, as these are public goods there are no mechanisms available to charge users and they should be funded from rates.

Development of the Franklin Regional Connection Plan will generally benefit all Franklin residents.

Properties located near to the paths will benefit most from the availability of the service by providing safe and sustainable transport choices to nearby locations and to the rest of the city via the wider public transport network.

Properties located in the wider Franklin Local Board area will also benefit as they will be relatively near to the new paths, increasing alternative active recreation options. All properties will benefit from an improved urban environment, localised decongestion effect, and reduced air pollution from reduced use vehicles due to mode switching. Although these benefits are likely be very small.

Properties near the paths will receive these benefits uniformly as the opportunity to use these paths is the same. Properties located closer to the paths will have slightly greater accessibility than those further away. As the investment in paths is distributed throughout the Franklin Local Board area it is appropriate for ratepayers of properties located in the Franklin Local Board to fund this service from a local targeted rate.

The period in or over which the benefits are expected to occur

The benefits associated with additional operating expenditure should be met by rates and recover costs as they are realised.

The assets (walking and cycling paths) to be built with additional funding and the Franklin Regional Connection Plan will deliver benefits over their lifetime. Capital costs should be funded from borrowing to spread the costs of the assets from users through the useful lifetime of the assets.

The extent to which the actions or inactions of particular individuals or as a group contribute to the need to undertake the activity

None of the proposed additional investment in paths is driven by a response to the actions or inactions of particular individuals or groups.

The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities

Funding these projects from a targeted rate will improve the transparency of decision making on additional funding. Ratepayers will be able to clearly see exactly how any additional funding they provide is used. This will make it easier for them to express a preference on increased funding.

The use of a targeted rate will also improve accountability for expenditure. If a decision is made to raise additional funding by use of a targeted rate then ratepayers can be confident it will be used for that purpose. Targeted rates can only be spent on the activity for which they are raised.

There are no administrative issues with implementing user charges and targeted rates. There will be small one-off set up costs which can be managed within councils existing budgets and processes.

Consideration of overall impact

Having considered the above criteria, the council needs to consider the proposal in terms of the overall impact on the community. This involves elected members exercising their judgement and considering the proposal in the context of council's funding decisions as a whole, not just in relation to this activity.

Matters for council to consider as part of this overall political judgement could include:

- The additional targeted rates are unlikely to cause material affordability issues for ratepayers. The average impact will be $52 per separately used or inhabited part of a property per annum (or $1 per week) and increase average residential rates by around 2.0 per cent. A range of existing support options are already available for ratepayers.
- Properties with higher capital value generally have higher household incomes which result in a greater ability to pay. Additionally, business also have a higher ability to pay as they can claim rates as an expense and claim back GST.
- Funding this programme entirely from general rates would constrain council expenditure on other council provided activities. This could lead to less investment in other council services or increases in rates that will impact on the affordability of rates on general ratepayers across Auckland. It would also face future competition for funding in response for changing council priorities.
- There is some uncertainty around the costs of delivering all of the proposed investment in paths, particularly for the later years of the programme. The full delivery of this programme anticipates significant savings from community led delivery. If costs change or the full extent of savings cannot be made from community led delivery then this may require prioritising of investment within the programme to maximise outcomes, the reduction in scope of the investment, or increased rates revenue requirement.

Conclusion

Funding the Franklin Local Board paths investment programme from a targeted rate is fair while at the same time providing increased transparency and accountability around how funding raised will be spent.

Funding the programme from general rates is not recommended given the financial pressures the council is currently facing and the potential that this will result in competition for council funding in the future if council priorities change. It will also assist the community and decision makers to consider the trade-offs between the proposed investment and the impact on rates.

Investment in paths infrastructure is a public good. However, as the additional investment is above council baseline investment from general rates, and is occurring only in the Franklin Local Board area, then it is appropriate that the targeted rate be set only across properties in the Franklin Local Board. Charging the targeted rate as a fixed charge rate aligns with how the benefits of the investment accrue. This will result in slightly higher percentage rates for ratepayers in lower valued properties and slightly lower percentage rates increases for higher valued properties.

The targeted rate should seek to recover the costs of the programme over a 10-year period to align with the timing of the investment over the period of the long-term plan.

Attachment G-2: Franklin Local Board Paths targeted rate - investment options

This attachment outlines two investment options to provide paths, footpaths, and pedestrian crossing improvements for the Franklin Local Board area. Note that all costs are indicative only and are subject to change without notice. The programme will continue to be updated as new information becomes available.

Option 1: Current Auckland Council funding only

If a targeted rate is not introduced, funding for path, footpath, and pedestrian crossing projects in the Franklin area will be based on what is currently proposed for funding in existing Auckland Council budgets.

Auckland Transport (AT) is in the process of revising the draft Regional Land Transport Plan (RLTP), which involves reprioritising our capital projects for the 2023 – 28 period. Inclusion of projects in the draft RLTP depends on the outcomes of a comprehensive scoring process with a multi-agency panel comprised of AT and New Zealand Transport Agency – Waka Kotahi (NZTA). A fair assessment of projects is conducted by considering the merits of each project according to their alignment with strategic intent, effectiveness in delivering objectives and value for money associated with the investment. Whether the proposed projects are included in the ten-year plan depends on how the project compares to other proposals and overall funding decisions between Auckland Council and Government. The draft RLTP will be out for public consultation in February and March 2024.

There are no active mode projects within the draft RLTP for Franklin Board area. There are also no new footpaths budgeted for in the RLTP, or footpath improvements. New footpaths in Franklin will only occur as part of new residential or commercial developments.

The Franklin Local Board have the Local Board Transport Capital Fund (LBTCF) for all transport improvements, including roads, public transport, walking and cycling.

Auckland Council Parks and Community Facilities (PCF) have a 3-year programme of local board funded locally driven initiatives (LDI) operating expenditure to support path development in Franklin.

Current path investment within the Local Board Plan

Auckland Council Parks and Community Facilities (PCF)

Pukekohe-Paerata Paths

The Pukekohe-Paerata Paths Plan was developed and approved by the Franklin Local Board in December 2018. The plan has nine approved priority connections to be considered for development in the Pukekohe-Paerata area. For each of the nine priority connections, the recommended delivery strategy is either advocacy by the local board, community-led delivery (funded by the local board), or inclusion in the local board's work programme and budget either through LDI capex or transport capital funding allocation. The funded paths for construction and supporting outputs (through the boards work programme) are:

Table 1. Pukekohe-Paerata funded priority paths and outputs

Name	Description	Budget
Pukekohe-Paerata Paths Plan - develop delivery programme	Develop a delivery programme to identify requirements for all phases of delivery for key priority routes of the Pukekohe paths plan.	$80,000
Route 4 – Pukekohe Stadium to Ernies Reserve, Reynolds Road Reserve	Shared path or trail through the stadium grounds to Reynolds Road, via existing path with extension through to Reynolds Road Reserve	$390,000
Route 5 - Hickey's Recreational Reserve to Princes Street Reserve	2.7km connect predominantly within parkland and reserves, including Hickeys Reserve, Kayes Reserve, Princess Street Reserve, and esplanade reserve. 950m of this connection via the road corridor.	$475,000
Route 7 – Bledisloe Park	East-west connection through Bledisloe Park with connections to Bledisloe Court and Collie Road.	$295,000
	Total:	1,240,000

Waiuku Trails Plan

The Waiuku Trails Plan was developed and approved by the Franklin Local Board in December 2017. The plan has six path sections within Waiuku:

- A - Western Trail
- B – Central Trail
- C- Eastern Trail
- D – Southern Trail
- E – Town Loop
- F – Portage Section

The Waiuku Community Trails committee with support from Auckland Council has constructed Section A, half of Section B, and a quarter of Section C. Available funding is outlined as following:

Table 2. Waiuku Trails - implementation funding

Name	Description	Budget
Waiuku Trails - implementation plan (Year 3+)	Funding is prioritised to secure resource and building consents to construct the remainder of Section B- Central Trail. Funding will not support physical works.	$165,000

Pohutukawa Coast Trails Plan

The Pohutukawa Trails Plan was developed and approved by the Franklin Local Board in June 2017. The plan identified 10 connections categorised by three categories:

- A - Urban Connections: local connections with the villages of Beachlands Pine Harbour/Maraetai
- B - Community Connections: local connections with the villages of Beachlands Pine Harbour/Maraetai
- C - Regional Connections

Trail feasibility studies for Connection 6 and 8 identified within the plan have been completed. Physical works for a short boardwalk section of Connection 1 is planned for the 2023/2024 financial year.

Table 3. Pohutukawa Coast Trails - implementation funding

Name	Description	Budget
Pohutukawa Coast Trails - implementation plan	Investigation and implementation of new trails.	$256,778

Hunua Trail / Traverse

The Hūnua Traverse is 44-km two-way ride primarily across the Hunua Ranges Regional Park. Franklin Local Board provide funds to support trail establishment and marketing.

Table 4. Hunua Traverse - implementation funding

Name	Description	Budget
Hūnua Trail Implementation of capital works programme	Design, consenting and installation of the Hunua Travese, potentially in partnership with Regional Parks and Watercare.	$540,580

Auckland Transport

Franklin Local Board Transport Capital Fund (LBTCF)

The Local Board Transport Capital Fund (LBTCF) was introduced by resolution of Auckland Council in August 2012. The LBTCF allows Local Boards to prioritise and fund local transport initiatives. For Franklin for the 2024, 2025 and 2026 financial years the LBTCF is $1.68 million. The Franklin Local Board allocated the fund towards completing the Whangapouri Footbridge Pedestrian Safety project to enhance safe pedestrian access across a stormwater asset.

Option 2: Full Local Board Proposal

This option reflects the full list of project proposals suggested by the Franklin Local Board. Auckland Transport and Auckland Council have reviewed the request and provided initial cost estimates and likely beneficiaries for each project. Note that all costs are indicative only and are subject to change without notice. The likely period in which benefits will be fully realised has not been considered for this exercise.

Projects will be delivered based on relative priority, to be determined by the board, at the time the projects are agreed by the board. There is some uncertainty around the costs of delivering the full programme, particularly for investments in the later years. Investment in most paths will be subject to further feasibility assessment. All paths will also need to meet acceptable design standards set by Auckland Transport and Park & Community Facilities as they will be responsible for their ongoing maintenance once the targeted rate ceases. Reprioritisation of the programme may be required to maximise outcomes and different paths may be substituted in place of paths identified in the proposal. If this occurs path investments will be at the same general cost and location within the Franklin Local Board area to ensure that investments are aligned to the communities that fund them.

Partnership establishment and programme management

A partnership/programme manager will be employed to manage overall planning and delivery for the programme. Responsibilities will include project planning, partner coordination and investment alignment, milestone reporting, governance support, and fundraising. It will also include engaging individual project managers. Programme and project management costs will need to be re-estimated once the delivery model is agreed between Auckland Council, AT, and partners.

Table 5. Programme and partnership management costs

Name	Description	Budget
Partnership coordination and programme management	Full-time role over 10-year programme and supporting budget	$1,666,043

Franklin Regional Connection Plan

To support regional recreational, tourism, commuting, and economic development outcomes, and follow other regions like Queenstown and the Hawkes Bay who have established gravel shared path networks, a **Franklin Regional Connection Plan** will be developed. The Regional Connection Plan will consolidate the four Franklin Trails Plans, with additional community input, as well as working with Waikato Regional Council, Waikato District Council, the Strategic Growth transport initiative, and others. It will be a key piece of work that will provide strategic direction for the development of regional trails and cycle connections over the next 5 years. It will provide direction for decision making, development and management of Franklin trails including assessing the feasibility of certain connections, cost estimates, and future investment decisions.

This Regional Connection Plan will:

- Inform communities, iwi, hapu, developers, and local authorities to help deliver on Franklin Local Board goals and actions for connectivity.
- Build on the current identified paths and cycling route data set out in the Regional Connection Plan for moving to an online spatial map.
- Guide Council staff on path and cycling infrastructure development objectives that should be prioritised within existing budgets and resourcing, as well as projects which could be considered for funding through co-investment or external funding or fundraising actions.
- Support investigating showing the routes within councils publicly available section of the GIS system and AT's Future Connect (mapping portal with the long-term plan for Auckland's Transport system).

Table 6. Franklin Regional Connection Plan costs

Name	Description	Budget
Franklin Regional Connection Plan	Regional output identifying landscape shared path and cycling only connections across Franklin	$67,000

Cost estimates and engineering standards

When reviewing each of the subdivision investment project tables each project will have one of the following attributions:

- **Path**: 2m wide gravel surface.
- **Shared path**: combination of different standards – 2-3m wide gravel paths and urban concrete footpath standards at 1.5 – 2m wide standard.
- **Footpath:** 1.5 – 2m wide urban AT footpath standard.

- **Pedestrian crossing:** a range of solutions - pedestrian islands, refugees, flat pedestrian crossing, raised pedestrian table crossing.
- **Poled route:** 1m high wooden bollard installed at approximately 50m intervals (no track construction)

Construction cost estimates were primarily developed via desktop analysis which produced the dimensions, specifications, and costings. Engineering cross sections, materials and support structures were identified for each section of paths considering gradients and other features. Commercial per metre construction rates were applied to develop an overall rough order cost estimate for each project. Contingencies were applied to the construction cost estimate, as well as contingencies to support resource consenting and engineering design work. Paths with sections within the formed road corridor included an additional contingency to support traffic management costs and Auckland Transport staff support.

Waiuku Subdivision

Proposed Waiuku Subdivision Path Programme

Scope: The Waiuku Trails Plan is a network of walking and cycling connections connecting the Waiuku town centre, peninsula's, Glenbrook Railway Station, Waiuku Cemetery, culturally significant Waiuku Portage, and eastern industrial area. The network comprises of the following six sections:

- **Section A (Western Walkway)** between King Street West and Sandspit Reserve.
- **Section B (Central Walkway)** between Sandspit Reserve and Tamake Reserve.
- **Section C (Eastern Walkway)** between Tamake Reserve and Racecourse Road end.
- **Section D (Southern Walkway)** predominantly through King Street, Kitchener Road, Hamilton Drive, and James Bright line.
- **Section E (Town loop)** circling the town centre.
- **section F (Portage connection)** links the town centre to the Awaroa Portage and Waiuku Cemetery.

The programme has successfully constructed 1,146 metres to complete the A-Western Walkway section, and 1,019 metres of the southern section of B-Central Walkway, and 515 metres of the southern section of C-Eastern Walkway.

It is proposed the targeted rate would support further sections, namely:

- completion of the **B-Central Walkway** section from the Riverside Drive Recreational Reserve to the tip of the peninsula at Sandspit Reserve.
- extending the constructed southern section of **C-Eastern Walkway** to the tip of the eastern peninsula ending at Racecourse Road.
- a section of the **D-Southern Walkway** section between the Waiuku Cosmopolitan Club on Victoria Avenue and the end of James Bright Line where it meets Kitchener Road.
- the **F-Portage Connection** – through the Waiuku Cemetery and Brooksmith Drive Reserve with connection into Ernest Shackleton Place and Brooksmith Place

Additionally, it is proposed to install 1,230 metres of footpath on the northern side of Cemetery Road starting at the Hull Road intersection and along the northern side of Waiuku-Otaua Road to an existing footpath near the northern end of the Waiuku Cemetery.

Appendix 1 provides a map showing the location of Waiuku projects - see Figure 1: Proposed projects in Waiuku Subdivision, distributed benefits (Option 2 – Full Local Board Proposal)

Estimated Costs: Estimated construction and maintenance costs for each connection are approximately:

Table 7. Waiuku Subdivision investment programme

Waiuku Subdivision			
Project	Length(m)	10-year construction cost (capex)	Maintenance cost p/a (opex)
B- Western Walkway (path)	940	$2,735,000.00	$82,050.00
C - Eastern Walkway (path)	1500	$372,100.00	$3,750.00
D - Southern Walkway (path)	1615	$507,679.00	$7,268.00
F - Portage Connection (path)	1101	$320,386.00	$2,753.00
Cemetery Road - Waiuku-Otaua Road Footpath	1088	$629,970.00	$318.00

Note: All costs are indicative only and are subject to further review. Delivery will be phased, to be aligned with revenue generated from the targeted rate. The programme will continue to be updated as new information becomes available.

Beneficiaries: The paths will likely be used mainly by residents for recreational and commuting purposes; however, it is expected to become more popular with other users as the network is connected and expanded. Waiuku is increasingly becoming a destination and receiving day visitors and the network will support an opportunity to move around the town to visit community infrastructure and sites of interest. Residents will also benefit from a marginal localised traffic decongestion effect. Although this benefit is unlikely to be noticeable. There will also be marginal localised reduced air pollution from mode switching from reduced use of combustion engine vehicles.

Rationale: Projects will lead to a reduction in vehicle emissions contributing to less noise and less air pollution, for people living and working near projects, and regionally result in fewer emissions which are warming the atmosphere, reducing climate impacts in Franklin and Auckland.

Paths: Although individual projects mainly benefit residents in the local area, the overall programme provides benefits across Waiuku township by enhancing localised amenity and promoting walking and cycling in the community. The Waiuku Trails Committee supported the prioritising the completion of section B-Western Walkway and extending section C-Eastern Walkway to increase access to both peninsulas. They also support the development of sections of D-Southern Walkway, to increase connectivity across central Waiuku, and F-Portage Connection, improving access to a cultural significant area and to a council reserve with high amenity value.

Footpaths: Generally, new footpath proposals are primarily in urban areas and would benefit town centres, access to bus stops, education institutions, employment areas, or significant community areas. Benefits of the rural footpaths program involves improved access to shopping, entertainment, neighbours, dog-walking, wellbeing, self-improvement (school), community activities, parks, beaches, and further provides support for further footpath programs. Priority is given to those footpaths which lie within 300m from those areas, along with safety and connection to existing footpath and growth areas. The Cemetery Road- Waiuku-Otaua Road footpath is not located close to central Waiuku or these type of priority areas. Residents living along this section of road have previously made submissions to the Franklin Local Board requesting for a footpath to be installed along this section of road.

Additional comments

Footpaths: Shared paths and footpaths increase mode choice and encourage active modes, particularly for short distance trips. Shared paths and footpaths improve safety for pedestrians, and cyclists, support overall transport network resilience and efficiency, by providing alternative mode options for shorter trips and to provide wider air quality, economic, health and recreational benefits for residents living in the areas targeted for increased investment supporting new path connections or footpaths.

Pukekohe Subdivision

Pukekohe-Paerata Trails Plan

Scope: The proposed targeted rate would expand the Pukekohe-Paerata Paths delivery plan to fund additional connections from Pukekohe's growth areas to the town centre, community facilities, transport hubs though the existing road and open space network. Sections of Priority Routes 2, 3, 6 and 8 were identified for development. This would significantly enhance and extend the current Pukekohe path development programme and create a larger and more integrated walking and cycling network within Pukekohe and with surrounding townships.

Improving pedestrian and cyclists' safety is an important objective and a programme of crossing improvements is proposed to be delivered areas within Pukekohe. Sites based on a combination of criteria, including user demand, crash data, vicinity to schools and town-centres, road speed, the volume of cars, traffic conditions, and community requests will be prioritised for development. Improving walking and cycling safety and access at Pukekohe High School and Pukekohe Intermediate School are key goals.

Additional safety features will also include improved signage, surface treatments, road markings and lighting. These will increase the visibility of pedestrians and cyclists and create a safe environment for all road users.

Within the Pukekohe-Paerata Trails Plan a separate chapter: Clarks Beach, Waiau Beach - Waiau Pa area was published December 2021.

Clarks Beach to Waiau Pa shared path project was identified as Priority Connection 1 to enable safe walking/cycling between both centres. The route is approximately 3km and is situated within the road corridor along Clarks Beach Road and Stevenson Road.

Clarks Beach Coastal Walkway Eastern Section project was identified as an important connection to establish joining Priority Route 2 (Stella Road and Stevenson Road shared path, Clarks Beach Recreation Reserve and Golf Course connection to Waiau Beach) and Priority Route 3a Waitete Pā cultural and coastal walk.

Paths in Karaka (Karaka Recreational Reserve to Karaka primary school – Blackbridge Road) and Patumahoe (Patumahoe Eastern Circuit – Hunter Road) area have been proposed to service these areas.

Estimated Costs

Shared paths: estimated construction and maintenance costs for each shared path connection are approximately:

Table 8a. Pukekohe Subdivision shared path and path investment programme

Pukekohe Subdivision			
Project	Length(m)	10 year construction cost (capex)	Maintenance cost p/a (opex)
Priority Route 2 - Pukekohe and Paerata Township (path)	3430	$1,431,000	$15,435
Priority Route 3 - Pukekohe and Buckland Township (path)	1429	$1,668,921	$6,428
Priority Route 6 - Cape Hill to Pukekohe train station through Roseville Park (Share path)	2680	$641,000	$6,700
Priority Route 8 A - Pukekohe township to Puni Memorial Recreation Reserve direct route (share path)	2990	$613,000	$13,455
Priority Route 8 B - Pukekohe township to Puni Memorial Recreation Reserve full route (share path)	4570	$1,061,000	$20,565
Clarks Beach to Waiau Pa path	3430	$856,000	$15,435
Clarks Beach Coastal Walkway - Eastern Section path	680	$235,000	$1,700
Karaka Recreational Reserve to Karaka school - Blackbridge Road path	3471	$3,804,419	$19,051
Patumahoe Eastern Circuit - Hunter Road path	4070	$1,316,000	$18,315
Sub - total	**26,749**	**$11,626,340**	**$117,084**

Note: All costs are indicative only and are subject to further review. Delivery will be phased, to be aligned with revenue generated from the targeted rate. The programme will continue to be updated as new information becomes available.

Appendix 1 provides a map showing the location of Pukekohe path projects - see Figure 2: Proposed projects in Pukekohe Subdivision, distributed benefits (Option 2)

Pedestrian crossing programme: The scope of the crossing programme is to improve active mode opportunities for students commuting to school, as well as residents crossing high traffic volume roads, and improved connections to public transport hubs, like Pukekohe Train Station. Seven priority focus areas have been identified with further demand analysis to be carried out to identify specific locations and recommended engineering solutions for implementation. Pukekohe priority areas are:

- Priority area 1: Birdwood Road, Beatty Road, Birdwood Road East area
- Priority area 2: Montgomery Road, Helvetia Road area
- Priority area 3: West Street, Rosa Birch Park area

- **Priority area 4:** Victoria Street, Dublin Street, Tobin Street, Harrington Ave area
- **Priority area 5**: Harris Street, Pukekohe High school area
- **Priority area 6:** Station Road, Pukekohe Train Station area
- **Priority area 7:** Reynolds Road, Pukekohe Rugby Club, Ernies Reserve, Cape Hill Reserve area

Priority Areas 1 - 7 are not ranked.

A total budget of $4,570,800 is proposed to support between 8-10 new crossings or crossing enhancements, within the Pukekohe priority focus areas. One new or crossing enhanced project is proposed for Patumahoe in the Woodhouse Road area.

Table 8b. Pukekohe Subdivision Pedestrian Crossing investment programme

Project	Length(m)	10 year construction cost (capex)	Maintenance cost p/a (opex)
8-10 new crossings or crossing enhancements within Pukekohe	250	$4,070,800	$9,000
1 new crossing or crossing enhancements within Patumahoe	23	$390,000	$1,000
		$4,460,800	$10,000

Appendix 1 provides a map showing likely Pukekohe crossing project areas - see Figure 3: Proposed pedestrian crossing priority areas in Pukekohe, distributed benefits (Option 2)

Beneficiaries: Although individual path, footpath and road crossing projects mainly benefit residents in the local area, the overall programme provides benefits across Pukekohe Subdivision by enhancing localised amenity values, improving safety, and promoting walking and cycling in the community. New or upgrading existing pedestrian crossings are primarily in areas within Pukekohe urban boundary, near the town centre fringe, education institutes, or significant community areas. Priority focus areas for future pedestrian crossings have been selected to facilitate safer walking and cycling commuting connections at strategic locations within Pukekohe. Auckland Transport will undertake further demand analysis to confirm specific locations. Residents will also benefit from a marginal localised decongestion effect. Although this benefit is unlikely to be noticeable, there will also be marginal localised reduced air pollution from mode switching from reduced use of combustion engine vehicles.

Rationale

Projects will lead to a reduction in vehicle emissions contributing to less noise and less air pollution, for people living and working near projects, and regionally result in fewer emissions which are warming the atmosphere, reducing climate impacts in Franklin and Auckland.

Pedestrian Crossings: Franklin has a high percentage of private vehicle use as part of the overall transport mix, making it difficult to traverse Pukekohe by walking and cycling due to conflict with high numbers of private and commercial vehicles on the road. The proposed crossing investment programme is focused on enabling active mode choices, especially to and from Pukekohe schools and Pukekohe train station. Auckland Transport will undertake user demand analysis and site feasibility assessments to confirm the optimum locations and prioritised phased construction of the Pukekohe pedestrian crossing investment programme.

Paths: The Pukekohe-Paerata Paths Plan was developed by staff for the Local Board in consultation with mana whenua and the community. Nine approved priority path connections for development in the

Pukekohe-Paerata area were identified with three receiving LDI capex construction funding (connections 4, 5 and 7) The proposed path programme would enable sections of priority path connections 2, 3, 6 and 8, previously identified for advocacy, to be funded through to physical works. This would contribute to the establishment of an expanding shared path network across Pukekohe, with key sections of priority path connections, 2, 3, 4, 5, 6, 7 and 8 being constructed.

Wairoa Subdivision

Scope: The proposed targeted rate would contribute to the delivery of path connections identified in the Pohutukawa Trails Plan for the Whitford, Beachlands, and Maraetai areas.

There are many rural and coastal towns within the Wairoa Subdivison with limited footpaths or access to shared path infrastructure. These include Bombay, Kawakawa Bay and Hunua. There are also community-built gravel paths (Ararimu township and Orere Point township) which are proposed to be upgraded to meet safety and design standards.

The Clevedon Precinct Plan contains a network of designated walkways which requires developers to construct at the time of subdivision to promote and enhance Clevedon’s amenity values.

AT currently has a candidate list of approximately 30 requests for new or improved footpath segments in Beachlands, Maretai and Whitford. There are also public requests for additional investment in pedestrian crossings at multiple locations across the Wairoa Subdivision.

Estimated costs

Shared paths and pedestrian crossings: estimated construction and maintenance costs for each project are approximately:

Table 9. Wairoa Subdivision investment programme

Wairoa Subdivision			
Project	Length(m)	10 year construction cost (capex)	Maintenance cost p/a (opex)
Clevedon Scenic Reserve to Clevedon North boardwalk and path	55	$50,371	$1,028
Clevedon Village to Tourist/McNicol Corner (via McNicol Road) path	2826	$832,000	$12,717
Orere Village to Orere School path	2332	$441,776	$10,494
Araimu Village path	1546	$154,807	$6,957
Hunua Road Footpath (Service Station to Cowan Road	270	$500,000	$79
Bombay - Paparata Reserve path	125	$17,064	$313
Kawakawa Bay Coastal path	834	$269,218	$3,753
Beachland Liberty Crescent Footpath	127	$25,553	$0
Shelly Bay Road footpath	125	$135,000	$37

Maratai School Road to Te Puru Park path	565	$810,202	$2,543
Whitford War Memorial Domain to Whitford Maraetai Road path	224	$43,661	$560
Whitford - marine costal section Broomfields Road to Strathfield Lan poled route	1435	$58,564	$1,757
Maraetai Beach School pedestrian crossing	20	$390,000	$1,000
Sub - total	10485	$3,728,215	$41,237

Note: All costs are indicative only and are subject to further review. Delivery will be phased, to be aligned with revenue generated from the targeted rate. The programme will continue to be updated as new information becomes available.

Appendix A provides a map showing the location of Wairoa projects - see Figure 4, Figure 4a, Figure 4b, Figure 4c: Proposed projects in Wairoa Subdivision, distributed benefits (Option 2)

Beneficiaries: Although individual path, footpath and road crossing projects mainly benefit residents in the local area, the overall programme provides benefits across Wairoa Subdivision by enhancing localised amenity values, improving safety, and promoting walking and cycling in the community. Residents will also benefit from a marginal localised decongestion effect. Although this benefit is unlikely to be noticeable, there will also be marginal localised reduced air pollution from mode switching from reduced use of combustion engine vehicles.

Rationale

Projects will lead to a reduction in vehicle emissions contributing to less noise and less air pollution, for people living and working near projects, and regionally result in fewer emissions which are warming the atmosphere, reducing climate impacts in Franklin and Auckland.

Footpaths: Generally, new footpath proposals are primarily in urban areas and would benefit town centres, access to bus stops, education institutions, employment areas, or significant community areas. Benefits of the rural footpaths program involves improved access to shopping, entertainment, neighbours, dog-walking, wellbeing, self-improvement (school), community activities, parks, beaches, and further provides support for further footpath programs. Priority is given to those footpaths which lie within 300 meters from those areas, along with safety and connection to existing footpath and growth areas. The Shelly Bay Road is not located close to Beachlands commercial centre or these type of priority areas. Residents living along this section of road have previously made submissions to the Local Board requesting for a footpath to be installed along this section of road.

Pedestrian Crossings: Auckland Transport will undertake user demand analysis and site feasibility assessments to confirm the optimum locations and prioritised construction phasing of the Wairoa pedestrian crossing investment programme. Currently the programme is supporting an upgrade of the Maraetai Primary School crossing.

Paths

Table 10. Summary of Wairoa Paths and footpaths

Project	Description
Clevedon Scenic Reserve to Clevedon North boardwalk and path	Connects an existing developer constructed path with no exit to nearby Council Reserve
Clevedon Village to Tourist/McNicol Corner (via McNicol Road) path	Extends a shared path being developed by the Stevensons Group into Clevedon and connects Hunua Traverse to Clevedon
Orere Village to Orere School path	Upgrade an existing community-developed gravel path
Ararimu Village path	Upgrade an existing community-developed gravel path
Hunua Road footpath (Service Station to Cowan Road)	Provides safe pedestrian movement within Hunua Village
Bombay - Paparata Reserve path	Provides a connection through Paparata Reserve between Paparata Rd and Lawrence Carter Rd
Kawakawa Bay coastal path	Connects Kawakawa Bay residential area to Whitford Domain Reserve
Beachland Liberty Crescent footpath	Upgrade an existing well used partially gravelled path to concrete
Shelly Bay Road footpath	Provides a footpath extension
Maraetai School Road to Te Puru Park path	Provides access for Mareatai residents to safely cross Whitford Maraetai Road to access Te Puru Park
Whitford War Memorial Domain to Whitford Maraetai Road path	Utilises a Council owned residential property to improve access to Whitford Memorial Domain
Whitford – marine costal section Broomfields Road to Strathfield Lane poled route	Creates low-cost/impact access to Whitford coastal areas using Council Reserves
Maraetai Beach School pedestrian crossing	Provides a safer crossing option for students at Maraetai Beach School

Summary of costs for Option 2: Differential benefits based on Franklin subdivisions.

The following table summarises the proposed investment programme for the Franklin Local Board Path Targeted rate.

The Coordination and supporting outputs budget line includes programme and project management costs, as well the development of a Regional Connection Plan output which will map path and cycling connections across Franklin. Each Subdivision budget line contains the total construction and operational maintenance costs (for 10 years) to deliver the projects identified by the Board and presented earlier in this Annex. The capital and operational costs have been calculated using commercial rates. Total estimated costs are $28,733,121 over 10 years. The projected project costs exceed projected revenue from the targeted rate. Project costs will need to be aligned with projected revenue, either through securing co-funding, delivery cost savings, descoping or deprioritising projects.

Table 11. Franklin Board area investment programme

Cost centres	10 year construction cost (capex)	10 year maintenance cost (opex)	Coordination and supporting outputs	Sub-total
Coordination and supporting outputs			$1,733,043	$1,733,043
Waiuku	$4,565,134	$513,595		$5,078,729
Pukekohe	$16,087,140	$681,170		$16,768,310
Wairoa	$3,728,215	$221,030		$3,949,245
Grand-total	**$24,380,489**	**$1,415,796**	**$1,733,043**	**$27,529,328**

Note: All costs are indicative only and are subject to further review. Delivery will be phased, to be aligned with revenue generated from the targeted rate. The programme will continue to be updated as new information becomes available.

Appendix A: Supporting information for Option 2

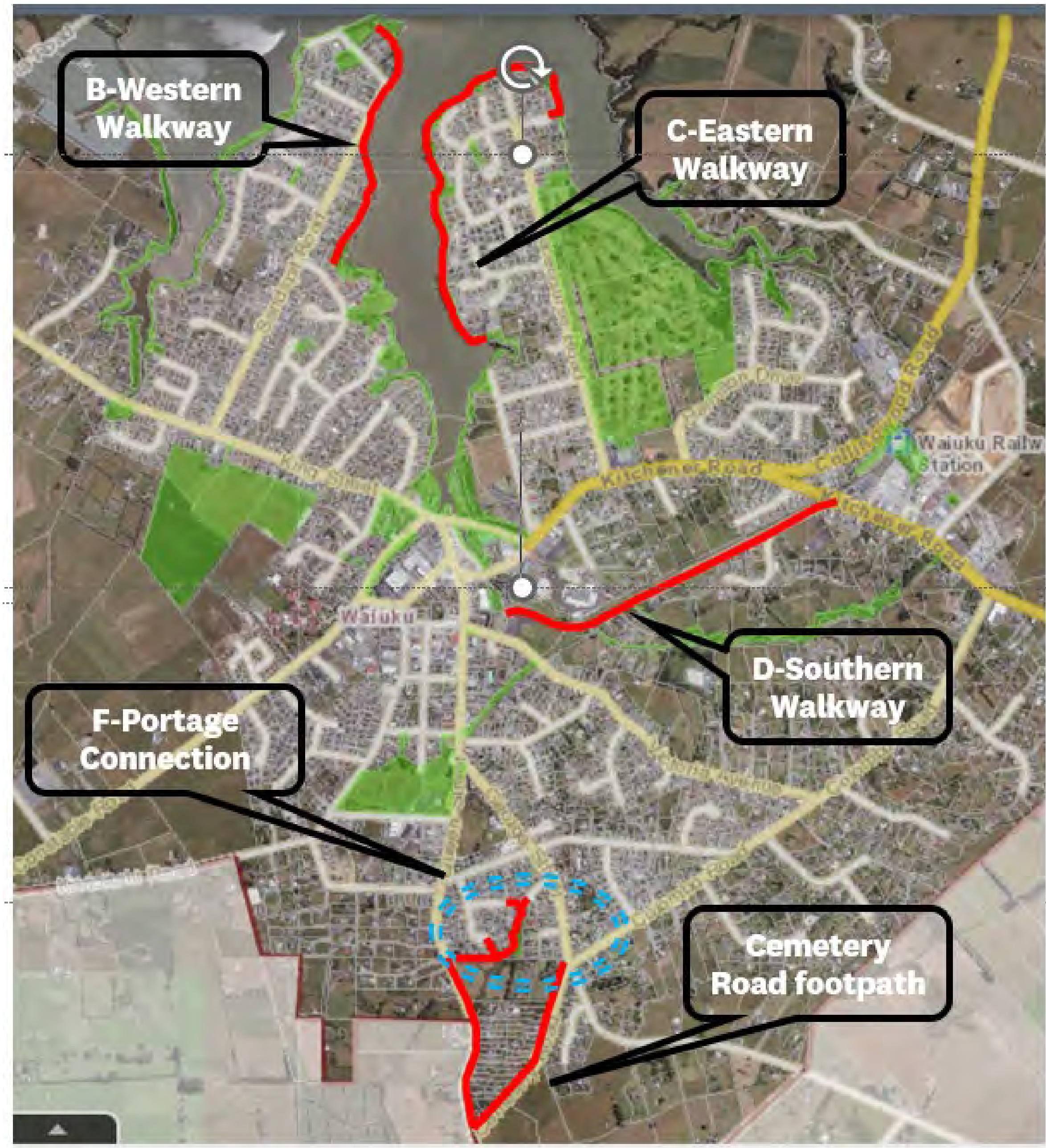


Figure 1: Proposed projects in Waiuku Subdivision, distributed benefits (Option 2)

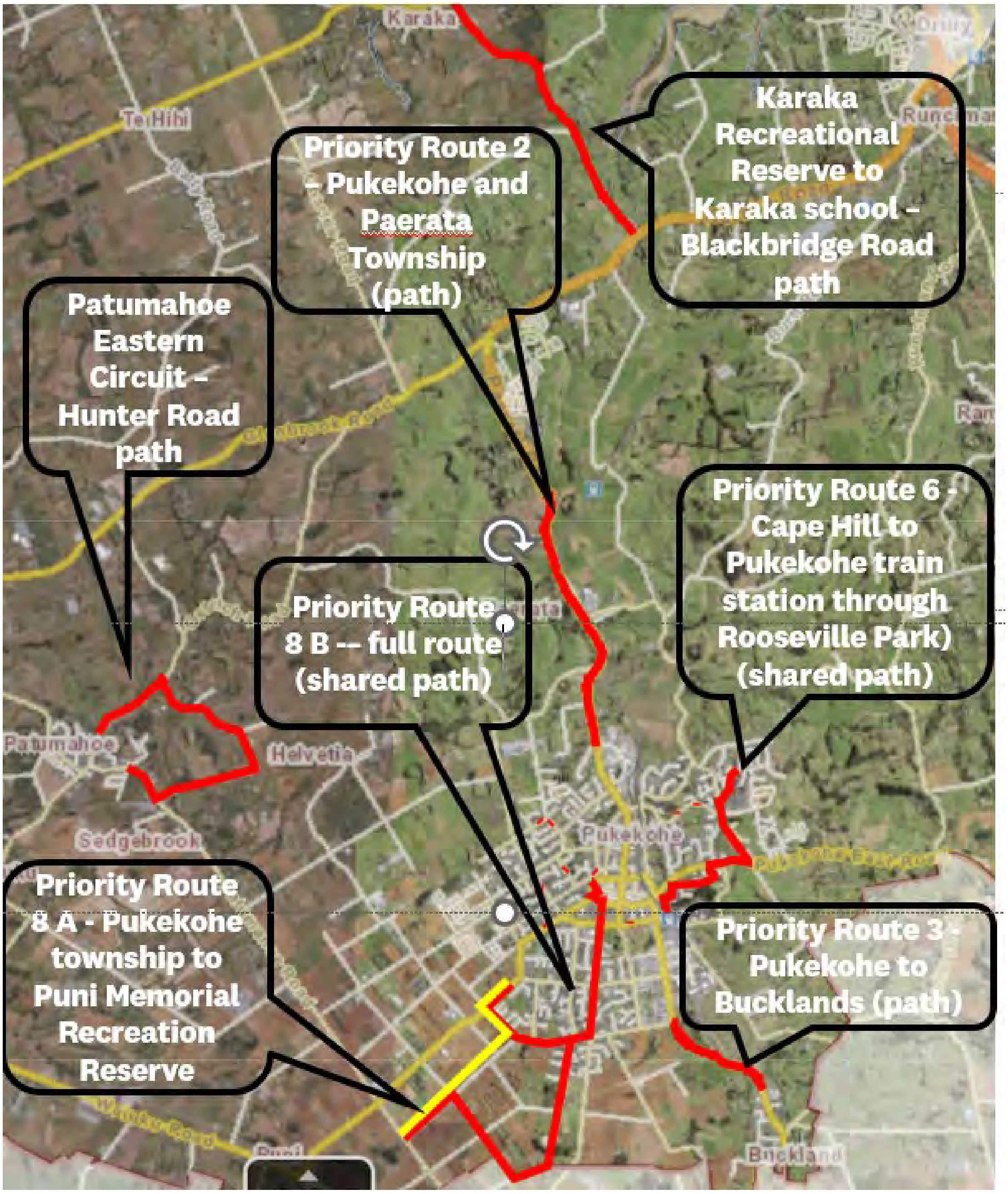


Figure 2: Proposed path projects in Pukekohe Subdivision, distributed benefits (Option 2)

Figure 3: Proposed pedestrian crossing priority areas in Pukekohe, distributed benefits (Option 2)

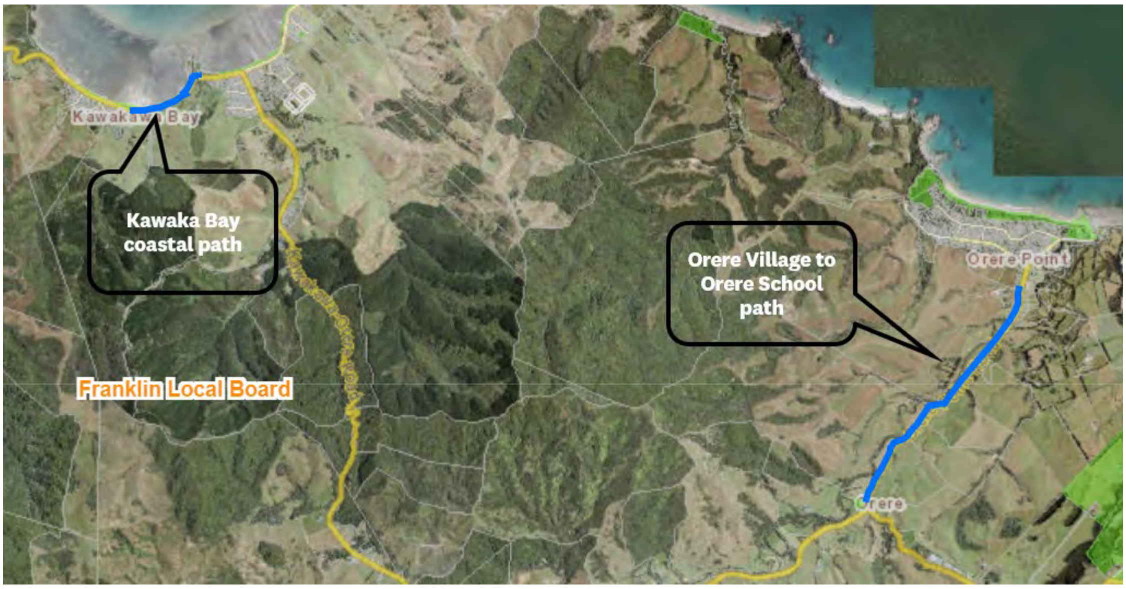


Figure 4: Proposed projects in Wairoa Subdivision, distributed benefits (Option 2)

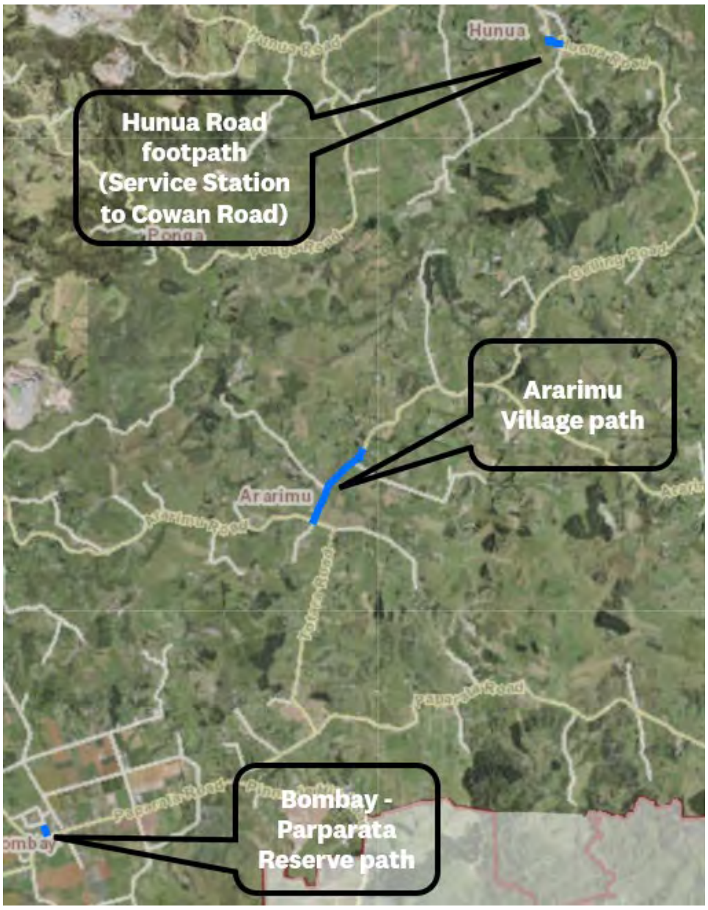


Figure 4a: Proposed projects in Wairoa Subdivision, distributed benefits (Option 2)

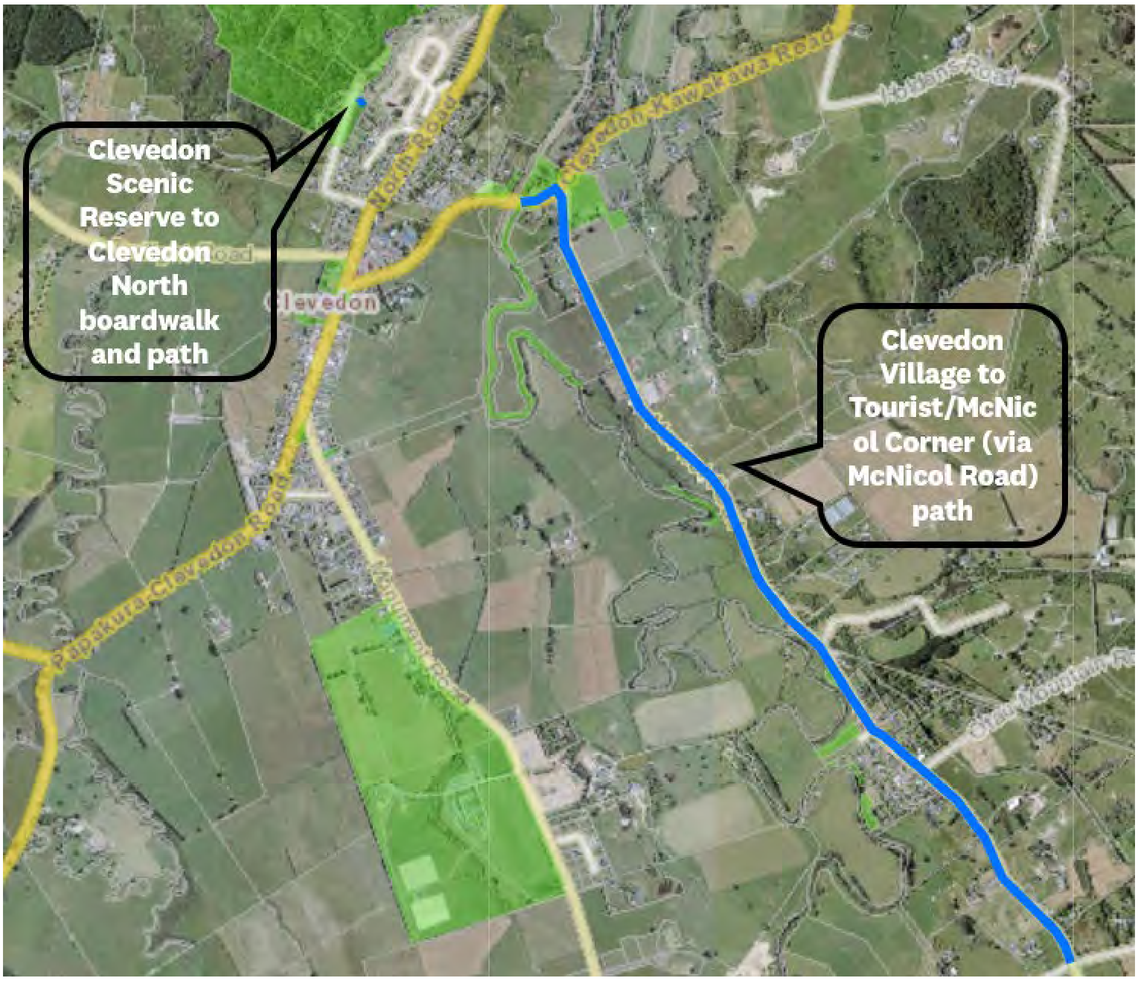


Figure 4b: Proposed projects in Wairoa Subdivision, distributed benefits (Option 2)

Figure 4c: Proposed projects in Wairoa Subdivision, distributed benefits (Option 2)

Attachment G-3: Franklin Local Board Paths Targeted Rate - Rates impact by local board sub-division

Local board sub-division	Category[12]	Number of properties	Forecast Rates revenue 2024/2025 (GST excl)	Average Annual Rates 2023/2024 (GST incl)	Average Rates Increase 2024/2025 (%)[13]
Pukekohe	Urban Residential	9,996	$481,270	$2,593	2.0%
	Urban Business	708	$52,323	$12,583	0.4%
	Rural Residential	1,841	$86,394	$2,793	1.9%
	Rural Business	118	$6,598	$10,475	0.5%
	Farm and Lifestyle	3,405	$173,058	$4,828	1.1%
	All categories	**16,068**	**$799,643**	**$3,608**	**1.4%**
Wairoa	Urban Residential	205	$9,404	$3,107	1.7%
	Urban Business	42	$2,030	$30,034	0.2%
	Rural Residential	5,301	$257,092	$3,436	1.5%
	Rural Business	269	$19,794	$13,629	0.4%
	Farm and Lifestyle	4,577	$229,579	$4,520	1.2%
	All categories	**10,394**	**$517,899**	**$4,290**	**1.2%**
Waiuku	Urban Residential	0	$0	$0	0.0%
	Urban Business	0	$0	$0	0.0%
	Rural Residential	4,852	$225,080	$2,039	2.6%
	Rural Business	239	$14,165	$11,386	0.5%
	Farm and Lifestyle	2,209	$107,845	$2,871	1.8%
	All categories	**7,300**	**$347,090**	**$2,607**	**2.0%**

[12] The categories shown in this table are the main general rates differential categories. There are other general rates differential categories that have not been included in the table as they make up a very small portion of the properties and the impacts would be similar to those categories shown.

[13] Assumes 1 SUIP per property

Attachment H: Active Communities fees

A full schedule of proposed changes to fees is in the table below.

Local Board	Site	Fee	FY24 Fee	Proposed FY25 fee	Fee Change ($)	Fee Change (%)
	All pool and leisure sites	Auckland Membership (Adult) 12 months	N/A	$1,358.50	NEW	NEW
	All pool and leisure sites	Auckland Membership (Adult) 3 months	N/A	$370.50	NEW	NEW
	All pool and leisure sites	Auckland Membership (Adult) 6 months	N/A	$741.00	NEW	NEW
	All pool and leisure sites	Auckland Membership (Adult) DD Fortnightly	N/A	$57.00	NEW	NEW
	All pool and leisure sites	Auckland Membership (Adult) DD Monthly	N/A	$123.50	NEW	NEW
	All pool and leisure sites	Auckland Membership (Adult) DD Weekly	N/A	$28.50	NEW	NEW
	All pool and leisure sites	Auckland Membership (Concessionary) 12 months	N/A	$1,153.90	NEW	NEW
	All pool and leisure sites	Auckland Membership (Concessionary) 3 months	N/A	$314.70	NEW	NEW
	All pool and leisure sites	Auckland Membership (Concessionary) 6 months	N/A	$629.40	NEW	NEW
	All pool and leisure sites	Auckland Membership (Concessionary) DD Fortnightly	N/A	$48.40	NEW	NEW
	All pool and leisure sites	Auckland Membership (Concessionary) DD Monthly	N/A	$104.90	NEW	NEW
	All pool and leisure sites	Auckland Membership (Concessionary) DD Weekly	N/A	$24.20	NEW	NEW
	All pool and leisure sites	Auckland Membership (Corporate) 12 months	$1,112.50	$1,086.00	-$26.50	-2%
	All pool and leisure sites	Auckland Membership (Corporate) DD Fortnightly	$42.80	$45.60	$2.80	7%
	All pool and leisure sites	Auckland Membership (Corporate) DD Monthly	$92.73	$98.80	$6.07	7%
	All pool and leisure sites	Auckland Membership (Corporate) DD Weekly	$21.40	$22.80	$1.40	7%
Devonport-Takapuna	Takapuna Pool and Leisure Centre	Adult - Swim	N/A	$8.00	NEW	NEW
	Takapuna Pool and Leisure Centre	Adult - Swim 10	N/A	$72.00	NEW	NEW
	Takapuna Pool and Leisure Centre	Adult - Swim Plus	$9.00	$10.00	$1.00	11%
	Takapuna Pool and Leisure Centre	Adult - Swim Plus 10	$82.20	$90.00	$7.80	9%

Local Board	Site	Fee	FY24 Fee	Proposed FY25 fee	Fee Change ($)	Fee Change (%)
	Takapuna Pool and Leisure Centre	Aquatic Spectator	$1.00	$2.00	$1.00	100%
	Takapuna Pool and Leisure Centre	Aquatic Spectator 10	$9.00	$18.00	$9.00	100%
	Takapuna Pool and Leisure Centre	Concessionary - Swim	N/A	$4.80	NEW	NEW
	Takapuna Pool and Leisure Centre	Concessionary - Swim 10	N/A	$43.20	NEW	NEW
	Takapuna Pool and Leisure Centre	Concessionary - Swim Plus	$7.50	$6.00	-$1.50	-20%
	Takapuna Pool and Leisure Centre	Concessionary - Swim Plus 10	$67.50	$54.00	-$13.50	-20%
	Takapuna Pool and Leisure Centre	Learn to Swim - Babies & Toddlers	$15.50	$18.00	$2.50	16%
	Takapuna Pool and Leisure Centre	Learn to Swim - Pre-school	$16.50	$18.00	$1.50	9%
	Takapuna Pool and Leisure Centre	Learn to Swim - Private Lesson 1 - 1	$45.00	$60.00	$15.00	33%
	Takapuna Pool and Leisure Centre	Learn to Swim - Private Lesson 1 - 1 (Special Needs)	$27.00	$36.00	$9.00	33%
	Takapuna Pool and Leisure Centre	Learn to Swim - School Age, Teenage & Adults	$16.50	$20.00	$3.50	21%
	Takapuna Pool and Leisure Centre	Learn to Swim Holiday Programme	$13.50	$16.00	$2.50	19%
	Takapuna Pool and Leisure Centre	Supervising Adult	$1.00	$2.00	$1.00	100%
	Takapuna Pool and Leisure Centre	Supervising Adult 10	$9.00	$18.00	$9.00	100%
Henderson-Massey	West Wave Pool and Leisure Centre	Adult - Swim	N/A	$8.00	NEW	NEW
	West Wave Pool and Leisure Centre	Adult - Swim 10	N/A	$72.00	NEW	NEW
	West Wave Pool and Leisure Centre	Adult - Swim Plus	$9.00	$10.00	$1.00	11%
	West Wave Pool and Leisure Centre	Adult - Swim Plus 10	$82.20	$90.00	$7.80	9%
	West Wave Pool and Leisure Centre	Aquatic Spectator	$1.00	$2.00	$1.00	100%
	West Wave Pool and Leisure Centre	Aquatic Spectator 10	N/A	$18.00	NEW	NEW
	West Wave Pool and Leisure Centre	Concessionary - Swim	N/A	$4.80	NEW	NEW
	West Wave Pool and Leisure Centre	Concessionary - Swim 10	N/A	$43.20	NEW	NEW

Local Board	Site	Fee	FY24 Fee	Proposed FY25 fee	Fee Change ($)	Fee Change (%)
	West Wave Pool and Leisure Centre	Concessionary - Swim Plus	$7.50	$6.00	-$1.50	-20%
	West Wave Pool and Leisure Centre	Concessionary - Swim Plus 10	$68.00	$54.00	-$14.00	-21%
	West Wave Pool and Leisure Centre	Holiday Programme Base Price	$31.50	$38.00	$6.50	21%
	West Wave Pool and Leisure Centre	Learn to Swim - Babies & Toddlers	$15.50	$18.00	$2.50	16%
	West Wave Pool and Leisure Centre	Learn to Swim - Pre-school	$16.50	$18.00	$1.50	9%
	West Wave Pool and Leisure Centre	Learn to Swim - Private Lesson 1 - 1 (Special Needs)	$32.20	$36.00	$3.80	12%
	West Wave Pool and Leisure Centre	Learn to Swim - School Age, Teenage & Adults	$16.50	$20.00	$3.50	21%
	West Wave Pool and Leisure Centre	Learn to Swim Holiday Programme	$13.50	$16.00	$2.50	19%
	West Wave Pool and Leisure Centre	OSCAR PM (drop off/pick up)	$93.20	$95.00	$1.80	2%
	West Wave Pool and Leisure Centre	OSCAR PM (no transportation)	$70.50	$75.00	$4.50	6%
	West Wave Pool and Leisure Centre	Supervising Adult	$5.50	$2.00	-$3.50	-64%
	West Wave Pool and Leisure Centre	Supervising Adult 10	$49.50	$18.00	-$31.50	-64%
	West Wave Pool and Leisure Centre	Term Programme Session (Junior)	$8.13	$8.00	-$0.13	-2%
	West Wave Pool and Leisure Centre	Term Programme Session (School age)	$8.97	$8.80	-$0.17	-2%
Hibiscus and Bays	Stanmore Bay Pool and Leisure	Adult - Swim	N/A	$8.00	NEW	NEW
	Stanmore Bay Pool and Leisure	Adult - Swim 10	N/A	$72.00	NEW	NEW
	Stanmore Bay Pool and Leisure	Adult - Swim Plus	$9.00	$10.00	$1.00	11%
	Stanmore Bay Pool and Leisure	Adult - Swim Plus 10	$81.00	$90.00	$9.00	11%
	Stanmore Bay Pool and Leisure	Aquatic Spectator	$0.00	$2.00	$2.00	NEW
	Stanmore Bay Pool and Leisure	Aquatic Spectator 10	N/A	$18.00	NEW	NEW
	Stanmore Bay Pool and Leisure	Concessionary - Swim	N/A	$4.80	NEW	NEW
	Stanmore Bay Pool and Leisure	Concessionary - Swim 10	N/A	$43.20	NEW	NEW

Local Board	Site	Fee	FY24 Fee	Proposed FY25 fee	Fee Change ($)	Fee Change (%)
	Stanmore Bay Pool and Leisure	Concessionary - Swim Plus	$7.50	$6.00	-$1.50	-20%
	Stanmore Bay Pool and Leisure	Concessionary - Swim Plus 10	$67.50	$54.00	-$13.50	-20%
	Stanmore Bay Pool and Leisure	Learn to Swim - Babies & Toddlers	$11.00	$18.00	$7.00	64%
	Stanmore Bay Pool and Leisure	Learn to Swim - Pre-school	$16.50	$18.00	$1.50	9%
	Stanmore Bay Pool and Leisure	Learn to Swim - Private Lesson 1 - 1	$32.00	$60.00	$28.00	88%
	Stanmore Bay Pool and Leisure	Learn to Swim - School Age, Teenage & Adults	$16.50	$20.00	$3.50	21%
	Stanmore Bay Pool and Leisure	Learn to Swim - Squads	$10.70	$16.50	$5.80	54%
	Stanmore Bay Pool and Leisure	Learn to Swim Holiday Programme	$13.50	$16.00	$2.50	19%
	Stanmore Bay Pool and Leisure	Supervising Adult	$1.00	$2.00	$1.00	100%
	Stanmore Bay Pool and Leisure	Supervising Adult 10	$9.00	$18.00	$9.00	100%
Howick	Howick Recreation Centre	Holiday Programme Base Price	$32.00	$38.00	$6.00	19%
	Howick Recreation Centre	Term Programme Session (Junior)	$7.94	$8.00	$0.06	1%
	Howick Recreation Centre	Term Programme Session (School age)	$8.69	$8.80	$0.11	1%
	Lloyd Elsmore Park Pool and Leisure Centre	Adult - Swim	$6.00	$8.00	$2.00	33%
	Lloyd Elsmore Park Pool and Leisure Centre	Adult - Swim 10	$54.00	$72.00	$18.00	33%
	Lloyd Elsmore Park Pool and Leisure Centre	Adult - Swim Plus	$8.50	$10.00	$1.50	18%
	Lloyd Elsmore Park Pool and Leisure Centre	Adult - Swim Plus 10	$76.50	$90.00	$13.50	18%
	Lloyd Elsmore Park Pool and Leisure Centre	Aquatic Spectator	$0.00	$2.00	$2.00	NEW
	Lloyd Elsmore Park Pool and Leisure Centre	Aquatic Spectator 10	N/A	$18.00	NEW	NEW
	Lloyd Elsmore Park Pool and Leisure Centre	Concessionary - Swim Plus	$7.20	$6.00	-$1.20	-17%
	Lloyd Elsmore Park Pool and Leisure Centre	Concessionary - Swim Plus 10	$64.80	$54.00	-$10.80	-17%
	Lloyd Elsmore Park Pool and Leisure Centre	Supervising Adult	$1.00	$2.00	$1.00	100%
	Lloyd Elsmore Park Pool and Leisure Centre	Supervising Adult 10	$10.00	$18.00	$8.00	80%

Local Board	Site	Fee	FY24 Fee	Proposed FY25 fee	Fee Change ($)	Fee Change (%)
	Pakuranga Recreation Centre	Holiday Programme Base Price	$31.50	$38.00	$6.50	21%
	Pakuranga Recreation Centre	Term Programme Session (Junior)	N/A	$8.00	NEW	NEW
	Pakuranga Recreation Centre	Term Programme Session (School age)	$8.69	$8.80	$0.11	1%
Kaipātiki	Birkenhead Pool and Leisure Centre	Adult - Swim	$8.50	$8.00	-$0.50	-6%
	Birkenhead Pool and Leisure Centre	Adult - Swim 10	$76.50	$72.00	-$4.50	-6%
	Birkenhead Pool and Leisure Centre	Aquatic Spectator	$0.00	$2.00	$2.00	NEW
	Birkenhead Pool and Leisure Centre	Aquatic Spectator 10	N/A	$18.00	NEW	NEW
	Birkenhead Pool and Leisure Centre	Concessionary - Swim	$6.50	$4.80	-$1.70	-26%
	Birkenhead Pool and Leisure Centre	Concessionary - Swim 10	$58.50	$43.20	-$15.30	-26%
	Birkenhead Pool and Leisure Centre	Learn to Swim - Babies & Toddlers	$15.50	$18.00	$2.50	16%
	Birkenhead Pool and Leisure Centre	Learn to Swim - Pre-school	$16.50	$18.00	$1.50	9%
	Birkenhead Pool and Leisure Centre	Learn to Swim - School Age, Teenage & Adults	$16.50	$20.00	$3.50	21%
	Birkenhead Pool and Leisure Centre	Learn to Swim Holiday Programme	$13.50	$16.00	$2.50	19%
	Birkenhead Pool and Leisure Centre	Supervising Adult	$1.00	$2.00	$1.00	100%
	Birkenhead Pool and Leisure Centre	Supervising Adult 10	$9.00	$18.00	$9.00	100%
	Glenfield Pool and Leisure Centre	Adult - Swim	N/A	$8.00	NEW	NEW
	Glenfield Pool and Leisure Centre	Adult - Swim 10	N/A	$72.00	NEW	NEW
	Glenfield Pool and Leisure Centre	Adult - Swim Plus	$9.00	$10.00	$1.00	11%
	Glenfield Pool and Leisure Centre	Adult - Swim Plus 10	$81.00	$90.00	$9.00	11%
	Glenfield Pool and Leisure Centre	Aquatic Spectator	$0.00	$2.00	$2.00	NEW
	Glenfield Pool and Leisure Centre	Aquatic Spectator 10	N/A	$18.00	NEW	NEW
	Glenfield Pool and Leisure Centre	Concessionary - Swim	N/A	$4.80	NEW	NEW

Local Board	Site	Fee	FY24 Fee	Proposed FY25 fee	Fee Change ($)	Fee Change (%)
	Glenfield Pool and Leisure Centre	Concessionary - Swim 10	N/A	$43.20	NEW	NEW
	Glenfield Pool and Leisure Centre	Concessionary - Swim Plus	$7.50	$6.00	-$1.50	-20%
	Glenfield Pool and Leisure Centre	Concessionary - Swim Plus 10	$67.50	$54.00	-$13.50	-20%
	Glenfield Pool and Leisure Centre	Learn to Swim - Babies & Toddlers	$15.50	$18.00	$2.50	16%
	Glenfield Pool and Leisure Centre	Learn to Swim - Pre-school	$16.50	$18.00	$1.50	9%
	Glenfield Pool and Leisure Centre	Learn to Swim - Private Lesson 1 - 1	$75.00	$60.00	-$15.00	-20%
	Glenfield Pool and Leisure Centre	Learn to Swim - Private Lesson 1 - 1 (Special Needs)	$32.20	$36.00	$3.80	12%
	Glenfield Pool and Leisure Centre	Learn to Swim - School Age, Teenage & Adults	$16.50	$20.00	$3.50	21%
	Glenfield Pool and Leisure Centre	Learn to Swim Holiday Programme	$13.50	$16.00	$2.50	19%
	Glenfield Pool and Leisure Centre	Supervising Adult	$1.00	$2.00	$1.00	100%
	Glenfield Pool and Leisure Centre	Supervising Adult 10	N/A	$18.00	NEW	NEW
Mangere-Ōtāhuhu	Moana-Nui-a-Kiwa Pool and Leisure Centre	Adult - Plus	$6.90	$7.00	$0.10	1%
	Moana-Nui-a-Kiwa Pool and Leisure Centre	Adult - Plus 10	$62.10	$63.00	$0.90	1%
	Moana-Nui-a-Kiwa Pool and Leisure Centre	Concessionary - Plus	$5.80	$4.20	-$1.60	-28%
	Moana-Nui-a-Kiwa Pool and Leisure Centre	Concessionary - Plus 10	$52.20	$37.80	-$14.40	-28%
	Moana-Nui-a-Kiwa Pool and Leisure Centre	Holiday Programme Base Price	$29.50	$38.00	$8.50	29%
	Moana-Nui-a-Kiwa Pool and Leisure Centre	Learn to Swim - Babies & Toddlers	$12.00	$18.00	$6.00	50%
	Moana-Nui-a-Kiwa Pool and Leisure Centre	Learn to Swim - Pre-school	$13.20	$18.00	$4.80	36%
	Moana-Nui-a-Kiwa Pool and Leisure Centre	Learn to Swim - School Age, Teenage & Adults	$13.20	$20.00	$6.80	52%
	Moana-Nui-a-Kiwa Pool and Leisure Centre	Learn to Swim Holiday Programme	$13.50	$16.00	$2.50	19%
	Moana-Nui-a-Kiwa Pool and Leisure Centre	OSCAR PM	$87.00	$95.00	$8.00	9%
	Moana-Nui-a-Kiwa Pool and Leisure Centre	Term Programme Session (Junior)	$4.31	$6.75	$2.44	57%

Local Board	Site	Fee	FY24 Fee	Proposed FY25 fee	Fee Change ($)	Fee Change (%)
	Moana-Nui-a-Kiwa Pool and Leisure Centre	Term Programme Session (School age)	$6.50	$7.50	$1.00	15%
Manurewa	Manurewa Pool and Leisure Centre	Holiday Programme Base Price	$31.50	$38.00	$6.50	21%
	Manurewa Pool and Leisure Centre	OSCAR AM + PM (drop off/pick up)	$100.00	$110.00	$10.00	10%
	Manurewa Pool and Leisure Centre	Term Programme Session (Junior)	N/A	$8.00	NEW	NEW
	Manurewa Pool and Leisure Centre	Term Programme Session (School age)	$7.56	$8.80	$1.24	16%
	Manurewa Pool and Leisure Centre	Adult - Swim	$4.50	$8.00	$3.50	78%
	Manurewa Pool and Leisure Centre	Adult - Swim 10	$40.50	$72.00	$31.50	78%
	Manurewa Pool and Leisure Centre	Adult - Swim Plus	$6.90	$10.00	$3.10	45%
	Manurewa Pool and Leisure Centre	Adult - Swim Plus 10	$62.10	$90.00	$27.90	45%
	Manurewa Pool and Leisure Centre	Aquatic Spectator	$0.00	$2.00	$2.00	NEW
	Manurewa Pool and Leisure Centre	Aquatic Spectator 10	N/A	$18.00	NEW	NEW
	Manurewa Pool and Leisure Centre	Concessionary - Swim	$3.50	$4.80	$1.30	37%
	Manurewa Pool and Leisure Centre	Concessionary - Swim 10	$31.50	$43.20	$11.70	37%
	Manurewa Pool and Leisure Centre	Concessionary - Swim Plus	$5.80	$6.00	$0.20	3%
	Manurewa Pool and Leisure Centre	Concessionary - Swim Plus 10	$52.20	$54.00	$1.80	3%
	Manurewa Pool and Leisure Centre	Learn to Swim - Babies & Toddlers	$13.50	$18.00	$4.50	33%
	Manurewa Pool and Leisure Centre	Learn to Swim - Pre-school	$14.50	$18.00	$3.50	24%
	Manurewa Pool and Leisure Centre	Learn to Swim - School Age, Teenage & Adults	$14.50	$20.00	$5.50	38%
	Manurewa Pool and Leisure Centre	Learn to Swim Holiday Programme	$13.50	$16.00	$2.50	19%
	Manurewa Pool and Leisure Centre	Supervising Adult	$0.00	$2.00	$2.00	NEW
	Te Matariki Clendon Leisure Centre	Holiday Programme Base Price	$31.50	$38.00	$6.50	21%
	Te Matariki Clendon Leisure Centre	OSCAR AM + PM (drop off/pick up)	$99.00	$110.00	$11.00	11%

Local Board	Site	Fee	FY24 Fee	Proposed FY25 fee	Fee Change ($)	Fee Change (%)
Ōtara-Papatoetoe	Allan Brewster Leisure Centre	Holiday Programme Base Price	$31.50	$38.00	$6.50	21%
	Allan Brewster Leisure Centre	OSCAR AM + PM (drop off/pick up)	$99.50	$110.00	$10.50	11%
	Allan Brewster Leisure Centre	OSCAR Early/Late Fee	$11.50	$12.00	$0.50	4%
	Allan Brewster Leisure Centre	Term Programme Session (Junior)	N/A	$8.00	NEW	NEW
	Allan Brewster Leisure Centre	Term Programme Session (School age)	$8.38	$8.80	$0.42	5%
	Otara Leisure Centre	Adult - Plus	$6.80	$7.00	$0.20	3%
	Otara Leisure Centre	Adult - Plus 10	$61.20	$63.00	$1.80	3%
	Otara Leisure Centre	Concessionary - Plus	$5.80	$4.20	-$1.60	-28%
	Otara Leisure Centre	Concessionary - Plus 10	$52.20	$37.80	-$14.40	-28%
	Otara Leisure Centre	Holiday Programme Base Price	$31.50	$38.00	$6.50	21%
	Otara Leisure Centre	OSCAR AM + PM (drop off/pick up)	$100.00	$110.00	$10.00	10%
	Otara Leisure Centre	Term Programme Session (Junior)	$6.50	$6.75	$0.25	4%
	Otara Leisure Centre	Term Programme Session (School age)	$6.38	$7.50	$1.12	18%
	Papatoetoe Centennial Pool and Leisure Centre	Adult - Spa	$4.00	$5.00	$1.00	25%
	Papatoetoe Centennial Pool and Leisure Centre	Concessionary - Plus	$6.00	$4.20	-$1.80	-30%
	Papatoetoe Centennial Pool and Leisure Centre	Concessionary - Plus 10	$54.00	$37.80	-$16.20	-30%
	Papatoetoe Centennial Pool and Leisure Centre	Concessionary - Spa	$3.50	$3.00	-$0.50	-14%
	Papatoetoe Centennial Pool and Leisure Centre	PCP Adult Spa 10	$36.00	$45.00	$9.00	25%
	Papatoetoe Centennial Pool and Leisure Centre	PCP Concessionary Spa 10	$31.50	$27.00	-$4.50	-14%
Upper Harbour	Albany Stadium Pool	Adult - Swim	N/A	$8.00	NEW	NEW
	Albany Stadium Pool	Adult - Swim 10	N/A	$72.00	NEW	NEW
	Albany Stadium Pool	Adult - Swim Plus	$9.00	$10.00	$1.00	11%
	Albany Stadium Pool	Adult - Swim Plus 10	$81.00	$90.00	$9.00	11%
	Albany Stadium Pool	Aquatic Spectator	$1.00	$2.00	$1.00	100%
	Albany Stadium Pool	Aquatic Spectator 10	$9.00	$18.00	$9.00	100%
	Albany Stadium Pool	Concessionary - Swim	N/A	$4.80	NEW	NEW
	Albany Stadium Pool	Concessionary - Swim 10	N/A	$43.20	NEW	NEW
	Albany Stadium Pool	Concessionary - Swim Plus	$7.50	$6.00	-$1.50	-20%

Local Board	Site	Fee	FY24 Fee	Proposed FY25 fee	Fee Change ($)	Fee Change (%)
	Albany Stadium Pool	Concessionary - Swim Plus 10	$68.00	$54.00	-$14.00	-21%
	Albany Stadium Pool	Learn to Swim - Babies & Toddlers	$15.50	$18.00	$2.50	16%
	Albany Stadium Pool	Learn to Swim - Pre-school	$16.50	$18.00	$1.50	9%
	Albany Stadium Pool	Learn to Swim - Private Lesson 1 - 1	$45.00	$60.00	$15.00	33%
	Albany Stadium Pool	Learn to Swim - Private Lesson 1 - 1 (Special Needs)	$27.00	$36.00	$9.00	33%
	Albany Stadium Pool	Learn to Swim - Private Lesson 2 - 1	$52.00	$80.00	$28.00	54%
	Albany Stadium Pool	Learn to Swim - School Age, Teenage & Adults	$16.50	$20.00	$3.50	21%
	Albany Stadium Pool	Learn to Swim Holiday Programme	$13.50	$16.00	$2.50	19%
	Albany Stadium Pool	Supervising Adult	$1.00	$2.00	$1.00	100%
	Albany Stadium Pool	Supervising Adult 10	$9.00	$18.00	$9.00	100%
Waitematā	Tepid Baths	Adult - Swim	N/A	$8.00	NEW	NEW
	Tepid Baths	Adult - Swim 10	N/A	$72.00	NEW	NEW
	Tepid Baths	Adult - Swim Plus	$9.00	$10.00	$1.00	11%
	Tepid Baths	Adult - Swim Plus 10	$82.20	$90.00	$7.80	9%
	Tepid Baths	Aquatic Spectator 10	N/A	$18.00	NEW	NEW
	Tepid Baths	Aquatic Spectator	$1.00	$2.00	$1.00	100%
	Tepid Baths	Concessionary - Swim	N/A	$4.80	NEW	NEW
	Tepid Baths	Concessionary - Swim 10	N/A	$43.20	NEW	NEW
	Tepid Baths	Concessionary - Swim Plus	$7.50	$6.00	-$1.50	-20%
	Tepid Baths	Concessionary - Swim Plus 10	$68.00	$54.00	-$14.00	-21%
	Tepid Baths	Learn to Swim - Babies & Toddlers	$12.00	$18.00	$6.00	50%
	Tepid Baths	Learn to Swim - Pre-school	$16.50	$18.00	$1.50	9%
	Tepid Baths	Learn to Swim - Private Lesson 1 - 1	$54.00	$60.00	$6.00	11%
	Tepid Baths	Learn to Swim - Private Lesson 1 - 1 (Special Needs)	$32.00	$36.00	$4.00	13%
	Tepid Baths	Learn to Swim - Private Lesson 2 - 1	$65.00	$80.00	$15.00	23%
	Tepid Baths	Learn to Swim - School Age, Teenage & Adults	$16.50	$20.00	$3.50	21%
	Tepid Baths	Learn to Swim Holiday Programme	$13.50	$16.00	$2.50	19%
	Tepid Baths	Supervising Adult	$6.00	$2.00	-$4.00	-67%
	Tepid Baths	Supervising Adult 10 visit pass	$54.00	$18.00	-$36.00	-67%

Attachment I: Venue hire and bookable spaces fees

The full schedule of proposed changes to fees is in the table below XXX.

Local board	Facility name	Fee name	FY24 fee	Proposed FY25	Fee change $	Fee change %
Albert-Eden	Athol Syms Hall	Athol Syms Hall -Peak	$39.50	$40.00	$0.50	1.3%
	Athol Syms Hall	Athol Syms Hall -Off-peak	$31.80	$32.00	$0.20	0.6%
	Ferndale House	Main Room -Peak	$45.50	$45.60	$0.10	0.2%
	Ferndale House	Main Room -Off-peak	$36.20	$36.50	$0.30	0.8%
	Ferndale House	Pink Room -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Jack Dickey Community Hall	Main Hall -Off-peak	$45.50	$45.60	$0.10	0.2%
	Melville Cricket Pavilion	Melville Cricket Pavilion -Peak	$18.60	$40.00	$21.40	115.1%
	Melville Cricket Pavilion	Melville Cricket Pavilion -Off-peak	$14.80	$32.00	$17.20	116.2%
	Mt Albert Senior Citizens Hall	Function Room -Off-peak	$45.50	$45.60	$0.10	0.2%
	Mt Albert War Memorial Hall	Main Hall -Peak	$80.20	$80.00	-$0.20	-0.2%
	Mt Albert War Memorial Hall	Main Hall -Off-peak	$64.20	$64.00	-$0.20	-0.3%
	Mt Eden War Memorial Hall	Auditorium Main Hall -Off-peak	$82.80	$82.90	$0.10	0.1%
	Mt Eden War Memorial Hall	Chamber Room -Off-peak	$41.20	$40.80	-$0.40	-1.0%
	Pt Chevalier Community Centre	Annex -Peak	$39.50	$40.00	$0.50	1.3%
	Pt Chevalier Community Centre	Annex -Off-peak	$31.80	$32.00	$0.20	0.6%
	Pt Chevalier Community Centre	Lounge -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Sandringham Community Centre	Main Hall - Room 1 -Peak	$39.50	$40.00	$0.50	1.3%
	Sandringham Community Centre	Main Hall - Room 1 -Off-peak	$31.80	$32.00	$0.20	0.6%
	Sandringham Community Centre	Play Room -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Western Springs Garden Community Hall	Hall 1 -Peak	$80.10	$80.00	-$0.10	-0.1%
	Western Springs Garden Community Hall	Hall 1 -Off-peak	$64.20	$64.00	-$0.20	-0.3%
	Western Springs Garden Community Hall	Hall 2 -Peak	$45.50	$45.60	$0.10	0.2%
	Western Springs Garden Community Hall	Hall 2 -Off-peak	$36.20	$36.50	$0.30	0.8%
Devonport-Takapuna	Devonport Library	Community Room -Community	$13.20	$13.50	$0.30	2.3%
	Devonport Library	Community Room -Commercial	$26.60	$27.00	$0.40	1.5%
	Fort Takapuna	Room 1 - A12 Barracks -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Fort Takapuna	Room 2 - A12 Barracks -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Fort Takapuna	Room 3 - A13 Barracks -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Takapuna War Memorial Hall	Main Hall -Peak	$39.50	$40.00	$0.50	1.3%

Local board	Facility name	Fee name	FY24 fee	Proposed FY25	Fee change $	Fee change %
	Takapuna War Memorial Hall	Main Hall -Off-peak	$31.80	$32.00	$0.20	0.6%
Franklin	Alfriston Hall	Main Hall -Peak	$45.50	$45.60	$0.10	0.2%
	Alfriston Hall	Main Hall -Off-peak	$22.50	$36.50	$14.00	62.2%
	Beachlands Memorial Hall	Main Hall -Peak	$28.00	$40.00	$12.00	42.9%
	Beachlands Memorial Hall	Main Hall -Off-peak	$13.80	$32.00	$18.20	131.9%
	Clevedon Community Hall	Main Hall -Peak	$56.90	$57.00	$0.10	0.2%
	Clevedon Community Hall	Main Hall -Off-peak	$28.50	$45.60	$17.10	60.0%
	Clevedon District Centre	Main Hall -Peak	$27.80	$28.00	$0.20	0.7%
	Clevedon District Centre	Main Hall -Off-peak	$14.00	$22.40	$8.40	60.0%
	Franklin: The Centre	Allan Wilson Room -Off-peak	$13.80	$22.40	$8.60	62.3%
	Franklin: The Centre	Combined Rooms Stevenson & Franklin -Peak	$100.80	$100.00	-$0.80	-0.8%
	Franklin: The Centre	Combined Rooms Stevenson & Franklin -Off-peak	$50.40	$80.00	$29.60	58.7%
	Franklin: The Centre	Edmund Hillary Room -Off-peak	$13.80	$22.40	$8.60	62.3%
	Franklin: The Centre	Franklin Room -Off-peak	$28.50	$45.60	$17.10	60.0%
	Franklin: The Centre	Stevenson Room -Off-peak	$34.30	$54.90	$20.60	60.1%
	Franklin: The Centre	Weta Workshop -Off-peak	$21.60	$34.60	$13.00	60.2%
	Pukekohe Old Borough Building	Function Room -Off-peak	$13.80	$22.40	$8.60	62.3%
	Pukekohe War Memorial Town Hall	Concert Chamber -Off-peak	$28.50	$45.60	$17.10	60.0%
	Pukekohe War Memorial Town Hall	Main Hall -Off-peak	$51.50	$82.90	$31.40	61.0%
	Waiuku Community Hall	Main Hall -Peak	$39.50	$40.00	$0.50	1.3%
	Waiuku Community Hall	Main Hall -Off-peak	$19.80	$32.00	$12.20	61.6%
	Whitford Community Hall	Main Hall -Off-peak	$25.80	$40.80	$15.00	58.1%
	Whitford Community Hall	Supper Room -Off-peak	$13.80	$22.40	$8.60	62.3%
Henderson-Massey	Te Atatu Peninsula Community Centre	Kotare – Kingfisher Room -Off-peak	$41.20	$41.00	-$0.20	-0.5%
	Te Atatu Peninsula Community Centre	Kotuku – Heron Hall -Off-peak	$82.80	$82.90	$0.10	0.1%
	Te Atatu Peninsula Community Centre	Kuaka – Godwit Room -Peak	$45.50	$45.60	$0.10	0.2%
	Te Atatu Peninsula Community Centre	Kuaka – Godwit Room -Off-peak	$36.20	$36.50	$0.30	0.8%
	Te Atatu Peninsula Community Centre	Matata – Fern Bird Room -Off-peak	$45.50	$45.60	$0.10	0.2%
	Te Atatu Peninsula Community Centre	Tutiwhata – Dotterel Room -Peak	$39.50	$40.00	$0.50	1.3%
	Te Atatu Peninsula Community Centre	Tutiwhata – Dotterel Room -Off-peak	$31.80	$32.00	$0.20	0.6%

Local board	Facility name	Fee name	FY24 fee	Proposed FY25	Fee change $	Fee change %
	Te Atatu South Community Centre	Activity Room -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Te Atatu South Community Centre	Main Hall -Off-peak	$41.20	$40.80	-$0.40	-1.0%
	Te Manawa	Commercial Kitchen -Standard	$30.20	$30.00	-$0.20	-0.7%
	Te Manawa	Hinengaro -Off-peak	$50.80	$50.70	-$0.10	-0.2%
	Te Manawa	Small Meeting Room -Peak	$25.80	$25.00	-$0.80	-3.1%
	Te Manawa	Small Meeting Room -Off-peak	$20.65	$20.00	-$0.65	-3.1%
	Te Manawa	Studio 2 -Standard	$20.40	$20.00	-$0.40	-2.0%
	Te Pae o Kura (Kelston Community Centre)	Hikurangi (Activity Room 1) -Peak	$38.70	$40.00	$1.30	3.4%
	Te Pae o Kura (Kelston Community Centre)	Hikurangi (Activity Room 1) -Off-peak	$31.20	$32.00	$0.80	2.6%
	Te Pae o Kura (Kelston Community Centre)	Huia (Activity Room 2) -Peak	$38.70	$40.00	$1.30	3.4%
	Te Pae o Kura (Kelston Community Centre)	Huia (Activity Room 2) -Off-peak	$31.20	$32.00	$0.80	2.6%
	Te Pae o Kura (Kelston Community Centre)	Tāmaki (Main Hall) -Peak	$44.60	$45.60	$1.00	2.2%
	Te Pae o Kura (Kelston Community Centre)	Tāmaki (Main Hall) -Off-peak	$35.50	$36.50	$1.00	2.8%
	Te Pae o Kura (Kelston Community Centre)	Waitematā (Committee Room) -Peak	$27.40	$28.00	$0.60	2.2%
	Te Pae o Kura (Kelston Community Centre)	Waitematā (Committee Room) -Off-peak	$22.00	$22.40	$0.40	1.8%
Hibiscus and Bays	Orewa Community Centre	Combined Main Hall (with stage) & Supper Room -Peak	$67.80	$68.60	$0.80	1.2%
	Orewa Community Centre	Combined Main Hall (with stage) & Supper Room -Off-peak	$54.30	$54.90	$0.60	1.1%
	Orewa Community Centre	Small Hall -Peak	$45.50	$45.60	$0.10	0.2%
	Orewa Community Centre	Small Hall -Off-peak	$36.20	$36.50	$0.30	0.8%
	Whangaparaoa Library	Pohutukawa Room -Community	$13.20	$13.50	$0.30	2.3%
	Whangaparaoa Library	Pohutukawa Room -Commercial	$26.60	$27.00	$0.40	1.5%
Howick	Botany Library	Showcase Room -Community	$13.20	$13.50	$0.30	2.3%
	Botany Library	Showcase Room -Commercial	$26.60	$27.00	$0.40	1.5%
	Bucklands and Eastern Beaches War Memorial Hall	Main Hall -Peak	$51.00	$57.00	$6.00	11.8%
	Bucklands and Eastern Beaches War Memorial Hall	Main Hall -Off-peak	$41.20	$45.60	$4.40	10.7%
	Fencible Lounge	Main Hall -Off-peak	$41.20	$40.80	-$0.40	-1.0%
	Nixon Park Community Hall	Main Hall -Peak	$39.50	$40.00	$0.50	1.3%
	Nixon Park Community Hall	Main Hall -Off-peak	$31.80	$32.00	$0.20	0.6%

Local board	Facility name	Fee name	FY24 fee	Proposed FY25	Fee change $	Fee change %
	Ormiston Activity Centre	Main Room -Standard	$23.00	$25.00	$2.00	8.7%
	Pakuranga Community Hall	Main Hall -Off-peak	$41.20	$40.80	-$0.40	-1.0%
Kaipātiki	Birkdale Hall	Main Hall -Peak	$31.30	$32.00	$0.70	2.2%
	Birkdale Hall	Main Hall -Off-peak	$25.30	$25.60	$0.30	1.2%
	Birkenhead Library	Community Meeting Room - Community	$13.20	$13.50	$0.30	2.3%
	Birkenhead Library	Community Meeting Room - Commercial	$26.60	$27.00	$0.40	1.5%
	Birkenhead Library	Mezzanine Meeting Room - Commercial	$13.22	$13.50	$0.28	2.1%
	Northcote War Memorial Hall	Main Hall -Peak	$31.30	$32.00	$0.70	2.2%
	Northcote War Memorial Hall	Main Hall -Off-peak	$25.30	$25.60	$0.30	1.2%
	Northcote War Memorial Hall	Meeting Room -Off-peak	$9.40	$9.20	-$0.20	-2.1%
Māngere-Ōtāhuhu	Māngere Arts Centre - Ngā Tohu o Uenuku	Harakeke Room (Sitting Room) - Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Māngere Arts Centre - Ngā Tohu o Uenuku	Studio/Green Room -Standard	$47.60	$48.00	$0.40	0.8%
	Māngere Central Community Hall	Main Hall -Off-peak	$45.50	$45.60	$0.10	0.2%
	Māngere Community House - Whare Koa	Front Room -Off-peak	$22.50	$20.80	-$1.70	-7.6%
	Māngere Community House - Whare Koa	Heritage Lounge -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Māngere Community House - Whare Koa	Front Room -Peak	$28.00	$26.00	-$2.00	-7.1%
	Māngere Memorial Hall	Main Hall -Peak	$56.90	$57.00	$0.10	0.2%
	Māngere Old School Hall	Main Hall -Peak	$45.50	$45.60	$0.10	0.2%
	Māngere Old School Hall	Main Hall -Off-peak	$36.20	$36.50	$0.30	0.8%
	Metro Theatre (Mangere East Hall)	Main Hall -Peak	$52.10	$53.00	$0.90	1.7%
	Metro Theatre (Mangere East Hall)	Main Hall -Off-peak	$41.70	$42.40	$0.70	1.7%
Manurewa	Manurewa Library	Community Room -Community	$13.20	$13.50	$0.30	2.3%
	Manurewa Library	Community Room -Commercial	$26.60	$27.00	$0.40	1.5%
	Nathan Homestead	Dining Room -Standard	$32.40	$32.00	-$0.40	-1.2%
	Nathan Homestead	Drawing Room -Standard	$47.70	$48.00	$0.30	0.6%
	Nathan Homestead	Ground Floor Function -Standard	$89.30	$90.00	$0.70	0.8%
	Nathan Homestead	Pottery Studio -Standard	$31.10	$32.00	$0.90	2.9%
	Nathan Homestead	Theatre -Standard	$47.70	$48.00	$0.30	0.6%
	Weymouth Community Hall	Main Hall -Off-peak	$41.20	$40.8	-$0.40	-1.0%
	Wiri Community Hall	Main Hall -Off-peak	$41.20	$40.80	-$0.40	-1.0%

Local board	Facility name	Fee name	FY24 fee	Proposed FY25	Fee change $	Fee change %
Maungakiekie-Tāmaki	Fergusson Hall	Main Hall -Off-peak	$30.20	$30.00	-$0.20	-0.7%
	Glen Innes Community Hall	Main Hall -Peak	$45.50	$45.60	$0.10	0.2%
	Glen Innes Community Hall	Main Hall -Off-peak	$36.20	$36.50	$0.30	0.8%
	Onehunga Community Centre	Combined Beeson & Manning Rooms -Peak	$44.90	$45.60	$0.70	1.6%
	Onehunga Community Centre	Combined Beeson & Manning Rooms -Off-peak	$35.70	$36.50	$0.80	2.2%
	Onehunga Community Centre	Combined Beeson, Manning & Henderson Rooms -Off-peak	$53.50	$53.60	$0.10	0.2%
	Onehunga Community Centre	Community Room 2 -Peak	$28.00	$25.00	-$3.00	-10.7%
	Onehunga Community Centre	Community Room 2 -Off-peak	$22.50	$20.00	-$2.50	-11.1%
	Onehunga Community Centre	Foyer -Peak	$11.10	$11.50	$0.40	3.6%
	Onehunga Community Centre	Foyer -Off-peak	$8.90	$9.20	$0.30	3.4%
	Onehunga Community Centre	Henderson Room -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Onehunga Community Centre	Kitchen -Off-peak	$21.90	$22.40	$0.50	2.3%
	Onehunga Community Centre	Maungakiekie Room -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Onehunga Community Centre	Mount Joy Room -Peak	$39.50	$40.00	$0.50	1.3%
	Onehunga Community Centre	Mount Joy Room -Off-peak	$31.80	$32.00	$0.20	0.6%
	Onehunga Community Centre	Yates Room -Peak	$45.50	$45.60	$0.10	0.2%
	Onehunga Community Centre	Yates Room -Off-peak	$36.20	$36.50	$0.30	0.8%
	Oranga Community Centre	Gascoigne Room -Off-peak	$9.40	$9.20	-$0.20	-2.1%
	Oranga Community Centre	Kelly Elrick Room -Peak	$39.50	$40.00	$0.50	1.3%
	Oranga Community Centre	Kelly Elrick Room -Off-peak	$31.80	$32.00	$0.20	0.6%
	Oranga Community Centre	Magee Room -Peak	$39.50	$40.00	$0.50	1.3%
	Oranga Community Centre	Magee Room -Off-peak	$31.80	$32.00	$0.20	0.6%
	Oranga Community Centre	Schofield Room -Off-peak	$9.40	$9.20	-$0.20	-2.1%
	Oranga Community Centre	Wiberg Room -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Panmure Community Hall	Annex -Peak	$45.50	$45.60	$0.10	0.2%
	Panmure Community Hall	Annex -Off-peak	$36.20	$36.40	$0.20	0.6%
	Panmure Community Hall	Combined Main Hall & Annex -Peak	$100.40	$100.00	-$0.40	-0.4%
	Panmure Community Hall	Combined Main Hall & Annex -Off-peak	$80.30	$80.00	-$0.30	-0.4%
	Panmure Community Hall	Conference Room -Peak	$28.00	$25.00	-$3.00	-10.7%
	Panmure Community Hall	Conference Room -Off-peak	$22.50	$20.00	-$2.50	-11.1%
	Panmure Community Hall	Main Hall -Peak	$80.10	$80.00	-$0.10	-0.1%
	Panmure Community Hall	Main Hall -Off-peak	$64.20	$64.00	-$0.20	-0.3%
	Pearce Street Hall	Haskell Hall -Peak	$45.50	$48.00	$2.50	5.5%
	Pearce Street Hall	Haskell Hall -Off-peak	$36.20	$38.40	$2.20	6.1%

Local board	Facility name	Fee name	FY24 fee	Proposed FY25	Fee change $	Fee change %
	Riverside - Taha Awa Community Centre	Main Hall -Standard	$26.30	$26.00	-$0.30	-1.1%
	Te Oro	Foyer (Reception area) -Off-peak	$18.60	$18.40	-$0.20	-1.1%
	Te Oro	Maungarei (Dance studio) -Off-peak	$46.70	$46.60	-$0.10	-0.2%
	Te Oro	Workshop 3 – Digital suite (Computer space) -Off-peak	$93.20	$93.00	-$0.20	-0.2%
Ōrākei	Ellerslie War Memorial Hall	Committee Room -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Leicester Hall	Main Hall -Off-peak	$45.50	$45.60	$0.10	0.2%
	Meadowbank Community Centre	Activity Room -Peak	$39.50	$40.00	$0.50	1.3%
	Meadowbank Community Centre	Activity Room -Off-peak	$31.80	$32.00	$0.20	0.6%
	Meadowbank Community Centre	Room 1 -Peak	$39.50	$40.00	$0.50	1.3%
	Meadowbank Community Centre	Room 1 -Off-peak	$31.80	$32.00	$0.20	0.6%
	Meadowbank Community Centre	Room 2 -Peak	$28.00	$30.00	$2.00	7.1%
	Meadowbank Community Centre	Room 2 -Off-peak	$22.50	$24.00	$1.50	6.7%
	Meadowbank Community Centre	Room 3 -Peak	$28.00	$25.00	-$3.00	-10.7%
	Meadowbank Community Centre	Room 3 -Off-peak	$22.50	$20.00	-$2.50	-11.1%
	Orakei Community Centre	Community Room -Peak	$39.50	$40.00	$0.50	1.3%
	Orakei Community Centre	Community Room -Off-peak	$31.80	$32.00	$0.20	0.6%
	Orakei Community Centre	Main Hall -Off-peak	$45.50	$45.60	$0.10	0.2%
	Tahapa Crescent Hall	Main Hall -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Tamaki Ex-Services Association Hall	Main Hall -Off-peak	$54.80	$54.90	$0.10	0.2%
Ōtara-Papatoetoe	East Tamaki Community Hall	Main Hall -Off-peak	$41.20	$40.80	-$0.40	-1.0%
	Manukau Library and Research Centre	Meeting Room -Community	$13.20	$13.50	$0.30	2.3%
	Manukau Library and Research Centre	Meeting Room -Commercial	$26.60	$27.00	$0.40	1.5%
	Manukau Library and Research Centre	Study Room 1 -Community	$4.50	$5.00	$0.50	11.1%
	Manukau Library and Research Centre	Study Room 1 -Commercial	$9.00	$10.00	$1.00	11.1%
	Manukau Library and Research Centre	Study Room 2 -Community	$4.50	$5.00	$0.50	11.1%
	Manukau Library and Research Centre	Study Room 2 -Commercial	$9.00	$10.00	$1.00	11.1%
	Otara Music & Art Centre (OMAC)	Green Room -Peak	$26.90	$27.00	$0.10	0.4%
	Otara Music & Art Centre (OMAC)	Green Room -Off-peak	$21.40	$21.60	$0.20	0.9%
	Otara Music & Art Centre (OMAC)	Main Hall & Kitchen -Peak	$49.90	$51.00	$1.10	2.2%

Local board	Facility name	Fee name	FY24 fee	Proposed FY25	Fee change $	Fee change %
	Otara Music & Art Centre (OMAC)	Main Hall & Kitchen -Off-peak	$40.00	$40.80	$0.80	2.0%
	Papatoetoe Town Hall	Main Hall -Off-peak	$54.80	$54.90	$0.10	0.2%
	Te Puke ō Tara Community Centre	Hub -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Te Puke ō Tara Community Centre	Main Hall -Peak	$80.10	$80.00	-$0.10	-0.1%
	Te Puke ō Tara Community Centre	Main Hall -Off-peak	$64.20	$64.00	-$0.20	-0.3%
	Te Puke ō Tara Community Centre	Room 1 -Peak	$39.50	$40.00	$0.50	1.3%
	Te Puke ō Tara Community Centre	Room 1 -Off-peak	$31.80	$32.00	$0.20	0.6%
	Te Puke ō Tara Community Centre	Room 2 -Peak	$39.50	$40.00	$0.50	1.3%
	Te Puke ō Tara Community Centre	Room 2 -Off-peak	$31.80	$32.00	$0.20	0.6%
	Te Puke ō Tara Community Centre	Youth Space -Peak	$27.40	$28.00	$0.60	2.2%
	Te Puke ō Tara Community Centre	Youth Space -Off-peak	$22.00	$22.40	$0.40	1.8%
	Tupu Youth Library	Community Space -Private	$13.30	$13.50	$0.20	1.5%
	Tupu Youth Library	Community Space -Commercial	$26.60	$27.00	$0.40	1.5%
Papakura	Drury Hall	Main Hall -Peak	$39.50	$40.00	$0.50	1.3%
	Drury Hall	Main Hall -Off-peak	$31.80	$32.00	$0.20	0.6%
	Elizabeth Campbell Centre	Main Hall -Peak	$39.50	$40.00	$0.50	1.3%
	Elizabeth Campbell Centre	Main Hall -Off-peak	$31.80	$32.00	$0.20	0.6%
	Hawkins Theatre	Foyer -Standard	$47.60	$48.00	$0.40	0.8%
	Hawkins Theatre	Theatre -Standard	$83.10	$83.00	-$0.10	-0.1%
	Massey Park Grandstand Function Room	Function Room -Peak	$39.50	$40.00	$0.50	1.3%
	Massey Park Grandstand Function Room	Function Room -Off-peak	$31.80	$32.00	$0.20	0.6%
	Papakura Library Meeting Room	Papakura Library Meeting Room 1 -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Papakura Old Central School	Hall -Peak	$39.50	$40.00	$0.50	1.3%
	Papakura Old Central School	Hall -Off-peak	$31.80	$32.00	$0.20	0.6%
	Papakura Old Central School	Main Room -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Takaanini Community Hub	Taane Te-waananga-aa-rangi -Peak	$20.50	$21.00	$0.50	2.4%
	Takaanini Community Hub	Taane Te-waananga-aa-rangi -Off-peak	$16.50	$16.80	$0.30	1.8%
	Takaanini Community Hub	Te Wao Nui a Taane -Peak	$31.00	$32.00	$1.00	3.2%

Local board	Facility name	Fee name	FY24 fee	Proposed FY25	Fee change $	Fee change %
	Takaanini Community Hub	Te Wao Nui a Taane -Off-peak	$25.00	$25.60	$0.60	2.4%
	Takaanini Community Hub	Te Wao Nui a Taane -Community Peak	$15.50	$16.00	$0.50	3.2%
	Takaanini Community Hub	Te Wao Nui a Taane -Community Off-Peak	$12.50	$12.80	$0.30	2.4%
	Takanini Hall	Main Hall -Peak	$39.50	$40.00	$0.50	1.3%
	Takanini Hall	Main Hall -Off-peak	$31.80	$32.00	$0.20	0.6%
Puketāpapa	Fickling Convention Centre	Combined Hillsborough & Waikowhai Room -Peak	$128.30	$128.00	-$0.30	-0.2%
	Fickling Convention Centre	Combined Hillsborough & Waikowhai Room -Off-peak	$103.10	$102.40	-$0.70	-0.7%
	Fickling Convention Centre	Hillsborough Room -Off-peak	$82.80	$82.90	$0.10	0.1%
	Fickling Convention Centre	Lynfield Room -Off-peak	$45.50	$45.60	$0.10	0.2%
	Fickling Convention Centre	Puketepapa Room -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Fickling Convention Centre	Senior Citizens Room -Off-peak	$45.50	$45.60	$0.10	0.2%
	Fickling Convention Centre	Three Kings Room -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Fickling Convention Centre	Waikowhai Room -Off-peak	$45.50	$45.60	$0.10	0.2%
	Mt Roskill War Memorial Hall	Anzac Room -Peak	$80.10	$80.00	-$0.10	-0.1%
	Mt Roskill War Memorial Hall	Anzac Room -Off-peak	$64.20	$64.00	-$0.20	-0.3%
	Mt Roskill War Memorial Hall	Freyberg Room -Peak	$39.50	$40.00	$0.50	1.3%
	Mt Roskill War Memorial Hall	Freyberg Room -Off-peak	$31.80	$32.00	$0.20	0.6%
	Roskill Youth Zone	Multipurpose space -Peak	$80.10	$80.00	-$0.10	-0.1%
	Roskill Youth Zone	Multipurpose space -Off-peak	$64.20	$64.00	-$0.20	-0.3%
	Three Kings Tennis Pavilion	Main Room -Peak	$39.50	$40.00	$0.50	1.3%
	Three Kings Tennis Pavilion	Main Room -Off-peak	$31.80	$32.00	$0.20	0.6%
	Wesley Community Centre	Kotare-Tauhou Room -Peak	$39.50	$40.00	$0.50	1.3%
	Wesley Community Centre	Kotare-Tauhou Room -Off-peak	$31.80	$32.00	$0.20	0.6%
	Wesley Community Centre	Matuku Room -Off-peak	$9.40	$9.20	-$0.20	-2.1%
	Wesley Community Centre	Rakiraki Room -Peak	$39.50	$40.00	$0.50	1.3%
	Wesley Community Centre	Rakiraki Room -Off-peak	$31.80	$32.00	$0.20	0.6%
	Wesley Community Centre	Tarapunga Room -Off-peak	$45.50	$45.60	$0.10	0.2%
	Wesley Community Centre	Timohina Room -Off-peak	$45.50	$45.60	$0.10	0.2%
	Wesley Community Centre	Warou Room -Off-peak	$9.40	$9.20	-$0.20	-2.1%
Rodney	Helensville War Memorial Hall/Community Centre	Main Hall (with stage area) -Peak	$39.40	$40.00	$0.60	1.5%
	Helensville War Memorial Hall/Community Centre	Main Hall (with stage area) -Off-peak	$31.30	$32.00	$0.70	2.2%
	Helensville War Memorial Hall/Community Centre	Meeting Room and Kitchen -Off-peak	$22.50	$22.40	-$0.10	-0.4%

Local board	Facility name	Fee name	FY24 fee	Proposed FY25	Fee change $	Fee change %
	Kaukapakapa Memorial Hall	Main Hall (with stage area) -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Kaukapakapa Memorial Hall	Meeting Room -Peak	$13.80	$14.00	$0.20	1.4%
	Kaukapakapa Memorial Hall	Meeting Room -Off-peak	$11.00	$11.20	$0.20	1.8%
	Shoesmith Hall	Main Hall -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	South Head Hall	Main Hall -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Te Hana Hall	Main Hall -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Waimauku War Memorial Hall	Main Hall -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Wainui Hall	Main Hall -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Warkworth Masonic Hall	Main Hall -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Warkworth Town Hall	Combined Main Hall & Kitchen -Peak	$77.10	$77.50	$0.40	0.5%
	Warkworth Town Hall	Combined Main Hall & Kitchen -Off-peak	$61.70	$62.00	$0.30	0.5%
	Warkworth Town Hall	Combined Main Hall & Mezzanine Room -Peak	$77.10	$77.50	$0.40	0.5%
	Warkworth Town Hall	Combined Main Hall & Mezzanine Room -Off-peak	$61.70	$62.00	$0.30	0.5%
	Warkworth Town Hall	Combined Main Hall, Mezzanine Room & Kitchen -Off-peak	$68.50	$69.60	$1.10	1.6%
	Warkworth Town Hall	Kitchen -Peak	$27.80	$28.00	$0.20	0.7%
	Warkworth Town Hall	Main Hall (With Stage) -Off-peak	$54.80	$54.90	$0.10	0.2%
	Warkworth Town Hall	Main Hall (Without stage) -Peak	$68.50	$68.60	$0.10	0.1%
	Warkworth Town Hall	Main Hall (Without stage) -Off-peak	$54.80	$54.90	$0.10	0.2%
	Warkworth Town Hall	Mezzanine -Peak	$27.80	$28.00	$0.20	0.7%
	Wellsford District Community Centre (Council-led From Nov23)	Lounge with Kitchen -Community	$19.00	$20.00	$1.00	5.3%
	Wellsford District Community Centre (Council-led From Nov23)	Lounge with Kitchen -Commercial	$38.00	$40.00	$2.00	5.3%
	Wellsford District Community Centre (Council-led From Nov23)	Main Hall -Community	$19.00	$20.00	$1.00	5.3%
	Wellsford District Community Centre (Council-led From Nov23)	Main Hall -Commercial	$38.00	$40.00	$2.00	5.3%
	Wellsford District Community Centre (Council-led From Nov23)	Main Hall with Kitchen -Community	$24.00	$25.50	$1.50	6.3%
	Wellsford District Community Centre (Council-led From Nov23)	Main Hall with Kitchen -Commercial	$48.00	$51.00	$3.00	6.3%

Local board	Facility name	Fee name	FY24 fee	Proposed FY25	Fee change $	Fee change %
	Wellsford District Community Centre (Council-led From Nov23)	Whole complex with Kitchen - Community	$35.00	$37.50	$2.50	7.1%
	Wellsford District Community Centre (Council-led From Nov23)	Whole complex with Kitchen - Commercial	$70.00	$75.00	$5.00	7.1%
	Wellsford District Community Centre (Council-led From Nov23)	Whole complex without Kitchen - Community	$32.50	$33.50	$1.00	3.1%
	Wellsford District Community Centre (Council-led From Nov23)	Whole complex without Kitchen - Commercial	$65.00	$67.00	$2.00	3.1%
Waitākere	Ceramco Park Function Centre	Main Hall -Peak	$39.50	$40.00	$0.50	1.3%
	Ceramco Park Function Centre	Main Hall -Off-peak	$31.80	$32.00	$0.20	0.6%
	Glen Eden Library	Meeting Room -Community	$13.20	$13.50	$0.30	2.3%
	Glen Eden Library	Meeting Room -Commercial	$26.60	$27.00	$0.40	1.5%
	Titirangi War Memorial Hall	Main Hall -Peak	$45.50	$45.60	$0.10	0.2%
	Titirangi War Memorial Hall	Main Hall -Off-peak	$36.20	$36.50	$0.30	0.8%
Waitematā	Cox's Bay Pavilion	Clubroom -Peak	$18.60	$19.20	$0.60	3.2%
	Cox's Bay Pavilion	Clubroom -Off-peak	$14.90	$15.30	$0.40	2.7%
	Ellen Melville Centre	Betty Wark Room -Peak	$28.00	$32.00	$4.00	14.3%
	Ellen Melville Centre	Betty Wark Room -Off-peak	$22.50	$25.60	$3.10	13.8%
	Ellen Melville Centre	Eleitino (Paddy) Walker Room - Peak	$39.50	$30.00	-$9.50	-24.1%
	Ellen Melville Centre	Eleitino (Paddy) Walker Room - Off-peak	$31.80	$24.00	-$7.80	-24.5%
	Ellen Melville Centre	Elizabeth Yates Room -Peak	$28.00	$32.00	$4.00	14.3%
	Ellen Melville Centre	Elizabeth Yates Room -Off-peak	$22.50	$25.60	$3.10	13.8%
	Ellen Melville Centre	Marilyn Waring Room -Peak	$28.00	$30.00	$2.00	7.1%
	Ellen Melville Centre	Marilyn Waring Room -Off-peak	$22.50	$24.00	$1.50	6.7%
	Ellen Melville Centre	Pioneer Women's Hall -Peak	$80.10	$80.00	-$0.10	-0.1%
	Ellen Melville Centre	Pioneer Women's Hall -Off-peak	$64.20	$64.00	-$0.20	-0.3%
	Freemans Bay Community Hall	Auditorium -Peak	$80.10	$80.00	-$0.10	-0.1%
	Freemans Bay Community Hall	Auditorium -Off-peak	$64.20	$64.00	-$0.20	-0.3%
	Freemans Bay Community Hall	Function Room -Off-peak	$41.20	$40.80	-$0.40	-1.0%
	Freemans Bay Community Hall	Long Room -Peak	$39.50	$40.00	$0.50	1.3%
	Freemans Bay Community Hall	Long Room -Off-peak	$31.80	$32.00	$0.20	0.6%
	Grey Lynn Library Hall	Side Room -Off-peak	$45.50	$45.60	$0.10	0.2%
	Leys Institute Hall	Lecture Room -Peak	$45.30	$45.60	$0.30	0.7%
	Leys Institute Hall	Lecture Room -Off-peak	$36.30	$36.50	$0.20	0.6%
	Leys Institute Hall	Supper Room -Peak	$27.80	$28.00	$0.20	0.7%

Local board	Facility name	Fee name	FY24 fee	Proposed FY25	Fee change $	Fee change %
	Outhwaite Hall	Main Hall -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Studio One Toi Tū	Meeting Room 6 -Standard	$58.20	$46.70	-$11.50	-19.8%
	Studio One Toi Tū	Sculpture workshop (Room 12) -Standard	$58.20	$53.00	-$5.20	-8.9%
Whau	Avondale Community Centre	Avondale Room -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	Avondale Community Centre	Highbury & Community Hall -Peak	$45.50	$45.60	$0.10	0.2%
	Avondale Community Centre	Highbury & Community Hall -Off-peak	$36.20	$36.50	$0.30	0.8%
	New Lynn Community Centre	Active Recreation -Peak	$45.50	$45.60	$0.10	0.2%
	New Lynn Community Centre	Active Recreation -Off-peak	$36.20	$36.50	$0.30	0.8%
	New Lynn Community Centre	Learning Area -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	New Lynn Community Centre	Main Hall -Peak	$45.50	$45.60	$0.10	0.2%
	New Lynn Community Centre	Main Hall -Off-peak	$36.20	$36.50	$0.30	0.8%
	New Lynn Community Centre	Meeting Room 1 -Off-peak	$22.50	$22.40	-$0.10	-0.4%
	New Lynn Community Centre	Meeting Room 2 -Peak	$28.00	$25.00	-$3.00	-10.7%
	New Lynn Community Centre	Meeting Room 2 -Off-peak	$22.50	$20.00	-$2.50	-11.1%

TŪPUNA MAUNGA O TĀMAKI MAKAURAU

CO-GOVERNANCE OF THE TŪPUNA MAUNGA

4.1 SUMMARY OF THE TŪPUNA MAUNGA AUTHORITY OPERATIONAL PLAN 2024/2025

The Ngā Mana Whenua o Tāmaki Makaurau Collective Redress Act 2014 (the Act) requires the Tūpuna Maunga o Tāmaki Makaurau Authority (Tūpuna Maunga Authority) and Auckland Council to prepare an Annual Operational Plan and a summary of that plan for inclusion in the Auckland Council's Annual Operational Plan 2024/25 process.

The Tūpuna Maunga Authority and Auckland Council are required to approve the Annual Operational Plan. The Tūpuna Maunga Authority Operational Plan 2024/25 must be considered and adopted concurrently with the Auckland Council's Operational Plan 2024/25. A summary of the Tūpuna Maunga Authority's indicative funding requirements are outlined in this Section.

NGĀ MANA WHENUA O TĀMAKI MAKAURAU

Ngā Mana Whenua o Tāmaki Makaurau negotiated a collective settlement of their historical Treaty claims with the Crown. Ngā Mana Whenua o Tāmaki Makaurau is the collective name of the 13 iwi/hapū with historical Treaty claims in wider Tāmaki Makaurau. The iwi/hapū are grouped into the following three rōpū:

Marutūāhu Rōpū	Ngāti Whātua	Waiohua Tāmaki Rōpū
Ngāti Maru	Ngāti Whātua o Kaipara	Ngāi Tai ki Tāmaki
Ngāti Pāoa	Ngāti Whātua Ōrākei	Ngāti Tamaoho
Ngāti Tamaterā	Te Rūnanga o Ngāti Whātua	Ngāti Te Ata
Ngāti Whanaunga		Te Ākitai Waiohua
Te Patukirikiri		Te Kawerau ā Maki

THE NGĀ MANA WHENUA O TĀMAKI MAKAURAU COLLECTIVE REDRESS ACT 2014

The Collective Redress Act 2014 vested the Crown owned land in 14 Tūpuna Maunga (ancestral mountains) in Ngā Mana Whenua o Tamaki Makaurau. They are held for the common benefit of the iwi/hapū of Ngā Mana Whenua o Tāmaki Makaurau and the other people of Auckland. The Tūpuna Maunga are vested as reserves under the Reserves Act 1977.

THE 14 TŪPUNA MAUNGA ARE:

Matukutūruru/Wiri Mountain	Ōtāhuhu/Mount Richmond
Maungakiekie/One Tree Hill	Ōwairaka/Te Ahi-kā-a-Rakataura/ Mount Albert
Maungarei/Mount Wellington	Puketāpapa/Pukewīwī/Mount Roskill
Maungauika/North Head	Rarotonga/Mount Smart *
Maungawhau/Mount Eden	Takarunga/Mount Victoria
Ōhinerau/Mount Hobson	Te Kōpuke/Tītīkōpuke/Mount St John
Ōhuiarangi/Pigeon Mountain	Te Tātua a Riukiuta/Big King

CO-GOVERNANCE

The Act also established the Tūpuna Maunga Authority, a bespoke co-governance entity, to administer the Tūpuna Maunga.

The Authority has six representatives from Ngā Mana Whenua o Tāmaki Makaurau and six from Auckland Council. The term of the Authority aligns with the term of the Council.

Under the Act, the Tūpuna Maunga Authority is the administering body for each Maunga for the purposes of the Reserves Act 1977, with one exception of Rarotonga / Mount Smart.

Maungauika / North Head has previously been administered by the Crown (Department of Conservation) but has now been transferred to the Tūpuna Maunga Authority. Routine management is now undertaken by council under the direction of the Tūpuna Maunga Authority in the same way as for the other Maunga.

Responsibility for administration and management of Rarotonga / Mount Smart remains with Auckland Council (Regional Facilities Auckland) under the Mount Smart Regional Recreation Centre Act 1985 and Reserves Act 1977.

The Tūpuna Maunga Authority is also the administering body for Te Pane-o-Mataaho / Te Ara Pueru / Māngere Mountain and the Maungakiekie / One Tree Hill northern land.

The legislation provides for funding and staff resourcing through Auckland Council. The Authority is currently supported by a small team of council staff within the unit Te Waka Tai-ranga-whenua.

The scale of this co-governance arrangement is unparalleled in Auckland and the resulting unified and cohesive approach to caring for the Maunga has garnered widespread support.

STRATEGIC FRAMEWORK

TŪPUNA MAUNGA INTEGRATED MANAGEMENT PLAN

The Tūpuna Maunga Integrated Management Plan ("IMP") sets the foundations for how the Tūpuna Maunga are valued, protected, restored, enhanced, and managed in the future with equal consideration and reverence. The IMP established a set of Values for the Tūpuna Maunga which are outlined below.

The IMP was developed in accordance with Section 41 of the Reserves Act to provide for and ensure the use, enjoyment, maintenance, protection, preservation, and development as appropriate for the reserve purposes for which each of the Tūpuna Maunga is classified. This single integrated plan replaces the former separate legacy reserve management plans for the Tūpuna Maunga.

The IMP was approved in 2016 and amended in 2022 following a public consultation processes and is available at www.maunga.nz.

TŪPUNA MAUNGA INTEGRATED MANAGEMENT PLAN STRATEGIES

The Tūpuna Maunga Integrated Management Plan Strategies are the next level of policy development for the Tūpuna Maunga and aim to support the Values and Pathways in the Tūpuna Maunga Integrated Management Plan 2016.

The IMP Strategies was approved in 2019 following a public consultation process and are available at www.maunga.nz.

INDIVIDUAL TŪPUNA MAUNGA PLANS

In 2023 the Tūpuna Maunga Authority adopted its first tranche of three individual Tūpuna Maunga Plans. Further tranches will be drafted in the future and made available for public comment.

The Individual Tūpuna Maunga Plans are available at www.maunga.nz.

TŪPUNA MAUNGA VALUES

Within the Tūpuna Maunga Integrated Management Plan, the Tūpuna Maunga Authority has articulated a set of values of the Tūpuna Maunga. The values promote the statutory purpose of the Tūpuna Maunga under section 109 of the Collective Redress Act, where in exercising its powers and functions the Authority must have regard to the spiritual, ancestral, cultural, customary and historical significance of the Tūpuna Maunga to Ngā Mana Whenua.

The values provide a strategic framework to guide the Tūpuna Maunga Authority in making any decision about the Tūpuna Maunga.

The values weave together and give expression to mana whenua and other world views, and the connections and histories in a manner that highlights the way in which these views complement each other and create a richness to the relationship people have with the Tūpuna Maunga and multiple ways in which ways in which these relationships are thought of and expressed.

VALUE	PATHWAYS
WAIRUATANGA / SPIRITUAL	• Restore and recognise the relationship between the Maunga and its people. • Recognise the tihi is sacred. • Tread gently. • Treat the Maunga as taonga tuku iho – treasures handed down the generations.
MANA AOTŪROA / CULTURAL AND HERITAGE	• Enable mana whenua role as kaitiaki over the Tūpuna Maunga. • Recognise European and other histories, and interaction with the maunga. • Encourage culturally safe access. • Restoring customary practices and associated knowledge.
TAKOTORANGA WHENUA / LANDSCAPE	• Protect the integrity of the landscape of the Tūpuna Maunga. • Active restoration and enhancement of the natural features of the Maunga. • Encourage activities that are in keeping with the natural and indigenous landscape. • Encourage design that reflects Tūpuna Maunga values. • Promote a connected network of Tūpuna Maunga. • Preserve the visual and physical integrity of the Maunga as landmarks of Tāmaki.
MAURI PŪNAHA HAUROPI / ECOLOGY AND BIODIVERSITY	• Strengthen ecological linkages between the Tūpuna Maunga. • Maunga tū mauri ora, Maunga tū makaurau ora / if the Maunga are well, Auckland is well. • Protect and restore the biodiversity of the Tūpuna Maunga.
MANA HONONGA TANGATA / LIVING CONNECTION	• Rekindle the sense of living connection between the Maunga and the people. • Give expression to the history and cultural values of the Tūpuna Maunga. • Actively nurture positive relationships. • A place to host people.
WHAI RAWA WHAKAUKA / ECONOMIC / COMMERCIAL	• Alignment with the Tūpuna Maunga values. • Foster partnerships and collaboration. • Focus on commercial activities that create value and enhance experience. • Explore alternative and self-sustaining funding opportunities.
MANA WHAI A RĒHIA / RECREATIONAL	• Balance informal and formal recreation. • Encourage informal inclusive recreational activities. • Recreational activities consistent with tikanga Māori. • Maunga are special places and treasures handed down. • Promote health and wellbeing.

TŪPUNA MAUNGA OPERATIONAL PLAN 2024/25

Each financial year, the Tūpuna Maunga Authority and Council must agree an annual operational plan to provide a framework in which the Council will carry out its functions for the routine management of the Tūpuna Maunga and administered lands for that financial year, under the direction of the Tūpuna Maunga Authority.

The Tūpuna Maunga Operational Plan 2024/2025 identifies a number of projects to be delivered or commenced in the coming financial year and the subsequent two financial years. The Tūpuna Maunga Operational Plan 2024/2025 also sets out the 10-year work programme and funding envelope confirmed through the Long-term Plan 2024-2034. The budget for 2024/2025 and the subsequent years fits within this funding envelope.

A copy of the Operational Plan can be found at www.maunga.nz

Priority programmes and projects over the next 3 years

POLICY AND MANAGEMENT

- Develop individual Tūpuna Maunga plans to provide direction on how the Values, Pathways, guidelines and strategies should be reflected on each Tūpuna Maunga.
- Progressing the potential transfer of administration over certain Maunga reserve lands from the Department of Conservation to the Authority, and the potential transfer of the administration of land contiguous to other Tūpuna Maunga.

  Establishment of a compliance programme including a review of current and establishment of appropriate bylaws.

HEALING THE MAUNGA

VALUES: TAKOTORANGA WHENUA / LANDSCAPE VALUE

- Protection and restoration of the tihi (summits) including reconfiguring space and provision of cultural infrastructure.
- Protection and restoration of historic kumara pits, pā sites and wahi tapu
- Development of infrastructure to enhance visitor experience including provision of carparks, amenity areas and ancillary infrastructure such as wharepaku/ toilets.
- Removal of redundant infrastructure (built structures, water reservoirs, impermeable surfaces, etc) and returning areas to open space.

EDUCATION, COMMUNICATIONS AND PARTNERSHIPS

VALUES: WAIRUATANGA / SPIRITUAL VALUE

- On-site staff to protect and enhance the Tūpuna Maunga and the visitor experience
- Volunteer programmes to connect communities to the Tūpuna Maunga

- Education programmes, community events and a bespoke website that celebrates the living connection that all communities have with the Tūpuna Maunga
- Implementation of the Education Strategy to promote the values of the Tūpuna Maunga and the unique history and whakapapa of Ngā Mana Whenua. This includes exploration of visitor centre opportunities, connecting with communities of learning such as schools and the development of a communications strategy.

CULTURAL CONNECTION

VALUES: MANA AOTŪROA / CULTURAL AND HERITAGE VALUE

MANA HONONGA TANGATA / LIVING CONNECTION VALUE

- Development of a programme of work which enables Ngā Mana Whenua to express their living and unbroken connection with the Tūpuna Maunga. This may include cultural interpretation including distinct entrance ways, pou whenua, pa reconstructions, kaitiaki opportunities, and other cultural activities.
- Mana whenua living connection programme focusing on their role as kaitiaki (guardians), restoring customary practices and associated knowledge and enabling cultural activities.

BIODIVERSITY/BIOSECURITY

VALUES: MAURI PŪNAHA HAUROPI / ECOLOGY AND BIODIVERSITY VALUE

- Restoration of indigenous native ecosystems; reintroducing native plants and attracting native animal species; removing inappropriate exotic trees and weeds (For context, see pages 58, 65-66, 71, 87, and 90-91 of the Tūpuna Maunga Authority Integrated Management Plan, the Amended Integrated Management Plan of 2022, and at pages 7 and 34 of the Integrated Management Plan Strategies).
- Pest control on all Maunga in line with Auckland's plan to be pest free by 2050.
- Researching options to achieve efficient and effective animal and pest control methods, which includes a phased reduction in the use of herbicides and pesticides on the Tūpuna Maunga.

RECREATION AND ACTIVATION

VALUES: MANA HONONGA TANGATA / LIVING CONNECTION VALUE

MANA WHAI A RĒHIA / RECREATIONAL VALUE

- Exploration of facilities and activities on, around and between the Tūpuna Maunga which provide for passive and active recreational opportunities.

COMMERCIAL

VALUES: WHAI RAWA WHAKAUKA / ECONOMIC / COMMERCIAL VALUE

- Implementing the commercial framework which ensures continued investment back into the Tūpuna Maunga.

All projects are designed to deliver outcomes for the 13 iwi/hapū of the Tāmaki Collective and all the people of Auckland, enhance the mana and mauri of the Tūpuna Maunga and deliver improved open spaces across the eight local board areas.

They will also enable a compelling case in a future UNESCO World Heritage bid for the Tūpuna Maunga, which will contribute to a Māori identity that is Auckland's point of difference in the world. The bid for World Heritage status will require a dedicated resource and will continue to be progressed in this financial year in partnership with the Department of Conservation.

SUMMARY OF INDICATIVE FUNDING REQUIREMENTS

The funding for Tūpuna Maunga is set at a regional level. The 10 Year budget to enable the priority projects and programmes in the council's 10 Year Budget (Long Term Plan) 2024-34 is shown in Table.

The budget for 2023/24 fits within this 10 Year Budget (Long Term Plan) 2024-34 funding envelope.

FUNDING ENVELOPE FOR THE TŪPUNA MAUNGA AUTHORITY IN THE COUNCIL'S 10 YEAR BUDGET (LONG TERM PLAN) 2024-2034

DRAFT LTP 2024-2034

Funding Envelope ($000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Net operating expenditure											
Net operating expenditure*	3,897	3,917	3,917	3,917	4,358	4,460	4,557	4,558	4,558	4,558	**42,700**
Consequential OPEX	188	196	256	256	261	266	272	72	75	79	**1,921**
Net operating expenditure total	4,085	4,114	4,173	4,173	4,619	4,727	4,829	4,630	4,634	4,637	**44,621**
Capital expenditure	9,395	9,820	12,780	12,800	13,056	13,317	13,583	3,584	3,764	3,952	**96,052**
Total LTP Funding Requirement 2024-34**	**13,480**	**13,934**	**16,953**	**16,953**	**17,675**	**18,044**	**18,413**	**8,215**	**8,397**	**8,589**	**140,673**
Notes: * Net operating expenditure excludes depreciation **Excludes inflation.											

5.1 Overview of Auckland Council's CCOs

A council-controlled organisation (CCO) is a company or organisation in which the council controls 50 per cent or more of the votes or the right to appoint 50 per cent or more of the directors or trustees. The council uses CCOs to apply commercial disciplines and specialist expertise in the management of key regional council assets and efficient service delivery.

CCOs are accountable to the council, which agrees the objectives and targets for each CCO and also monitors their performance. The council, in turn, is accountable to ratepayers and residents for the performance of the CCOs. As this plan is prepared on a group basis, the activities, financial and performance information of each of the substantive CCOs is embedded with the group of activity information contained in this plan. The group of activities information can be found in section 3 of this document. Significant proposed changes to CCO activities are highlighted in the consultation material and questions.

The council is required to have a policy on the accountability of its substantive CCOs. The policy establishes the council's enduring expectations for each CCO. The council's CCO Accountability Policy can be found as section 5.2 of this document. Proposed changes to update the CCO Accountabilty Policy are highlighted in call out boxes.

To find out more about each CCO, refer to their Statements of Intent, which can be found on the council's website. https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-annual-reports/statements-intent-report-cco

The substantive CCOs

A substantive CCO[1] is either responsible for the delivery of a significant service or activity on behalf of the council or owns or manages assets with a value of more than $10 million.

The council's substantive CCOs[2] are:

- **Auckland Transport** – responsible for managing the region's transport system in an effective, efficient and safe way. Auckland Transport provides Auckland's transport requirements (except state highways and Auckland motorways) which include roads, footpaths, cycleways, the public transport network and parking and enforcement.
- **Tātaki Auckland Unlimited** – responsible for enriching cultural and economic life in Tāmaki Makaurau by creating and sharing experiences and opportunities. Tātaki Auckland Unlimited aims to drive investment and support Auckland businesses to innovate and thrive, enhance Auckland as a culturally vibrant city, provide experiences and opportunities for all, and tell the Auckland story to Aucklanders, New Zealanders and the international community.

  Tātaki Auckland Unlimited manages major regional facilities and landmark venues across the region, including: ANZ Viaduct Events Centre, Aotea Centre, Auckland Art Gallery Toi o Tāmaki, Auckland Town Hall, Auckland Zoo, Bruce Mason Centre, The Civic, Go Media Stadium Mt Smart North Harbour Stadium, Western Springs Stadium and the New Zealand Maritime Museum.
- **Eke Panuku Development Auckland (Eke Panuku)** – responsible for leading urban regeneration of selected areas across Auckland to promote thriving town centres and quality residential and commercial growth. This includes the city centre and waterfront. Eke Panuku provides property-related

[1] The meaning of CCO includes subsidiaries of CCOs. For the purpose of this document any reference to a substantive CCO means the substantive CCO and its subsidiaries.

[2] The Governing Body resolved on 27 August 2020 to agree to the establishment of a merged CCO entity by amalgamating Regional Facilities Auckland Limited and Auckland Tourism, Events and Economic Development Limited.

services to the Auckland Council Group and manages non-service properties, including the city centre marinas. Eke Panuku reviews the council group property portfolio for sites that are surplus to service requirements, are under utilised or require renewal in order to make land available for redevelopment and bring in revenue. Eke Panuku also manages on behalf of the council the Westhaven Marina Limited, Westhaven (Existing Marina) Trust and Westhaven (Marina Extension) Trust.

- Watercare Services Limited (Watercare) – operates Auckland's water and wastewater services. It is New Zealand's largest water utility company. Watercare must keep charges to customers at a minimum while ensuring the long-term integrity of its assets. Watercare's subsidiary is Auckland City Water Limited, a non trading company. It also has a relationship with and provides funding to the Water Utility Consumer Assistance Trust.
- Potential Auckland Future Fund CCO – if Council decides to proceed with the proposed Auckland Future Fund and decides to establish a substantive CCO for its implementation, a section will be added here setting out the functions and activities of the CCO.

Contribution to council activities

The activities, financial and performance information of the CCOs is embedded with the group of activity information contained in this plan (section 3 of this document). The groups of activities that each CCO contributes to are listed below.

Table 1 – Group of Activities that each CCO contributes to.

CCO	Group of activities
Auckland Transport	Public transport and travel demand management
	Roads and footpaths
Tātaki Auckland Unlimited	Council controlled services
Eke Panuku	Council controlled services
Watercare	Water supply
	Wastewater treatment and disposal

If Council decides to proceed with the proposed Auckland Future Fund and decides to establish a substantive CCO for its implementation, Table 1 above will be updated to reflect the Group(s) of Activities the CCO contributes to.

Legacy CCOs

In addition to its substantive CCOs, Auckland Council has several CCOs which were established before amalgamation. These are commonly referred to as legacy CCOs. While legacy CCOs are smaller in size and scale, they provide a valuable service to a wide range of stakeholders and are key contributors to delivering council programmes and services.

The Contemporary Art Foundation is required to meet CCO governance requirements, such as half-year and annual reports and Statements of Intent. This CCO promotes the arts through ownership and management of the Te Tuhi Centre for the Arts, a public gallery in Pakuranga which hosts local, national and international art exhibitions

The following six CCOs are exempt from CCO governance requirements:

- Te Taumata Toi-a-Iwi (Arts Regional Trust)– aims to grow entrepreneurship in the Auckland's arts, culture and creative sectors to generate cultural, creative and economic outcomes that benefit the region through the provision of unique and innovative programmes
- Māngere Mountain Education Trust – the Trust administers the Māngere Mountain Education Centre (MMEC) which provides educational opportunities for Aucklanders of all ages to learn about Māngere mountain and its people
- Manukau Beautification Charitable Trust – the Trust promotes, supports and undertakes programmes, actions and initiatives to beautify Auckland
- Mount Albert Grammar School Community Swimming Pool Trust – supports the Mt Albert Aquatic Centre, which is a local community pool
- Te Puru Community Charitable Trust – manages the community centre at Te Puru Park and supports sports, leisure, community and cultural groups in the Beachlands, Maraetai and Whitford communities.

5.2 CCO Accountability Policy

Proposed amendments to the content of the CCO Accountability Policy, that are substantive, are highlighted in the blue call out boxes. The proposed amendments to the CCO Accountability Policy reflect changes in legislation, currency, or new or updated council policies and plans. Any changes to CCO activities made through decision-making on the Long-term Plan 2024-2034 (following public consultation) will also need to be reflected in the final CCO Accountability Policy. Note that other minor or technical changes have been made that are not marked up.

This policy sets out the council's expectations and requirements for its substantive council-controlled organisations (CCOs).

This policy is set in accordance with section 90 of the Local Government (Auckland Council) Act 2009 (LGACA) and more generally the approach used for accountability of substantive CCOs by Auckland Council.

Proposed amendment to reflect legislative requirements:

Insert two bullet points in section below. The new bullet points read:

Part 7A of the Financial Markets Conduct Act 2013 which provides that the council is as a Climate Reporting Entity and required to make a group climate reporting statement (including on behalf of CCOs).

Section 3 of the New Zealand's Exchange (NZX) listing rules which has requirements around the disclosure of material information of the council and CCOs, and annual and half-yearly reporting requirements.

This policy is designed to be understood in conjunction with:

- the general accountability expectations on CCOs required by Part 5 of the Local Government Act 2002
- the Statement of Expectations issued under section 64B of the Local Government Act 2002
- the Statements of Intent of each CCO, as described in Schedule 8 of the Local Government Act 2002
- the constitutions (where applicable) of each CCO
- section 92(2) of the Local Government (Auckland Council) Act 2009 which requires each substantive CCO to act consistently with the relevant aspects of any other plan (including a local board plan) or strategy of the Council to the extent specified in writing by the governing body of the Council
- section 64A of the Local Government Act 2002 under which council can require CCOs to prepare and deliver additional plans, including an asset management plan, long-term plan and one or more thematic plans.

Under section 92(1) of the Local Government (Auckland Council) Amendment Act 2009, a substantive CCO must give effect to the aspects of the council's Long-term Plan relevant to it. The CCO accountability policy must be included in the council's Long-Term Plan (section 90(3)(b)), and as such forms part of it. Amendments to the policy can only be made through an amendment to the Long-term Plan (section 90(3)(c)).

1. Council's expectations for CCO's contribution to council's objectives and priorities

Section 90(2) of the LGACA sets out the requirements of the accountability policy, and states that:

"(2) The policy must—

a) *include a statement of the council's expectations in respect of each substantive council-controlled organisation's contributions to, and alignment with, the council's objectives and priorities.*

b) *include a statement of the council's expectations in respect of each substantive council-controlled organisation's contributions to, and alignment with, any relevant objectives and priorities of central government."*

The Auckland Plan 2050 is our 30-year strategy for growth and development which brings together social, economic, environmental and cultural objectives for Auckland (not just Auckland Council). The plan includes the Future Development Strategy and six outcomes.

This policy sets out council's common expectations for CCOs as well as the Auckland Plan outcomes, direction and focus areas that each CCO is expected to align with. All CCOs must also comply with relevant legislative requirements, as outlined in the statement of expectations.

The Long-term Plan outlines Auckland Council's funding priorities to deliver on the Auckland Plan.

Statement of Expectations

Auckland Council has a number of expectations of each substantive CCO. Additional expectations to those set out in this policy are outlined in the Statement of Expectations, issued in accordance with section 64B of the Local Government Act 2002. These expectations include:

- how the CCOs should conduct relationships with council, communities, specified stakeholders within those communities and iwi/hapu/Māori organisations
- the expectation that CCOs must act consistently with the council's statutory obligations, including the council's obligations under third party agreements
- any other shareholder expectations, such as expectations in relation to community engagement and collaboration with shareholders and others in the delivery of services.

The statement of expectations is published on Auckland Council's website.

1.1 Common expectations

Auckland Council has a number of common expectations of all its substantive council-controlled organisations in respect of their contribution to, and alignment with, the council's statutory responsibilities, objectives and priorities. Each substantive CCO is to meet the common expectations set out below and the specific expectations for each.

1.1.1 Improve outcomes for Māori

Substantive CCOs must give effect to the council's Māori Outcomes framework 'Kia ora Tāmaki Makaurau' and foster more positive and productive relationships between the council group and Māori, develop the ability of the council group and its people to respond more effectively to Māori and contribute to Māori wellbeing by developing strong Māori communities in Tāmaki Makaurau. This is to be achieved by:

- ensuring that the principles of te Tiriti o Waitangi, such as shared decision-making, partnership and mutual benefit, are applied consistently in activities and decision-making

Proposed amendment:
Update "Māori Responsiveness Plan" with "Achieving Māori Outcomes (AMO) plans".

- implementing and reporting on agreed Te Tiriti o Waitangi Audit actions and Māori Responsiveness Plans
- fulfilling statutory obligations to Māori under the Local Government (Auckland Council) Act 2009, Local Government Act 2002 and other statutes
- providing council with information necessary to fulfil its statutory duties to the Independent Māori Statutory Board under the Local Government Auckland Council Act 2009, in particular section 88.
- enabling Māori outcomes
- valuing te ao Māori – the Māori world view
- in addition, the substantive CCOs must contribute to achieving a collaborative and aligned approach across the council group to work with mana whenua and mataawaka.

1.1.2 Health and safety

Proposed amendment: replace the paragraph below (for currency) with:
"Each substantive CCO is to maintain safe systems of work that ensure compliance with legislative requirements and minimise the risk of harm to their kaimahi and others impacted by their operations. Each substantive CCO is also to participate in the development of a group health, safety, and well-being policy to ensure a common health and safety vision and alignment across the group. "

Each substantive CCO must give effect to the group Health, Safety and Wellbeing Policy Statement. This sets out principles and behaviours to give effect to the health and safety vision of the group.

1.1.3 Group policies

Each substantive CCO must implement agreed existing group policies and participate in the development of any further group policies.

1.1.4 Significance and engagement

Each substantive CCO must include customers and communities in decision making where appropriate, using the principles in the Significance and Engagement Policy.

Proposed amendment:

Title changes from "Climate change and reducing carbon emissions" to "Climate change"

Insert a bullet point "Putting systems and processes in place to meet the group's statutory climate reporting requirements, including record-keeping requirements"

Remove bullet point "Fully assessing and disclosing its climate-related risks to support Council's reporting requirements under in the Climate Change Response (Zero Carbon) Amendment Act and its commitment to disclosure on climate-related financial risks through its group Annual Report. ". Note this content has been shifted to the new climate reporting section.

1.1.5 Climate change and reducing carbon emissions

Each substantive CCO is to contribute towards implementation of Te Tāruke-ā-Tāwhiri, Auckland Climate Plan and building a climate resilient future for the Auckland region. This is to be achieved by:

- supporting the implementation of actions identified in Te Tāruke-ā-Tāwhiri Auckland Climate Plan as appropriate for each CCO
- supporting the delivery of our regional and organisational targets of halving greenhouse gas emissions by 2030, reaching net zero by 2050 and planning for the impacts of climate change
- embedding climate change considerations into policies, planning and investment decision-making to address the current and anticipated impacts of climate change and support greenhouse gas emissions reduction
- fully assessing and disclosing its climate-related risks to support Council's reporting requirements under in the Climate Change Response (Zero Carbon) Amendment Act and its commitment to disclosure on climate-related financial risks through its group Annual Report.

1.2 Council's expectations of CCO alignment with and contribution to Council's objectives and priorities

Proposed amendment for currency:

Replace the first paragraph below with "Tātaki Auckland Unlimited's role is to enrich the cultural and economic life of Tāmaki Makaurau Auckland (note full legal name is Tātaki Auckland Unlimited Limited). Tātaki Auckland Unlimited delivers programmes and activities to help make Auckland a desirable place to live, work, visit, invest and do business. Tātaki Auckland Unlimited also acts as the corporate trustee for charitable trust Tātaki Auckland Unlimited Trust which manages venues, collections and experiences."

1.2.1 Tātaki Auckland Unlimited Limited

In 2020 Regional Facilities Auckland Limited amalgamated with Auckland Tourism, Events and Economic Development Limited, and is now known as Auckland Unlimited Limited. The purposes of Auckland Unlimited Limited include enriching cultural and economic life in Tāmaki Makaurau by creating and sharing experiences and opportunities and acting as the corporate trustee of the Regional Facilities Auckland Trust.

Tātaki Auckland Unlimited aligns with and contributes to the Auckland Plan outcomes in table 1.

Table 1 – Tātaki Auckland Unlimited contribution to Auckland Plan outcomes

Auckland Plan outcome	Tātaki Auckland Unlimited contribution to Auckland Plan directions and focus areas
Belonging and Participation	• Create safe opportunities for people to meet, connect and enjoy community and civic life. • Recognise the value of arts, culture and sports and recreation to quality of life.
Opportunity and Prosperity	• Create the conditions for a resilient economy through innovation, employment growth and raised productivity. • Attract and retain skills, talent and investment. • Advance Māori employment and support Māori business and iwi organisations to be significant drivers of Auckland's economy. • Leverage Auckland's position to support growth in exports.
Māori identity and wellbeing	• Promote Māori success, innovation and enterprise. • Showcase Auckland's Māori identity and vibrant Māori culture. • Celebrate Māori culture and support te reo Māori to flourish.
Environment and cultural heritage	• Ensure Auckland's natural environment and cultural heritage is valued and cared for.

It does this by undertaking the following activities:

- managing some of Auckland's most important cultural heritage institutions (including Auckland Zoo, Auckland Art Gallery, New Zealand Maritime Museum) and partnering with others (including MOTAT and the Auckland War Memorial Museum)
- maintaining and developing sporting, events and entertainment venues (including the Civic, Aotea Centre, Eden Park, Go Media Mt Smart Stadium, North Harbour Stadium, Bruce Mason Theatre) and partnering with others (including Eden Park)
- attracting visitors to Auckland and ensuring a range of experiences are available for them to enjoy, including festivals and exhibitions, museums and attractions, and arts, cultural and sporting events
- partnering with other agencies which support business, such as Ministry of Business, Innovation and Employment, Auckland Business Chamber, New Zealand Trade and Enterprise and others
- attracting and providing services and venues for business events - meetings, conferences, conventions, exhibitions and incentive activity
- delivering programmes to attract investment alongside partners including central government, managing specific facilities for sectors such as film, connecting businesses to resources to help them grow
- providing an umbrella approach to a compelling and aligned Auckland story across business, entertainment, and cultural assets.

1.2.2 Auckland Transport

Auckland Transport was legislatively established as a CCO at amalgamation in 2010, to contribute to an effective, efficient, and safe Auckland land transport system in the public interest[1].

Auckland Transport aligns with and contributes to the Auckland Plan outcomes in table 2.

Table 2 – Auckland Transport contribution to Auckland Plan outcomes

Auckland Plan outcome	Auckland Transport alignment to directions in the Auckland Plan
Transport and Access	Maximise safety and environment protection and emissions reduction. Better connect people, places, goods and services. Increase genuine travel choices for a healthy, vibrant and equitable Auckland.

Proposed amendment:
Replace the fourth bullet point with "enable and support Auckland's growth through a focus on intensification in brownfield areas, with some managed expansion in line with the Future Development Strategy"

In doing so, Auckland Transport is to:

- make Auckland's transport system safe by eliminating harm to people
- accelerate better travel choices for Aucklanders
- better connect people, places, goods and services
- enable and support Auckland's growth through a focus on intensification in brownfield areas, with some managed expansion into emerging greenfield areas
- improve environmental resilience and sustainability of the transport system, and significantly reduce the greenhouse emissions it generates.

Auckland Transport also contributes to the other outcomes in the Auckland Plan - Māori Identity and Wellbeing, Belonging and Participation, Homes and Places, Environment and Cultural Heritage and Opportunity and Prosperity.

It contributes to these outcomes by undertaking the following activities:

- providing an excellent customer experience for all services and customers
- supporting the Council Group's contribution towards Māori wellbeing outcomes, expectations and the aspirations of Māori under the Treaty of Waitangi
- collaborative partnering with funders, partners, mana whenua, stakeholders and communities
- running an operating model that is agile, financially sustainable and delivers economic benefits

[1] Section 39, Local Government (Auckland Council) Act 2009.

- enabling and enhancing culture and capability.

1.2.3 Eke Panuku Development Auckland Limited

The purpose of Eke Panuku (Panuku Development Auckland Limited) includes facilitating urban redevelopment that optimises and integrates good public transport outcomes, efficient and sustainable infrastructure and quality public services and amenities. Eke Panuku also manages council's non-service property portfolio and provides strategic advice on council's other property portfolios.

Eke Panuku aligns with and contributes to the Auckland Plan outcomes in table 3.

Table 3 – Eke Panuku contribution to Auckland Plan outcomes

Proposed amendment for currency:

Insert a row in below table to include "Transport and Access". The Eke Panuku contribution to Auckland Plan directions and focus areas is

"Better integrate land use and transport

Make walking, cycling and public transport preferred choices for many Aucklanders."

Auckland Plan outcome	Eke Panuku contribution to Auckland Plan directions and focus areas
Homes and Places	• Provide sufficient public places and spaces that are inclusive, accessible and contribute to urban living. • Accelerate the construction of quality homes that meet Aucklanders' changing needs and preferences. • Develop a quality compact urban form to accommodate Auckland's growth and support a low carbon future.
Belonging and Participation	• Create safe opportunities for people to meet, connect, participate in, and enjoy community and civic life.
Opportunity and Prosperity	• Advance Māori employment and support Māori business and iwi organisations to be significant drivers of Auckland's economy.
Māori identity and wellbeing	• Showcase Auckland's Māori identity and vibrant Māori culture. • Celebrate Māori culture and support te reo Māori to flourish. • Reflect mana whenua mātauranga (Māori knowledge) and Māori design principles throughout Auckland.
Environment and cultural heritage	• Use green infrastructure to deliver greater resilience, long-term cost savings and quality environmental outcomes.

It does this by undertaking the following activities:

Proposed amendment for currency:

Replace the activities below with:

"leading the regeneration of council's agreed urban locations by making the most of Auckland Council owned land, facilitating a shared vision and working with the council group, the crown, private sector, community housing providers, mana whenua, local boards and infrastructure providers

identifying opportunities to improve the amenity, attractiveness, connectivity, and resilience of town centres as places to live, work, visit and do business, building confidence for others to invest

place making and engaging with communities and stakeholders on the changes taking place, testing ideas and strengthening the connection between people and place

selling Auckland Council's surplus property, developing unused and underutilised property assets to unlock revenue and enable new housing and commercial development

managing council's assets/property including commercial, residential and marina infrastructure, or redevelopment incorporating a service delivery function

undertaking other urban regeneration and property-related services such as strategic property advice, acquisitions and disposals and where appropriate, reviewing council's service property for optimisation and redevelopment opportunities."

- regeneration and development of council's agreed urban locations by making the most of Auckland Council owned land and working with the council, other council-controlled organisations, the crown and infrastructure providers to facilitate urban regeneration
- selling Auckland Council's surplus property, and where appropriate, reviewing council's service property for optimisation and redevelopment opportunities
- managing council's assets/property including commercial, residential and marina infrastructure, or redevelopment incorporating a service delivery function
- undertaking other property-related services such as strategic property advice, place making, acquisitions and disposals
- ensuring that its capital and operating expenditure, policies and plans (including locally-specific development plans) are directed towards achieving these objectives and priorities.

1.2.4 Watercare Services Limited

Watercare Services Limited (Watercare) provides Auckland's integrated water supply and wastewater services.

Watercare aligns with and contributes to the following Auckland Plan outcomes in table 4 2:

[2] Watercare also has specific statutory obligations as the 'Auckland water organisation', which are set out in sections 57 and 58 of the Local Government (Auckland Council) Amendment Act 2009.

Table 4 – Watercare contribution to Auckland Plan outcomes

Auckland Plan outcome	Watercare alignment / contribution to Auckland Plan directions and focus areas
Environment and cultural heritage	• Ensuring Auckland's natural environment and cultural heritage is valued and cared for. • Applying a Māori world view to treasure and protect our natural environment (taonga tuku iho). • Using growth and development to protect and enhance Auckland's natural environment. • Ensuring Auckland's infrastructure is future-proofed.
Homes and Places	• Developing a quality, compact urban form to accommodate Auckland's growth.
Māori identity and wellbeing	• Advance mana whenua rangatiratanga in leadership and decision-making and provide for customary rights.

Proposed amendment:
Replace the fourth bullet point with "enabling and supporting Auckland's growth through a focus on intensification in brownfield areas, with some managed expansion in line with the Future Development Strategy"

It does this by undertaking the following activities:

- delivering high quality drinking water to its customers
- treating wastewater to a high standard before discharging it to the environment
- maintaining and expanding water and wastewater infrastructure to cater for Auckland's growth
- implementing, through its role as a provider of infrastructure critical to urban development, the Future Development Strategy set out in the Auckland Plan
- working with the council (including Healthy Waters), other council-controlled organisations and infrastructure providers to achieve the council's objectives and priorities in an efficient and effective way, including in particular the optimisation and integration of Auckland's water, wastewater and stormwater (the three waters provided by Watercare and Healthy Waters) outcomes for the benefit of current and future Aucklanders.

1.2.5 Potential Auckland Future Fund CCO

If Council decides to proceed with the proposed Auckland Future Fund and decides to establish a substantive CCO for its implementation, a section will be added here which sets out the purpose of the CCO, its alignment and contributions to Auckland Plan outcomes and the activities it undertakes.

2. Additional reporting requirements

Section 90(2) of the LGACA states that:

"(2) The policy must—

c) specify any reporting requirements that each substantive council-controlled organisation must undertake in addition to those required under Part 5 of the Local Government Act 2002 or this Act."

2.1 Half-yearly and annual reports

Sections 66 to 68 of the Local Government Act 2002 (LGA) set out requirements for CCOs to provide half-yearly and annual reports on their operations to the council.

The half-yearly report must be provided within two months after the end of the first half of each financial year. The annual report must be delivered to the council no later than three months after the end of the financial year, and must be publicly available on the CCO's website, with a hard copy available to any member of the public upon request. The release of the half-yearly and annual reports are required to be managed in accordance with the Financial Markets Conduct Act 2013 and NZX listing rules as noted under Section 2.4.

In addition to the statutory requirements, each substantive CCO is to provide additional reporting as set out below.

2.2 Quarterly reporting

In addition to the statutory requirements for half-yearly and annual reports, the council requires all substantive CCOs to provide:

- a quarterly report on their statement of intent (SOI) performance to the council, no later than 1 month after the end of the first and third quarter of each financial year[3].The quarterly report must report against the performance targets and key capital and operations programmes / projects set out in its SOI, and must be in the format required by the council
- a group financial quarterly reporting pack as per instructions and timeframes issued by the Group Financial Controller (which includes financial and other information required by the council to fulfil its reporting obligations under legislation and New Zealand Exchange (NZX) regulations)

2.3 Attendance at council committee meetings

The chair and chief executive of each substantive CCO are expected to appear before the relevant council committee when it meets to consider the CCO's performance against its SOI.

Representatives from the board of each substantive CCO may be required to appear before the relevant council committee when it meets to consider its annual report and/or fourth quarter report.

[3] As provided for in s91(1)(b) of the Local Government (Auckland Council) Amendment Act 2009.

2.4 New Zealand Exchange requirements

Substantive CCOs must adhere to the New Zealand Exchange (NZX) requirements and work with the council on the timing of public release of financial information. In particular, CCO and group information must remain confidential until the group interim report and the group preliminary NZX announcement by the council are released to the NZX at the end of February and August, respectively or as advised from time-to-time by the Group Treasurer.

Substantive CCOs must also comply with the requirements of Auckland Council's Disclosure Policy which is based on the NZX listing rules.

2.5 Audit and risk reporting requirements

Each substantive CCO must:

- provide a risk report and top risks register (as presented to its own audit and risk committee, board or equivalent) to council staff on a quarterly basis
- provide a risk summary (using standard template format) to be reported to the council's Audit and Risk Committee on a quarterly basis. This summary will be reported to the council's Audit and Risk Committee as a confidential item
- ensure relevant board members (or their delegates) attend the meeting of the council's Audit and Risk Committee as requested by the committee. This will be every twelve months or as the Committee requires
- as part of end of financial year processes, report all Audit New Zealand findings through council staff to the council's Audit and Risk Committee in format specified by council and attend the relevant Audit and Risk Committee meeting to discuss these audit and financial risk updates.

2.6 Provide information as required

Each substantive CCO is required to provide information on any aspect of a CCO's performance against its statement of intent if required to by a resolution of the relevant council committee.

Proposed amendment to reflect legislative change:

Add a new section here:

"2.7 Climate reporting
Auckland Council is a Climate Reporting Entity under the Financial Markets Conduct Act 2013, which means the group's climate statement will need to comply with this Act and consequently the Aotearoa New Zealand Climate Standards (from 30 June 2024). Each substantive CCO is required to provide information on greenhouse gas emissions (direct and indirect, Scope 1, 2, 3) in line with Auckland Council Group greenhouse gas reporting methodology and policy on an annual basis."

3. Additional planning requirements

Section 90(2) of the LGACA states that:

"(2) The policy must—

d) specify any planning requirements that each substantive council-controlled organisation must undertake in addition to those required under Part 5 of the Local Government Act 2002 or this Act."

3.1 Inputs to Long-term Plan and Annual Plan

Each substantive CCO must have asset management plans, activity plans, performance frameworks and supporting financial information as inputs to the council's Long-term Plan and Annual Plan in accordance with the timeframes and other requirements specified by the council.

Each substantive CCO should provide council with an updated asset management plan on an annual basis, in August of each year. This is to inform the group planning and budgeting processes and support monitoring of council's urban growth strategy and other strategies. The updated asset management plan should clearly outline assumptions made and the information that has informed those assumptions.

3.2 Further requirements

Each substantive CCO must:

- use accounting policies and standards that are consistent with the council group's accounting policies and standards
- comply with council tax initiatives and policies
- follow any other planning requirements specified by the council and notified to CCOs
- prepare an Achieving Māori Outcomes Plan, and work with the council to monitor and report against it
- prepare a local board engagement plan in accordance with the framework specified by council.

4. Management of strategic assets by council-controlled organisations

Section 90(2) of the LGACA states that:

"(2) The policy must—

e) identify or define any strategic assets in relation to each substantive council-controlled organisation and set out any requirements in relation to the organisation's management of those assets, including the process by which the organisation may approve major transactions in relation to them."

4.1 Identification of strategic assets

Strategic assets are defined in section 5 of the Local Government Act 2002 as assets that a local authority needs to retain if it is to maintain its capacity to achieve or promote any outcome that it determines to be important to the current or future well-being of the community. This includes:

a) any asset or group of assets listed in the local authority's Significance and Engagement Policy; and
b) any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and
c) any equity securities held by the local authority in -
    1. a port company;
    2. an airport company.

Proposed amendment: replace the paragraph below for consistency with council's Significance and Engagement Policy:

Sections 3.1 and 3.2 of council's Significance and Engagement Policy specify which assets or group of assets the Council has determined to be "strategic assets". Some of these are owned or managed by substantive CCOs.

The table below identifies the strategic assets, as specified in council's Significance and Engagement Policy, which are owned or managed by substantive CCOs.

The table should be read alongside the commentary and definitions in the Significance and Engagement Policy.

If there is any inconsistency between the assets identified as strategic assets in this table and the Significance and Engagement Policy, the Significance and Engagement Policy prevails.

For the purposes of this policy, the council considers that the "current or future well-being of the community" means the economic, social, environmental and cultural well-being, and the health and safety of communities.

The strategic assets owned and/or managed by the council's substantive CCOs are any scheduled heritage buildings or structures and the assets set out in table 1.

Table 1 – Strategic assets owned or managed by substantive CCOs

Proposed amendments:

Replace "Auckland Unlimited Limited as corporate trustee of the Regional Facilities Auckland Trust" with "Tātaki Auckland Unlimited Limited as corporate trustee of the Tātaki Auckland Unlimited Trust".

To reflect the updated Significance and Engagement Policy, we propose:

Replace the strategic assets owned and managed by Tātaki Auckland Unlimited with

"The network of stadiums and venues

Auckland Zoo

Auckland Art Gallery, including the associated art collection."

Added "and footpath assets" under "Strategic assets owned by the council and managed by the CCO" for Auckland Transport.

Council-controlled organisation	**Strategic assets owned and managed by the CCO**	***Strategic assets owned by the council and managed by the CCO***
Auckland Transport	The public transport network	*Roading and footpath assets*
Tātaki Auckland Unlimited Limited as corporate trustee of the Regional Facilities Auckland Trust	Auckland Art Gallery, including the associated art collection (including the arts collections owned by Auckland Unlimited Limited. Aotea Centre Bruce Mason Theatre Civic Theatre Viaduct Events Centre North Harbour Stadium The council's contractual rights and interests in Auckland City Arena (known as Spark Arena) Go Media Mt Smart Stadium	
Eke Panuku Development Auckland Limited	None	*The freehold interests in central Auckland waterfront land*
Watercare Services Limited	*The wastewater network / system* *The water supply network / system*	*none*

If Council decides to proceed with the proposed Auckland Future Fund and decides to establish a substantive CCO for its implementation, table 1 above will include any strategic assets that this CCO may own and manage, or which are owned by the council but managed by the CCO.

Other updates to table 1 above may be required depending on the preferred implementation option should the Council decide to proceed with an operating lease of the operations of the Port of Auckland. For further detail on these options, see pages xx of the consultation document.

4.2 Requirements in relation to the management of strategic assets by CCOs

4.2.1 Principles for the management of strategic assets

Each substantive CCO must manage the strategic assets set out in Table 1 in a way that:

- maximises the long-term benefit of the strategic assets to Auckland
- gives effect to the expectations set out in section 1 of this policy and the performance measures set out in this long-term plan
- enables the CCO to achieve the objectives and performance measures set out in its statement of intent

In making a decision about a strategic asset that may affect the council's long-term interest in that asset or the associated service delivery to Aucklanders, each substantive CCO must consider the following factors in relation to the proposal, in addition to any of its own considerations:

- the contribution of the issue or proposal to meeting the council's expectations of the CCO as set out in this policy, the long-term plan, Statement of Expectations and in the statement of intent
- any impacts on the council's other objectives or priorities (both positive and negative)
- its consistency with the council's other plans and strategies, including area-specific plans
- the likely financial impacts of the proposal, noting the opportunity cost of any investment or expenditure
- the risks associated with the proposal, including its consistency with council's enterprise risk framework and appetite.

4.2.2 Shareholder oversight of strategic assets and major transactions

Table 2 below provides guidance for CCOs about expectations for shareholder oversight of decisions about strategic assets and major transactions.

A fundamental principle is that CCOs must ensure that they comply with the no surprises policy and any requirements set out in a Statement of Expectations issued to a CCO, and engage with ward councillors and local boards on issues of local significance. An early discussion about the proposal with Council staff should be undertaken, before any decisions have been made which commit the CCO into a course of action, and with sufficient time for council to consider the proposal. Where it is not clear if the proposed action or decision is consistent with an agreed strategy of the council, a CCO should engage with council staff.

The table below sets out examples of transactions which may require shareholder oversight, but cannot capture the full range of possible situations and transactions which may be proposed by CCOs. For example, an action or decision may indicate shareholder approval is required under table 2 below, but not be material to the council's long-term interest in the strategic asset and the associated service delivery to Aucklanders. In these cases, approval from the council may not be required. This can be granted at the discretion of the Mayor, Chair of the Budget Committee and the council's Chief Executive, according to the criteria in the council's Significance and Engagement Policy.

Table 2 – Shareholder oversight of strategic assets and major transactions

Where a CCO proposes to	Examples	The shareholder must be involved in the following way

• Carry out a *major transaction* (defined in 4.2.3 below)
• Undertake an action or make a decision which may affect the council's long-term interest in a strategic asset or the associated service delivery to Aucklanders and:
  o which represents or may represent a departure from an agreed strategy of the council; or
  o where there is no agreed strategy of the council
	• The sale of any part of Britomart
	• A 20-year lease on waterfront land
		Approval of the governing body of Auckland Council is required except where it is already provided for in the 10-year Budget. Note that some major transactions must be set out in the 10-year Budget.
		
		Some decisions must be included in the long-term plan. Section 97 of the Local Government Act 2002 requires that:
		(a) a decision to alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the local authority, including a decision to commence or cease any such activity and
		(b) a decision to transfer the ownership or control of a strategic asset to or from the local authority must be explicitly provided for in the 10-year Budget, and must have been consulted on during the development of the 10-year Budget.

• Undertake an action or make a decision which may affect the council's long-term interest in a strategic asset or the associated service delivery to Aucklanders which is consistent with an agreed strategy of the council	• Feasibility studies of a significant activity or investment • The development of a water efficiency strategy	Refer to the fundamental principles described above about early engagement with council. In some cases approval of Auckland Council may be required, and in others, provisions of information to the governing body through a workshop or memorandum will be sufficient. Engage with relevant local boards in accordance with the Statement of Expectations.
• Undertake any operational actions that are part of day-to-day business, or which implement agreed decisions	• Entering into a contract for the provision of food and beverage services at Go Media Mt Smart Stadium	No governing body oversight is required.

4.2.3 Definition of major transaction

For the purposes of this accountability policy, a "major transaction4" is:

[4] Note that this is a different definition of "major transaction" to that provided for in the Companies Act 1993, which has different requirements associated with it. Refer to section 4.2.4.

Any acquisition, disposal or replacement of a strategic asset, other than ongoing asset renewal in accordance with a CCO's asset management plan

Any transaction or dealing in relation to a strategic asset:

- o Reducing control over the asset (whether directly or indirectly)
- o Reducing or materially affecting the asset's value
- o Granting any legal interest in the asset to a third party
- o Affecting the CCO's or council's ownership of the asset

Any long-term contracts for the development or operation of a strategic asset (being a contract binding the CCO to a term exceeding fifteen years, including any renewals at the contractor's option)

Any matters covered by the rights and securities issues, takeover offers, mergers and capital restructuring sections of the Auckland Airport Shareholding Policy.

In relation to network infrastructure, a transaction only qualifies as a major transaction if it relates to any part of a network which:

- is integral to the functioning of the network as a whole, or
- substantially affects the level of service provided to the community.

A lease granted by a CCO on a strategic asset is not a major transaction if the lease:

i. is granted in the ordinary course of the CCO's business on arms-length terms; and

ii. does not exceed fifteen years in duration (including any renewals at the lessee's option); and

iii. does not exceed $500,000 in rent per annum.

4.2.4 Major transactions under the Companies Act 1993

Under section 129 of the Companies Act 1993 a company must not enter into a major transaction unless the transaction is approved by special resolution; or contingent on approval by special resolution.5 This covers:

a) the acquisition of, or an agreement to acquire, whether contingent or not, assets[6] the value of which is more than half the value of the company's assets before the acquisition;

b) the disposition of, or an agreement to dispose of, whether contingent or not, assets of the company the value of which is more than half the value of the company's assets before the disposition;

c) a transaction that has or is likely to have the effect of the company acquiring rights or interests or incurring obligations or liabilities, including contingent liabilities, the value of which is more than half the value of the company's assets before the transaction.

Where a special resolution is required, it will be assessed against the criteria set out in section 4.2.5 below.

[5] Special resolution means a resolution approved by a majority of 75 per cent or, if a higher majority is required by the constitution, that higher majority, of the votes of those shareholders entitled to vote and voting on the question.

[6] Includes property of any kind, whether intangible or tangible.

4.2.5 Process where the council's approval is required

Where approval of the council is required, it will be assessed against the following criteria:

- the contribution of the proposal to meeting the expectations set out in this policy and in the statement of intent, and other plans and strategies of council
- the financial impacts of the decision
- evidence that the relevant CCO's Board has considered all of the relevant information which would influence the decision, including the risks and mitigations; and
- any other factor that the council considers to be relevant, including consistency with council's enterprise risk framework and appetite
- for decisions which require council approval, quality advice standards[7] which are required for council decision-making should be adhered to by CCOs in papers prepared for board decision-making. Specifically, robust analysis of options and alternatives should be visible.

[7] A summary of Quality Advice Standards can be accessed here: https://governance.aucklandcouncil.govt.nz/media/1095/quality-advice-standards.pdf

6.1 Major investments

Making changes to our two largest investments could improve the council's physical and financial resilience.

The consultation document looks at different choices and options the council could choose with respect to its investments in Auckland International Airport Limited (AIAL) and Port of Auckland Limited (POAL), and the potential for the creation of a regional wealth fund (the Auckland future Fund) to manage our financial investments.

Contents of this supporting information

Section	Description
Overview	An overview of the key decisions related to this topic and the options presented for consideration.
Assumptions	Details of the assumptions used to support the financial assessment and implications of the options. This also includes discussion of the risks to these assumptions, the level of uncertainty, and the potential impacts of this uncertainty.
Supporting calculations	Details of the calculations that sit behind the options assessments
Financial implications of options	Tables showing the financial implications of each option in terms of the projected cash return to the council.
Sensitivity analysis	Assessment of the sensitivity of projected cash returns from each option to variation in key assumptions
Auckland Airport Shareholding Policy	Proposed changes to the policy if the council chooses an option that includes that transfer of the AIAL shareholding into an Auckland Future Fund. See section 6.2 in supporting information for more details.

Other supporting information is available on the council website to support this and the information in Part six of the Consultation Document relating to options for the transfer of the Bledisloe Terminal to council within 15 years, including specialist advice provided to the council. These include:

- Auckland Future Fund: Initial considerations – DRAFT

  Material from PwC tabled and attached to the minutes of the Budget Committee meeting on 6 December 2023.

- Auckland Future Fund independent advice

  Material from a confidential Budget Committee workshop held on 7 February 2024, made publicly available.

- Flagstaff presentation – Ports of Auckland - Status Quo vs lease operating model

  Confidential advice documents now made publicly available.

Overview

Key decisions for the council

In looking at this issue the options the council is considering hinge around three key questions:

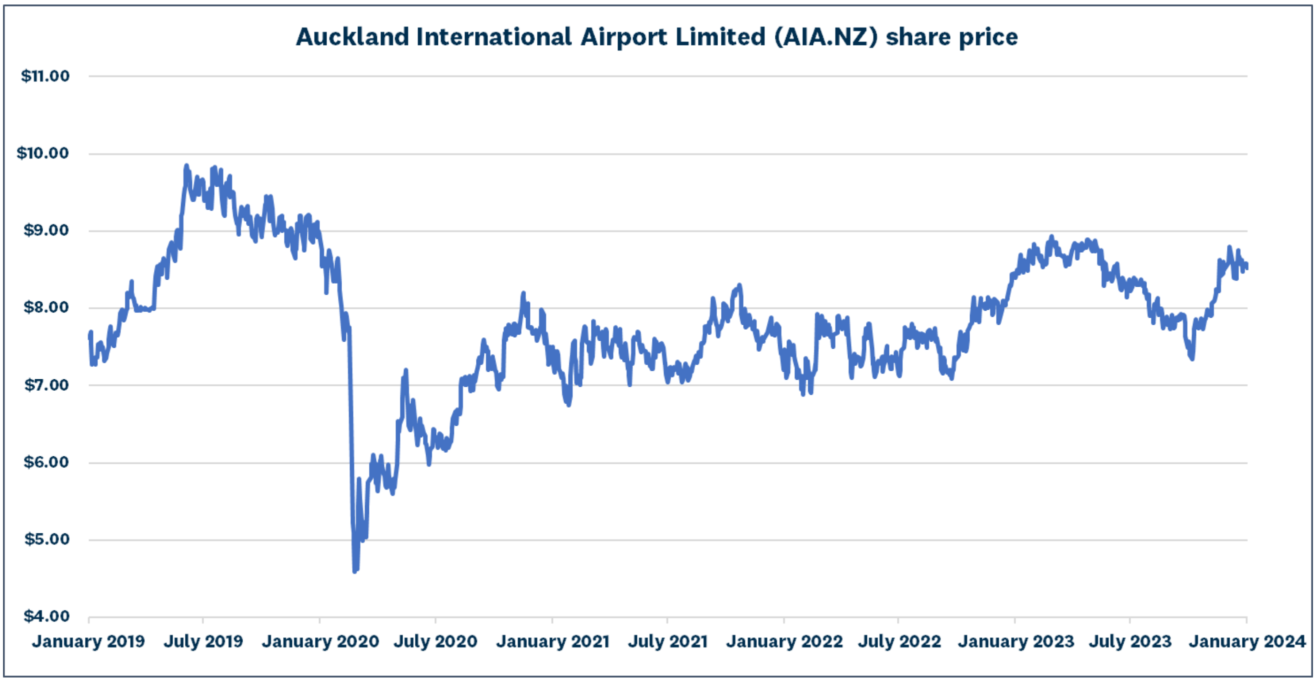
- Do we establish a regional wealth fund (the Auckland Future Fund) to manage our financial investments?
- Do we transfer our AIAL shareholding into the fund?
- Do we change the way the port is run by leasing the operations, while maintaining ownership of the land and wharves? If so, do we invest the proceeds in the fund?

Options

1. Auckland Future Fund with AIAL shares and port lease proceeds (Option 1)
    - Establishing an Auckland Future Fund ("the fund") as a regional wealth fund that is professionally managed in line with investment objectives and policies set by the council. The fund could improve the council's long-term financial resilience by making provision, and self-insuring, for some of the risks posed by climate change and other major environmental and economic challenges.
    - Transferring the council's remaining AIAL shareholding into the fund (with provision being made in our AIAL Shareholding Policy for any or all of those shares to be sold). As the council's objectives involve diversifying risk, it is almost certain that most, if not all, of the AIAL shares would be sold over time.
    - Granting an operating lease of around 35 years to an external party to operate the port. The council would receive an upfront payment for this lease, which would be invested into the fund. All port land and wharves would remain in council group ownership and at the end of the lease the port operations would transfer back to the council group.
2. Enhanced status quo (Option 2)
    - No establishment of an Auckland Future Fund. No transfer or sale of the remaining shares in AIAL, and POAL would continue to operate the port.
    - The council would continue to work with POAL to improve its financial performance and enhance its returns to the council as the 100 per cent shareholder.
3. Auckland Future Fund with AIAL shares only (Option 3)
    - Establishing an Auckland Future Fund and transferring the council's remaining AIAL shareholding into the fund, as in the proposed option (option 1).
    - POAL would continue to operate the port (as set out under the enhanced status quo option, Option 2). Under this option, those returns would not be invested in the Auckland Future Fund.
4. Auckland Future Fund with AIAL shares and POAL dividends (Option 4)
    - Establishing an Auckland Future Fund and transferring the council's remaining AIAL shareholding into the fund, as in the proposed option.
    - POAL would continue to operate the port (as set out under the enhanced status quo option, Option 2), however POAL dividends would be invested into the Auckland Future Fund.

Assumptions

Assumption	Risks and impacts
AIAL value transferred	
The council is projecting a transfer value of $1.39 billion for the current AIAL shareholding to the Auckland Future Fund. This is based on the council's shareholding of 163,483,830 shares, the share price as at 25 Jan 2024 ($8.58 per share), and transaction costs of 1%. The share price is subject to market movements and the chart below shows the movements in price over the past five years.	**Risks** –That the market share price at the time of transfer differs significantly from the assumption. **Level of uncertainty** – High **Impacts** – If the share price is greater than assumed, the net transfer value will be greater than $1.39billion. This will enable the council to increase fund size and make additional returns. If the share price is less than assumed, the net transfer value will be less than $1.39billion. This will result in a lower fund size, consequently leading to a subsequent decrease in returns.



Assumption	Risks and impacts
POAL lease value received	
The projected future returns from the POAL and the value of the lease is based on expert external advice which has been peer reviewed. It is estimated that between $2 billion and $3 billion could be received as a lease prepayment for the port operations on or around 1 July 2025 (for the modelling assumption, the council uses $2.1 billion).	**Risks** –That the lease value received at the time of transfer differs significantly from the assumption. **Level of uncertainty** – High **Impacts** – If the lease value is greater than assumed, the net transfers will be greater than $2.1billion. This will enable the council to increase fund size and make additional returns. If the lease value is less than assumed, the net transfers will be less than $2.1billion. This will result in a reduction in fund size, consequently leading to a subsequent decrease in returns.

Assumption	Risks and impacts
Fund Investment return	
The council is assuming average annual returns of 7.5% per annum from an Auckland Future Fund can be achieved over the long term, after allowing for some transaction costs associated with administering a fund. PwC have indicated that this appears reasonable, based on an 80:20 growth to income investment split, for New Zealand and Australian funds. This is based on an analysis of historical performance, noting past returns do not guarantee future outcomes.	**Risks** – Fund return differs significantly from the projection **Level of uncertainty** – High **Impacts** – If the returns in any one year exceed the assumption, then the total fund size will grow more quickly (based on keeping a fixed distribution of 5.5%) and future year distributions will be higher than modelled. If the returns in one year are lower than assumed, then the fund size will grow more slowly and future year distributions will be lower than modelled. If returns vary significantly from the assumption over a number of years if may be prudent for the council to revisit its long-term assumption and the distribution/reinvestment settings.
Transaction date	
For purposes of modelling to support consultation, the council has assumed the transfer of shares and the receipt of lease payment will occur on 1 July 2025. The actual date will depend on the timing of decision-making and market conditions. Balancing the maximisation of lease prepayment value with the risk of delaying fund implementation for too long requires careful consideration. Professional advice will guide that decision to maximise overall benefit to council.	**Risks** – That the transaction date differs from the modelling **Level of uncertainty** – High **Impacts** – If transactions are executed prior to 1 July 2025 then some of the financial and non-financial benefits of the chosen option will be realised in the 2024/2025 financial year. If the transactions are executed after 1 July 2025, then benefits will be delayed and the status quo outcomes will exist for longer.
Interest rates	
The council's interest rate projections are based on an assessment of market rates and forecast borrowing requirements. The council manages its interest rate exposure to provide some certainty of its borrowing costs over the short to medium term. The council interest rate projections assume it maintains its AA/Aa2 credit rating from S&P Global and Moody's. For the 10-year Budget 2024-2034 the forecast average interest rates on council borrowing are:	**Risks** – Interest rates incurred by the council differ significantly from forecast **Level of uncertainty** – High **Impacts** – The key impact of interest rates on this proposal is on the cost of the retained POAL debt. If actual interest rates are lower than assumed, the cost of retaining POAL debt will be lower than projected. If actual interest rates are higher than assumed, the cost of retaining POAL debt will be higher than projected.

	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
Interest rate	4.7%	4.8%	4.8%	4.9%	5.0%	5.2%	5.3%	5.4%	5.4%	5.5%

Assumption	Risks and impacts
Insurance premium reduction enabled	
Allocating a portion of the fund (estimated at a minimum of $1 billion) to serve as self-insurance enables the council to potentially reduce annual insurance premiums by $12 million, compared to previous budgets, with a growth rate of 2% over the medium and long term (see table below). Due to capacity constraints in external insurance markets the annual insurance premiums may face in the future are uncertain and could increase substantially over time. A major insurance event, such as a natural disaster would require a significant withdrawal from the fund that would require trade-offs between reduced financial contributions from the fund, or a reduction in fund value over time. It is not possible to quantify the impacts of any insurance-type events and no financial provisions have been made for these.	**Risks** – That the net benefit from self-insurance is reduced due to claims from insurance-type events. **Level of uncertainty** – High **Impacts** – If claims occur that are within the self-insurance limit this would reduce the value of the Auckland Future Fund. The council may decide to rebuild the value of the fund over time by reducing financial contributions from the fund. Alternatively, the financial contributions could be maintained, and the value of the fund would be reduced.

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
Projected insurance premium reduction	12	12	12	13	13	13	14	14	14	12

Assumption	Risks and impacts
AIAL Dividends	
Projections of potential future dividends are based on a broker consensus estimate for the next four years published by Bloomberg. Dividends beyond this are projected to grow at the level of inflation (2%) in line with our Financial Strategy targets. The table below shows the projected AIAL dividend for each year of the long-term plan.	**Risks** – That the level of future dividend differs significantly from that projected **Level of uncertainty** – High **Impacts** – If the level of dividend paid by AIAL is higher than assumed then the financial contribution under Option 2 (status quo) will be higher than projected. If the level of dividend paid by AIAL is lower than assumed then the financial contribution under Option 2 (status quo) will be lower than projected

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
Dividend projection	24	27	32	35	36	37	37	38	39	40

Assumption	Risks and impacts
POAL profitability	
We currently estimate that the council group will receive $856 million in profit through POAL from year two of the long-term plan. This is based on financial forecasts provided by POAL. The table below shows the projected POAL profit for each year of the long-term plan.	**Risks** – POAL operating profit differs significantly from the projection **Level of uncertainty** – Moderate **Impacts** – If POAL profits exceed the assumption then the financial contribution from options 2, 3 and 4 will be higher than projected. If POAL profits are lower than the assumption then the financial contribution from options 2, 3 and 4 will be lower than projected.

$ millions	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
Projected profit	67	78	84	89	93	98	101	103	104	106

Supporting calculations

Fund return with transfer of AIAL shareholding

Number of shares	163,483,830
Share price	$8.58
Market value	**$1,402,691,261**
Provision for transaction impacts/costs	1%
Projected transfer value	**$1,388,664,349**

$ million		FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
Fund – opening balance			1,389	1,416	1,445	1,474	1,503	1,533	1,564	1,595	1,627
Investment return	7.5%		104	106	108	111	113	115	117	120	122
Reinvestment	2%		28	28	29	29	30	31	31	32	33
Financial contribution	**5.5%**		**76**	**78**	**79**	**81**	**83**	**84**	**86**	**88**	**89**

Fund return with proceeds of a port operating lease

$ million		FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
Fund – opening balance			2,100	2,142	2,185	2,229	2,273	2,319	2,365	2,412	2,460
Investment return	7.5%		158	161	164	167	170	174	177	181	185
Reinvestment	2%		(42)	(43)	(44)	(45)	(45)	(46)	(47)	(48)	(49)
Financial contribution	**5.5%**		**116**	**118**	**120**	**123**	**125**	**128**	**130**	**133**	**135**

Fund return with POAL dividends

$ million		FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
Fund – opening balance			0	78	164	256	355	459	569	683	801
Investment return	7.5%		0	6	12	19	27	34	43	51	60
Reinvestment	2%		0	(2)	(3)	(5)	(7)	(9)	(11)	(14)	(16)
Financial contribution	**5.5%**		**0**	**4**	**9**	**14**	**20**	**25**	**31**	**38**	**44**

Interest costs on retained POAL debt

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
Level of retained POAL debt		400	400	400	400	400	400	400	400	400
Auckland Council weighted average interest rate	4.7%	4.8%	4.8%	4.9%	5.0%	5.2%	5.3%	5.4%	5.4%	5.5%
Projected interest cost on retained POAL debt		**19**	**19**	**20**	**20**	**21**	**21**	**22**	**22**	**22**

Projected AIAL dividends

$ million			Auckland Council financial year									
AIAL financial year	Interim or final	Dividend per share	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
FY24	Final	$0.0690	11.3									
FY25	Interim	$0.0790	12.9									
FY25	Final	$0.0790		12.9								
FY26	Interim	$0.0890		14.5								
FY26	Final	$0.0890			14.6							
FY27	Interim	$0.1065			17.4							
FY27	Final	$0.1065				17.4						
FY28	Interim	$0.1086				17.8						
FY28	Final	$0.1086					17.8					
FY29	Interim	$0.1108					18.1					
FY29	Final	$0.1108						18.4				
FY30	Interim	$0.1130						18.8				
FY30	Final	$0.1130							18.5			
FY31	Interim	$0.1153							18.8			
FY31	Final	$0.1153								18.8		
FY32	Interim	$0.1176								19.2		
FY32	Final	$0.1176									19.2	
FY33	Interim	$0.1199									19.6	
FY33	Final	$0.1199										19.6
FY34	Interim	$0.1223										20.0
Projected dividend revenue			**24**	**27**	**32**	**35**	**36**	**37**	**37**	**38**	**39**	**40**

Financial implications of options

Option 1: Auckland Future Fund with AIAL and port lease

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Projected gross AFF return		262	267	272	278	283	289	295	301	307	**2,552**
Less reinvestment into fund		(70)	(71)	(73)	(74)	(76)	(77)	(79)	(80)	(82)	**(681)**
Net fund proceeds		**192**	**196**	**200**	**204**	**208**	**212**	**216**	**220**	**225**	**1,872**
Plus: Reduction in insurance premiums		12	12	12	13	13	13	14	14	14	**117**
Less: Interest costs on retained port debt		(19)	(19)	(20)	(20)	(21)	(21)	(22)	(22)	(22)	**(185)**
Projected financial contribution		**185**	**189**	**193**	**196**	**200**	**204**	**208**	**213**	**217**	**1,804**

Option 2: Enhanced status quo

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Projected AIAL dividends		27	32	35	36	37	37	38	39	40	**321**
POAL projected profit		78	84	89	93	98	101	103	104	106	**856**
Projected financial contribution		**106**	**116**	**124**	**129**	**134**	**138**	**141**	**143**	**146**	**1,177**

Option 3: Auckland Future Fund with AIAL

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Projected gross fund return		104	106	108	111	113	115	117	120	122	**1,016**
Less reinvestment into fund		(28)	(28)	(29)	(29)	(30)	(31)	(31)	(32)	(33)	**(271)**
Net fund proceeds		**76**	**78**	**79**	**81**	**83**	**84**	**86**	**88**	**89**	**745**
Plus: Reduction in insurance premiums		12	12	12	13	13	13	14	14	14	**117**
Plus: POAL projected profit		78	84	89	93	98	101	103	104	106	**856**
Projected financial contribution		**167**	**174**	**181**	**187**	**193**	**199**	**202**	**206**	**209**	**1,718**

Option 4: Auckland Future Fund with AIAL shares and POAL dividends

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Projected gross fund return		104	112	121	130	139	149	160	171	182	**1,269**
Less reinvestment into fund		(28)	(30)	(32)	(35)	(37)	(40)	(43)	(46)	(49)	**(338)**
Net fund proceeds		**76**	**82**	**89**	**95**	**102**	**110**	**117**	**125**	**134**	**930**
Plus: Reduction in insurance premiums		12	12	12	13	13	13	14	14	14	**117**
Projected financial contribution		**88**	**94**	**101**	**108**	**115**	**123**	**131**	**139**	**148**	**1,047**

Sensitivity analysis

Share price sensitivity

A different AIAL share price on transfer would lead to a change in the value of the Auckland Future Fund, the projected gross fund return, and the level of financial contribution to the council.

Over the 2023 calendar year the AIAL share price fluctuated between a low of $7.31 and a high of $8.98. Therefore, the sensitivity analysis looks at 5% & 10% either side of the 25 January 2024 base price of $8.58.

Projected financial contribution – Share price +10% = $9.44

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	192	197	200	204	208	212	217	221	226	**1,878**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	174	182	189	195	201	207	211	215	218	**1,793**
Option 4	0	96	102	109	116	123	131	139	148	157	**1,122**

Projected financial contribution – Share price +5% = $9.01

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	188	193	196	200	204	208	212	217	221	**1,841**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	171	178	185	191	197	203	206	210	214	**1,755**
Option 4	0	92	98	105	112	119	127	135	143	152	**1,085**

Projected financial contribution – Share price = base assumption = $8.58

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	185	189	193	196	200	204	208	213	217	**1,804**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	167	174	181	187	193	199	202	206	209	**1,718**
Option 4	0	88	94	101	108	115	123	131	139	148	**1,047**

Projected financial contribution – Share price -5% = $8.15

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	181	185	189	192	196	200	204	208	212	**1,766**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	163	171	177	183	189	194	198	201	205	**1,681**
Option 4	0	85	91	97	104	111	119	127	135	143	**1,010**

Projected financial contribution – Share price -10% = $7.72

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	177	181	185	188	192	195	199	204	208	**1,729**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	159	167	173	179	185	190	194	197	201	**1,644**
Option 4	0	81	87	93	100	107	114	122	130	139	**973**

Port operating lease proceeds sensitivity

A different level of proceeds from the lease of port operations would lead to a change in the value of the Auckland Future Fund, the projected gross fund return, and the level of financial contribution to the council.

It is estimated that lease proceeds of between $2 billion and $3 billion could be received for the port operations around July 1, 2025. The modelling in the core proposal is based on a valuation of $2.1 billion. The sensitivity analysis considers a range of 10% and 20% above and below the base value.

Projected financial contribution – lease proceeds +20% = $2.52 billion

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	208	212	217	221	225	229	234	239	244	**2,029**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	167	174	181	187	193	199	202	206	209	**1,718**
Option 4	0	88	94	101	108	115	123	131	139	148	**1,047**

Projected financial contribution – lease proceeds +10% = $2.31 billion

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	196	201	205	209	212	217	221	226	230	**1,916**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	167	174	181	187	193	199	202	206	209	**1,718**
Option 4	0	88	94	101	108	115	123	131	139	148	**1,047**

Projected financial contribution – lease proceeds = base assumption = $2.1 billion

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	185	189	193	196	200	204	208	213	217	**1,804**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	167	174	181	187	193	199	202	206	209	**1,718**
Option 4	0	88	94	101	108	115	123	131	139	148	**1,047**

Projected financial contribution – lease proceeds -10% = $1.89 billion

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	173	177	180	184	187	191	195	199	203	**1,691**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	167	174	181	187	193	199	202	206	209	**1,718**
Option 4	0	88	94	101	108	115	123	131	139	148	**1,047**

Projected financial contribution – lease proceeds -20% = $1.68 billion

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	162	165	168	172	175	178	182	186	190	**1,578**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	167	174	181	187	193	199	202	206	209	**1,718**
Option 4	0	88	94	101	108	115	123	131	139	148	**1,047**

Fund return sensitivity

The analysis in this report is based on an 80:20 split between growth and income assets. Over the past 10 years, the 80:20 growth fund has yielded an average return of 7.65%, with an annual volatility of 9.29%. The 95% confidence intervals for returns are expected to fall within the range of -10.9% to 26.23%.

The sensitivity analysis considers a range of 2% and 4% from the projected 7.5%.

Projected financial contribution – fund return +4% = 11.5%

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	324	331	338	344	351	358	365	373	380	**3,165**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	222	231	239	246	253	260	265	270	275	**2,260**
Option 4	0	144	154	165	177	189	203	216	230	245	**1,724**

Projected financial contribution – fund return +2% = 9.5%

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	254	260	265	270	275	281	287	293	299	**2,484**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	195	203	210	216	223	229	233	238	242	**1,989**
Option 4	0	116	124	133	142	152	163	174	185	196	**1,386**

Projected financial contribution – fund return = base assumption = 7.5%

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	185	189	193	196	200	204	208	213	217	**1,804**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	167	174	181	187	193	199	202	206	209	**1,718**
Option 4	0	88	94	101	108	115	123	131	139	148	**1,047**

Projected financial contribution – fund return -2% = 5.5%

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	115	118	120	122	124	127	129	132	135	**1,123**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	139	146	152	157	163	168	171	174	177	**1,447**
Option 4	0	61	65	69	73	78	83	88	94	99	**709**

Projected financial contribution – fund return -4% = 3.5%

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	45	46	47	48	49	50	51	52	53	**442**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	111	118	123	128	133	137	140	142	144	**1,176**
Option 4	0	33	35	37	39	41	43	46	48	50	**371**

Potential dividend sensitivity

Dividends the council would receive if it continued to hold shares in AIAL are highly uncertain and based on the best information available to the market.

The sensitivity analysis considers variation in the level of dividend revenue received and shows the estimated financial contributions if the dividend is either 5 or 10 per cent higher, or 5 or 10 per cent lower.

Projected financial contribution – AIAL dividend projection +10% = $353 million

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	185	189	193	196	200	204	208	213	217	**1,804**
Option 2	0	109	120	127	133	138	142	144	147	149	**1,209**
Option 3	0	167	174	181	187	193	199	202	206	209	**1,718**
Option 4	0	88	94	101	108	115	123	131	139	148	**1,047**

Projected financial contribution – AIAL dividend projection +5% = $337 million

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	185	189	193	196	200	204	208	213	217	**1,804**
Option 2	0	107	118	126	131	136	140	143	145	148	**1,193**
Option 3	0	167	174	181	187	193	199	202	206	209	**1,718**
Option 4	0	88	94	101	108	115	123	131	139	148	**1,047**

Projected financial contribution – AIAL dividend projection = base assumption = $321 million

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	185	189	193	196	200	204	208	213	217	**1,804**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	167	174	181	187	193	199	202	206	209	**1,718**
Option 4	0	88	94	101	108	115	123	131	139	148	**1,047**

Projected financial contribution – AIAL dividend projection -5% = $305 million

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	185	189	193	196	200	204	208	213	217	**1,804**
Option 2	0	104	115	122	127	132	136	139	141	144	**1,161**
Option 3	0	167	174	181	187	193	199	202	206	209	**1,718**
Option 4	0	88	94	101	108	115	123	131	139	148	**1,047**

Projected financial contribution – AIAL dividend projection -10% = $289 million

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	185	189	193	196	200	204	208	213	217	**1,804**
Option 2	0	103	113	120	125	130	135	137	139	142	**1,145**
Option 3	0	167	174	181	187	193	199	202	206	209	**1,718**
Option 4	0	88	94	101	108	115	123	131	139	148	**1,047**

Potential POAL Profitability sensitivity

Potential variation in the level of POAL profit generated if no lease of operations is granted has also been modelled. The sensitivity analysis considers the impact on the projected financial contribution to the council if POAL profit is either 5 or 10 per cent higher, or 5 or 10 per cent lower.

Projected financial contribution – POAL profitability +10% = $942 million

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	185	189	193	196	200	204	208	213	217	**1,804**
Option 2	0	114	125	133	138	144	148	151	154	156	**1,262**
Option 3	0	175	183	190	196	203	209	212	216	220	**1,804**
Option 4	0	88	95	102	109	117	125	134	143	152	**1,066**

Projected financial contribution – POAL profitability +5% = $899 million

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	185	189	193	196	200	204	208	213	217	**1,804**
Option 2	0	110	121	128	134	139	143	146	148	151	**1,220**
Option 3	0	171	179	185	192	198	204	207	211	215	**1,761**
Option 4	0	88	95	101	109	116	124	132	141	150	**1,057**

Projected financial contribution – POAL profitability = base assumption = $856 million

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	185	189	193	196	200	204	208	213	217	**1,804**
Option 2	0	106	116	124	129	134	138	141	143	146	**1,177**
Option 3	0	167	174	181	187	193	199	202	206	209	**1,718**
Option 4	0	88	94	101	108	115	123	131	139	148	**1,047**

Projected financial contribution – POAL profitability -5% = $813 million

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	185	189	193	196	200	204	208	213	217	**1,804**
Option 2	0	102	112	120	124	129	133	136	138	140	**1,134**
Option 3	0	163	170	176	182	188	194	197	201	204	**1,675**
Option 4	0	88	94	101	107	114	122	129	137	145	**1,038**

Projected financial contribution – POAL profitability -10% = $770 million

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Option 1	0	185	189	193	196	200	204	208	213	217	**1,804**
Option 2	0	98	108	115	120	124	128	130	133	135	**1,091**
Option 3	0	159	166	172	178	183	188	192	195	199	**1,632**
Option 4	0	88	94	100	106	113	120	128	135	143	**1,029**

Sensitivity to insurance events

Analysis conducted by PwC (available here, pages 69-71) looks at the potential impacts of significant insurance events on a future fund established under Options 1 and 3.

The analysis illustrates the trade-off choices between:

- continuing to receive financial distributions from the fund with the consequence of a reducing fund value, and
- halting distributions from the fund to allow the fund level to recover.

The analysis also show the difference in time required for a fund to recover, depending on the size of the fund.

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6.2 Auckland Airport Shareholding Policy

Policy purpose and overview

The purpose of this policy is to set out the strategy for managing the council's investment in Auckland International Airport Limited (AIAL), the NZX listed company that owns and operates Auckland Airport.

~~The council intends to hold at least 10 per cent of the total shares in AIAL.~~

This policy provides for the sale of shares ~~above the intended minimum level~~ if the Governing Body decides that this best supports the council's financial strategy. ~~The policy also provides for the purchase of additional shares to enable the council to maintain a minimum 10 per cent stake.~~

Policy background

As at ~~May 2023~~31 January 2024, the council owned~~s~~ ~~266,328,912~~163,483,830 shares in AIAL, which equated to ~~18.09~~around 11 per cent of the total shares in AIAL.

Section 5 of the Local Government Act 2002 (the LGA) defines the council's shareholding in AIAL as a strategic asset. Under section 97 of the LGA, a transfer of ownership or control of a strategic asset can only occur if the decision to do so is provided for in the council's long-term plan.

The council is proposing to transfer its shareholding in AIAL into a regional wealth fund (the Auckland Future Fund) and any references to the council in this policy will also apply to this fund, following a transfer.

Wording of this section will be finalised based on decisions around the Auckland Future Fund and its implementation

Policy details

Objective for shareholding

The objective is to ~~maintain a 10 per cent stake~~ manage shares in Auckland Airport as a financial investment.

Strategy

The council's strategy is to~~:~~

- ~~maintain a shareholding in AIAL equivalent to at least 10 per cent of the total shares.~~
- consider selling its shares ~~above the intended minimum level~~ where the council would be better off as a result, or worse off by maintaining its holding.

Dividend reinvestment plan

The c~~C~~ouncil's default position will be to not participate in AIAL's Dividend Reinvestment Plan~~, but the council may decide to participate to maintain at least 10 per cent of the total shares.~~

Rights and securities issues

The council will decide whether or not to participate in rights and securities issues (or similar) on a case by case basis. In determining whether it will participate, council will take into account the:

- the objective of this policy
- impact on the council's budget of funding an additional investment
- extent of any discount to market in the issue price, taking into account the likelihood of the council being able to realise this

- future prospects for the business
- economic effects of the rights or other securities issue structure.

Takeover offers, mergers and capital restructuring

The council will assess any options that may become available to it against the following seven general criteria. In applying these criteria, the council will follow the decision-making principles outlined in the LGA.

The decision-making principles may need to be updated to reflect decisions around the Auckland Future Fund and criteria provided to the fund for its investment decisions.

1. Overall impact: the overall impact on the current and future social, economic, environmental and cultural well-being of the community. This assessment will include the likelihood of Auckland Airport's role as an integral part of the city's regional and national transport system being enhanced or compromised.
2. Feasibility: the likelihood of successfully implementing the option, as measured by the extent of tax, legal and other issues that would need to be worked through.
3. Strategic value: the impact in terms of the council's long-term objectives, desired community outcomes and the broader public interest. This would be reflected in factors such as:
   a) the council's ability to have input into the appointment of directors to the board of Auckland Airport
   b) the council's ability to have input into the management of Auckland Airport
   c) the level of public scrutiny of the management of Auckland Airport
   d) the level of council ownership and influence
   e) the size of shareholding held by a single shareholder other than the council should not exceed 50 per cent
   f) the extent of New Zealand ownership of Auckland Airport
   g) the commitment of new shareholders to the development of the airport.
4. Financial returns: the impact on the council's projected after-tax cash flows.
5. Liquidity: the ability of the council to quickly convert its shareholding to cash if required. This would be reflected in factors such as whether the council's shares can still be traded on the New Zealand Stock Exchange, the likely number of buyers for the council's shareholding, and any new procedures or restrictions that may be put in place in relation to the council exiting its investment.
6. Risk: the likelihood and impact of negative consequences. This includes any operational risk associated with changes to the management or operation of AIAL, as well as any financial risk associated with an increase in AIAL's level of debt funding. A higher level of debt would reduce the airport's capital expenditure flexibility and increase the risk associated with the airport's ability to make future distributions to shareholders.

The council recognises that, as AIAL is a widely held company and the council holds a minority position, it may not in all circumstances be able to achieve all of the objectives above but will ensure that as many as possible are realised.

Implementation options

A change in ownership or control of some or all of the council's shareholding in AIAL or a restructure of the council's interest may take place by any of the options listed below, or by a combination of those options, or in any other ways that satisfy the council's policy set out above.

Option 1: The council joins a consortium, which will execute a full or partial takeover or otherwise acquire a substantial stake in AIAL. ~~The council would achieve an ultimate stake at least equivalent to its minimum policy percentage holding in the Auckland Airport by taking shares, or other securities, in the consortium.~~

Option 2: The council agrees to AIAL merging with another company, exchanging the council's shares in the airport for shares or other securities in the new entity~~, provided the council would achieve an ultimate stake in the new entity at least equivalent to its minimum policy percentage holding in AIAL~~.

Option 3: The council agrees to AIAL being restructured so that its business units separate into stand-alone entities, with the council receiving a proportionate equity stake in one or all of the stand-alone entities~~, provided that the council would achieve an ultimate stake at least equivalent to its minimum policy percentage holding in AIAL~~.

Option 4: The council sells shares, or other securities, in Auckland Airport for cash or some other form of consideration~~, provided that the council's ultimate stake in the airport is at least equivalent to its minimum policy percentage~~.

Option 5: The council buys shares or other securities in Auckland Airport.

Option 6: The council transfers its ownership stake in Auckland Airport to a holding company, or Auckland Future Fund.

Option 7: The council exchanges its share in the airport for other securities in the airport.

Decision-making under this policy

Any decision made under this policy will require the prior approval of the Governing Body. If it is not practicable to hold a meeting within the required timeframes to make a decision, the decision can be made by the Mayor and the Deputy Mayor, after receiving advice from the Chief Executive and Group Chief Financial Officer.

Wording of this section will be finalised based on decisions around the Auckland Future Fund and its implementation.

Adoption and amendment of this policy

The council may be required to use a long-term plan amendment process and the special consultative procedure set out in the LGA to make any significant amendments to this policy.

7.1 Fairer funding for local boards

Auckland Council proposes to move to a fairer allocation of local board funding for local community services. This would be achieved through a combination of reallocating some existing funding across local boards and some new funding.

Local boards provide local community services like local parks, libraries, pools, recreation centres, community halls and events that support strong Auckland communities.

Through the Long-term Plan (LTP) 2024-2034, the council proposes to move to a fairer funding allocation model for local board community services funding.

The Governing Body approved in principle a fairer funding model for local community services in 2021, after four years of investigation as part of the Governance Framework Review.

This model reflects the make-up of the communities in each local board area.

We propose to allocate:

- 80 per cent of the funding for local community services activity based on population
- 15 per cent based on deprivation
- 5 per cent based on land area.

This is different to the current funding allocation for local boards' community services activities which is based on the assets in each local board area.

Context

Analysis identified that the current method of asset-based funding for local community services is inequitable between local boards and largely an outcome of historic investment patterns prior to when the eight councils in the Auckland region merged in 2010.

Through the 10-year Budget (Long-term Plan) 2021-2031, we identified that the increasing levels of investment demand by our ageing asset base is not financially sustainable. This is because the demand of investment required exceeds our capacity. We need to look after all Aucklanders and ensure that we provide access to services fairly.

A fairer approach to funding allocation is to allocate funding based on the current and projected future make-up of the community in each local board This will enable local boards to better respond to the needs of their communities.

A comparison of current asset-based funding for local boards to the above proposed model revealed that some local boards are currently funded more than what they would be under the proposed model, while others are currently funded less.

The 2021 decision proposed to achieve local board funding equity over 10 to 15 years by using future growth and renewals funding for local community services which had not yet been allocated to specific local boards.

Using this approach would mean that existing funding would not be reallocated between local boards and the overall local board funding equity would improve.

However, this approach would compromise the benefits of infrastructure investment in response to future population growth.

Proposal for addressing local board funding equity through the Long-term Plan (LTP) 2024-2034

We have developed a revised proposal for the LTP 2024-2034 to achieve fairer, and more equitable, local board funding in a much shorter timeframe.

This involves providing some new funding and reallocating some existing funding between local boards in the first three years of LTP 2024-2034.

This new funding is different to the unallocated growth and renewals funding previously proposed, and the funding source for this is yet to be identified through the LTP 2024-2034. This places further demand on our budget requirements.

In developing the proposal, different options have been considered regarding different levels of equity (complete vs significant) that can be achieved in these three years.

Achieving complete equity in a shorter timeframe would require substantial reallocation, new funding, or both. This is not likely to be affordable for the council under the current economic circumstances and will be difficult to implement.

The proposal aims to achieve funding equity for local community services activities. This includes all local community services funding like locally-driven initiatives (LDI) funding and asset-based services (ABS) funding.

We propose to address local board funding equity separately for operating expenditure (opex) and capital expenditure (capex). This is because it is not practical to provide local boards with funding and let them decide the capex/opex funding mix in the council's current financial environment.

Also, if a decision is made to provide new funding to achieve local board funding equity, the mechanisms to raise new opex and capex are different, in that opex is typically funded through rates and capex is funded through borrowing.

We recommend excluding the following items which relate to local community services from the scope of this proposal for the reasons mentioned below:

Proposed to be out of scope	Reason
Growth funding	Funding prioritised for investment in new infrastructure to respond to population growth. This funding is estimated based on the demands of future population growth and planned for investment in future population growth areas. Auckland Council's Development Contributions Policy is developed based on this estimated growth funding requirement. Re-allocation of this funding based on the proposed funding allocation model would result in shifting funding away from high-growth areas. This would lead to under-investment in infrastructure to respond to future growth. Also, any change like this may require the council to recalculate the development contributions (DCs) set to recover the growth share of the cost of the new investment priorities. If the resulting DCs were lower, some DCs that have already been paid may have to be refunded.

	If the overall mix of capital expenditure proposed by the recipient local boards has a calculated lower growth share, it could impact the total capital available as the rates funded element may be limited.
Discrete projects	These are specific projects decided and funded through previous long-term plans and annual plans based on the plans and priorities of the council. Since the current proposal includes a reallocation option, including discrete projects in the scope may mean some of the local boards may receive inadequate funding to complete some of these projects. This would mean the council is not delivering on past decisions. Because some of these projects have external funding support, failure to provide council funding for these projects could result in the loss of this external funding support.
Various response budgets	• Slip remediation and coastal renewals This budget is allocated based on the slips prevention work programme priorities which respond to coastal health and safety priorities across Auckland. • Response budget associated with full facilities contracts This budget is for reactive repairs and maintenance work outside of the full facilities contract scheduled maintenance. • Sports renovations This budget is for sports platform and infrastructure renovations programme. • Urgent minor capex This is for urgent and minor capex works with high risk to health & safety, and disruption to service. • Demolition budget This is for the demolition and removal of high-risk unfit for purpose assets. • Green Assets OPEX This is to respond to unplanned maintenance in Council's green spaces. • Regional Pest Management OPEX The Natural Environment Targeted Rate funding relating to the implementation of the Regional Pest Management Plan 2020. • Coastal Management OPEX This is to respond to unplanned maintenance in Council's coastal assets. • Storm Damage This is to respond to costs arising out of a major storm event.
Local targeted rates	Local targeted rates are collected for a specific purpose and to deliver outcomes in a specific location. These cannot be considered for reallocation.
Specific funds	These are funds such as external grants, sales proceeds from asset divestment etc. received to deliver a specific project. These cannot be considered for reallocation.
Overhead costs and interest and depreciation	Local boards are allocated a share of the council's overhead costs such as interest, depreciation and corporate overheads as set out in the local board funding policy. Local boards do not have direct decision-making over these budgets.

The council proposes to adopt a staged approach to address fairer local board funding. This means any change to funding levels is proposed to take place from 1 July 2025 (Year 2 of LTP 2024-2034).

This gives employees time to provide advice to elected members in preparation for the changes to take effect.

Various options to achieve local board funding equity through the first three years of the LTP 2024-2034 are shown in the tables below[1].

Options to achieve complete local board funding equity through the first three years of the Long-term Plan (LTP) 2024-2034

Option	Option description	New funding required in the first three years	New funding required in 10 years
1.	New funding only. No reallocation	Opex: $170 m Capex: $210m	Opex: $800 m Capex: $930m
Combination of reallocation of existing funding and new funding			
2.	10% reallocation[2]	Opex: $150 m Capex: $190m	Opex: $680 m Capex: $860m
3.	25% reallocation	Opex: $125m Capex: $160m	Opex: $570 m Capex: $710m
4.	50% reallocation	Opex: $80m Capex: $110m	Opex: $350 m Capex: $490m
5.	75% reallocation	Opex: $40m Capex: $50m	Opex: $180 m Capex: $220m

Significant funding equity

The table of options in this section shows the changes required to bring 18 local boards (including Aotea/Great Barrier and Waiheke) to within 5 per cent of their equitable funding level[3].

Three local boards will remain funded above their equitable funding level but to a lesser extent than they are currently.

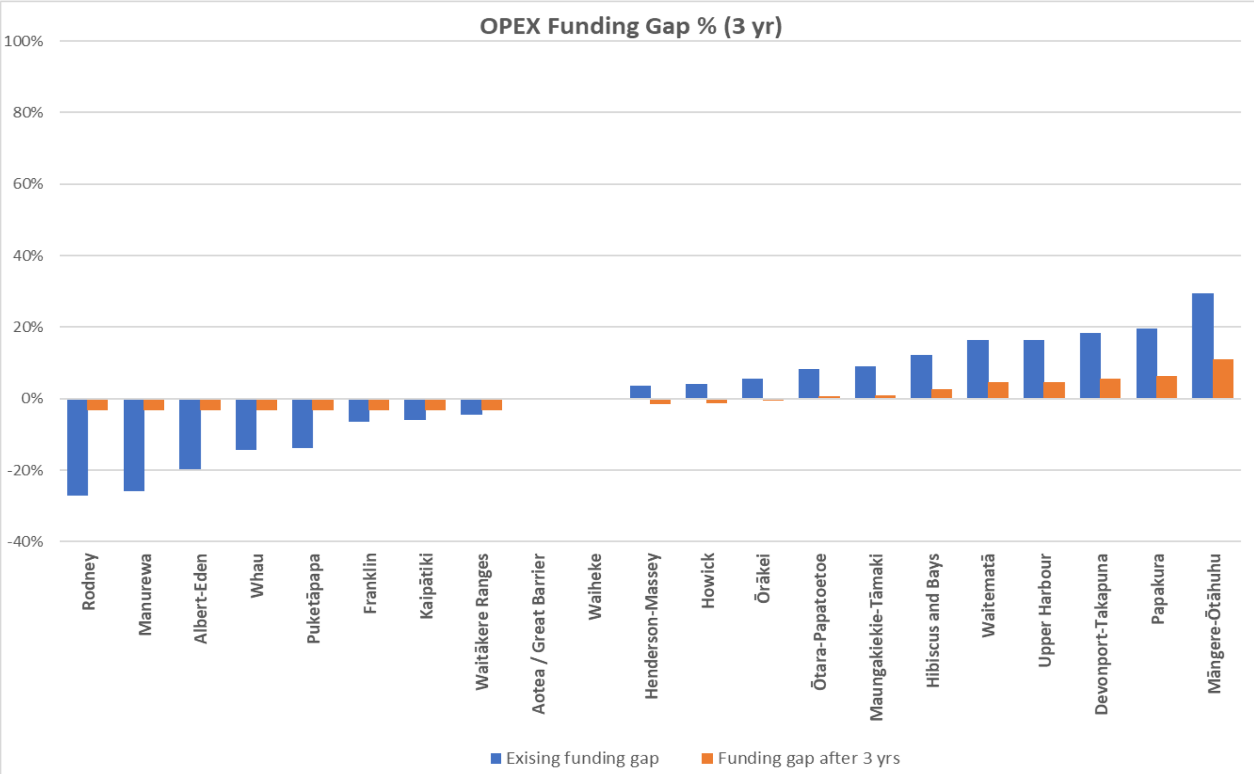
These three local boards differ depending on operating or capital funding, as shown in graphs x and y.

Option	Option description	New funding required in the first three years	New funding required in 10 years
1.	New funding only. No reallocation	Opex: $65m Capex: $75m	Opex: $300 m Capex: $340m
Combination of reallocation of existing funding and new funding			
2.	10% reallocation	Opex: $55m Capex: $65m	Opex: $220 m Capex: $300m
3.	25% reallocation	Opex: $40m Capex: $50m	Opex: $180 m Capex: $220m
4.	50% reallocation	Opex: $20m Capex: $30m	Opex: $90 m Capex: $135m
5.	75% reallocation	Opex: $0 Capex: $10m	Opex: $0 Capex: $50m

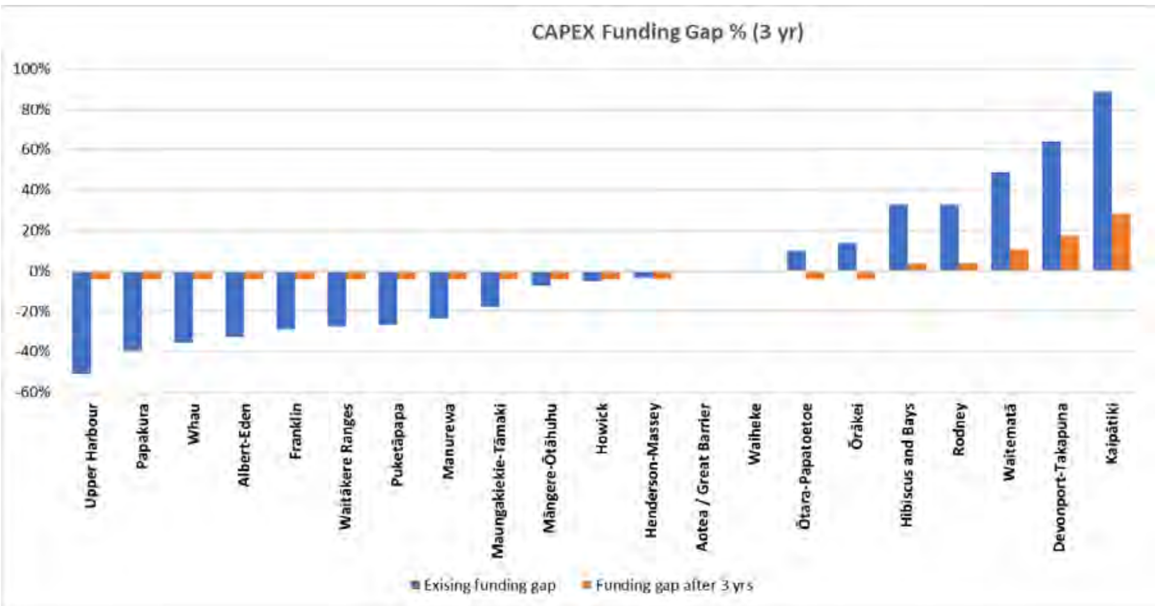
[1] The figures in the table are based on local board budgets as of 07 June 2023 and are illustrative. The analysis will be updated through the LTP process and final figures will be provided through the adoption of the LTP.
[2] % reduction of surplus from LBs funded above an equitable level
[3] Equitable funding level means the funding each local board would be entitled to under the proposed funding allocation model of 80/15/5

Auckland Council's proposal is to achieve significant local board funding equity through a combination of reallocation of existing funding and new funding at a ratio of 50:50.

The change in the funding equity under the proposed option is shown in the graphs below.



Graph x – change in % level of operating funding inequity in three years under the significant equity option



Graph y - change in % level of capital funding inequity in three years under the significant equity option

Island local boards

The allocation formula in these proposals does not apply to Aotea/Great Barrier and Waiheke Local Boards. This is because the population of these island local boards is too small to be considered through a funding model that is largely based on population.

Instead, the approved approach forAotea/Great Barrier and Waiheke Local Boards is a fixed percentage funding allocation of the total funding available for both operating and capital budgets.

The fixed percentage funding allocations are 1 per cent of the total funding available, for Aotea Great Barrier and 2 per cent for Waiheke.

Policy changes required

To implement the council's proposal to move to a fairer allocation of local board funding would require a change to the local board funding policy. The current local board funding policy 2022 is in effect until 1 July 2025. An updated local board funding policy that aligns with the council's proposals is in the following section 7.2, along with the existing policy.

Kaupapa Here
Tuku Pūtea Poari
ā-Rohe

Local boards funding policy 2022

Adopted 29 June 2022

aucklandcouncil.govt.nz

Purpose/Introduction

The Local boards funding policy sets out how local boards are funded to meet the costs of:

- providing local activities
- administration support.

Background

Auckland Council's 21 local boards have decision making responsibility for local activities. The full list of local activities is set out in the Allocation of decision-making table in the 10-year Budget. They include amongst others:

- local recreation services e.g. swimming pools
- local libraries
- local parks
- local events
- local community development.

Funding for local activities is split into three parts based on the nature of the service provided and the allocation of decision making between the Governing Body and local boards. The three classifications of activities are set out in the table below.

Nature of service	Nature of local board decision making role [1]	*Examples of activities*
Asset based services	Make decisions within parameters set by the Governing Body	Swimming pools, Libraries Local parks
Locally driven initiatives	Make decisions on how locally driven initiative funding allocated from Governing Body is spent	Local events Local community grants
Locally driven capital projects	Make decisions on how locally driven capital projects funding allocated from Governing Body is spent	Local park improvements Streetscape improvements

[1]Local boards make decisions on specific location, design, and build of new facilities, service standards, and renewals, within parameters set by the governing body. Local boards also decide on use of facilities, including change of use and leases. Local board's decision making is set out in full in the "Allocation of decision-making responsibility for non-regulatory activities" in the 10-year Budget.

Local boards have decision making responsibility for fees and charges for both asset based services and locally driven initiatives within any parameters set by the Governing Body. For example, local boards can set the fees for adult entry to swimming pools but may not charge for the entry of children, under 16.

How local asset based services, locally driven initiatives, locally driven capital projects and administration support, will be funded is set out below.

Funding for local asset-based services

Local asset based services will be funded by:

1. fees and charges set by the local board and collected from local asset based services
2. plus any other revenue including grants, donations, and sponsorships
3. plus any revenue from a targeted rate set by the Governing Body to fund local asset based services
4. plus general rate funding to meet the balance of costs of local asset based services being provided to each local board area, set by the Governing Body in the 10-year Budget after taking into account Governing Body expectations for fees, charges and other revenue.

Funding for locally driven initiatives (operational funding)

The amount of budget available to each local board for locally driven initiatives is determined by:

1. fees and charges collected from locally driven initiatives
2. plus any funding surplus from local asset based services in excess of projected funding1 by the Governing Body when setting general rates funding for local asset based services where the local board changes costs or revenue from local asset based services from the levels projected by the Governing Body
3. minus any funding deficit from local asset based services below that projected funding[1] by the Governing Body when setting general rates funding for local asset based services where the local board changes costs or revenue from local asset based services from the levels projected by the Governing Body
4. plus any revenue from grants, donations, and sponsorships
5. plus any revenue from a targeted rate set to fund local activities in the local board area plus an allocation from a budget pool for locally driven initiatives funded from the general rate.

Level of total budget available for locally driven initiatives

The total general rates funded budget available for locally driven initiatives will be set by the Governing Body and will be identified in the 10-year Budget or annual plan.

[1] Projected funding is the level of funding the Governing Body would otherwise have provided in the absence of that local boards decisions to change revenues and/or costs

Allocation of total budget pool

Each local board will be allocated a share of the total budget available after deducting the funding for the Aotea / Great Barrier Island Local Board and the Waiheke Island Local Board, see section 4.4 below. Each local board's share of the budget will be equivalent to its share of the regional population adjusted for deprivation [2] and land area, excluding Aotea/Great Barrier Island and Waiheke Island. This is set out in the table on the next page.

Factor	Proportion of total general rate funded locally driven initiative budget	Local board share
Population[1]	90 per cent	Local board population divided by the total population of all local boards[3]
Deprivation[2]	5 per cent	Average local board deprivation divided by the total of the average deprivation of each local board[3]
Land area	5 per cent	Local board land area divided by the total land area of all local boards[3]
[1] adjusted each year to reflect changes in population estimates provided by Statistics New Zealand [2] based on the most recently available update of the Index of Deprivation provided by the Ministry of Health [3] excluding Aotea / Great Barrier Island Local Board and Waiheke Local Board		

Funding for Aotea/Great Barrier Island Local Board and Waiheke Island Local Board

The amount of budget available for locally driven initiatives on Aotea / Great Barrier Island and Waiheke Island is determined by:

1. fees and charges collected from locally driven initiatives
2. plus revenue from fees and charges for local asset based services in excess of that projected by the Governing Body where the local boards sets higher fees, (see section 3 above)
3. minus revenue from fees and charges for local asset based services below that projected by the Governing Body where the local boards sets lower fees, (see section 3 above)
4. plus any revenue from grants, donations, and sponsorships
5. plus any revenue collected from targeted rates set to fund local activities
6. plus a general rates allocation

General rates funding will be provided to meet the balance of the costs of providing locally driven initiatives on Aotea/Great Barrier Island and the Waiheke Island. This will be based on the expenditure on these activities agreed with the Governing Body in their local board agreements each year net of revenue generated from the items in 1 to 5 above.

Transition

The table below sets out the transition mechanism that will be applied from 2021/2022 onwards.

Local boards funded to the level of the allocation formula	Local boards funded above their allocation under the formula
Increases in the total budget for locally driven initiatives budget will be applied as per the formula	Locally driven initiatives budget will be held at its current absolute level (no increases for inflation) until it is exceeded by the allocation under the formula

Definition of local asset based services and locally driven initiatives

The Governing Body, after considering local board feedback, will determine which services are local asset based services and locally driven initiatives when the total budget for local activities is set.

Funding allocation for locally driven initiatives (capital funding)

This funding enables local boards to deliver small local asset based projects, either directly, in partnership with the community, or through joint agreements between boards.

The budget available for locally driven capital projects will be set by the Governing Body and will be identified in the 10-year Budget or annual plan. These funds will be allocated to local boards on the following basis:

1. one per cent of the total fund allocated to the Aotea/Great Barrier Island local board
2. two per cent of the total fund allocated to Waiheke Island local board
3. the remainder of the fund allocated to the remaining local boards, with each board's share equivalent to its share of the regional population adjusted for deprivation and land area, as set out in the table below:

Factor	**Proportion of budget for locally driven capital projects**	***Local board share***
Population[1]	90 per cent	Local board population divided by the total population of all local boards[3]
Deprivation[2]	5 per cent	Average local board deprivation divided by the total of the average deprivation of each local board[3]
Land area	5 per cent	Local board land area divided by the total land area of all local boards[3]

[1] adjusted each year to reflect changes in population estimates provided by Statistics New Zealand
[2] based on the most recently available update of the Index of Deprivation provided by the Ministry of Health
[3] excluding Aotea / Great Barrier Island Local Board and Waiheke Local Board

Funding allocation for other purposes

The Governing Body may make available funds to local boards for purposes other than local asset based services, locally driven initiatives, locally driven capital projects or administrative support. These funds will be allocated to local boards on the same basis as funding for locally driven initiatives (capital funding).

Funding allocation for administrative support

The funding for administrative support is allocated by adopting the following method:

a. Allocation for the costs related to elected members in a local board - number of elected members multiplied by the budgeted cost per elected member
b. Allocation for meeting other administrative costs - estimated cost of other administrative support for all local boards divided by the number of local boards.

In estimating the costs, the special circumstances of the Aotea/Great Barrier Island and Waiheke Island are taken into consideration to ensure equitable allocation of funds.

Funding allocation for non-dedicated purposes

There is no allocation of non-dedicated (general purpose) funding to local boards in the 10-year Budget 2021-2031.

Funding sources for funds allocated for local activities

Funding sources for funds allocated for local activities are set out in the Revenue and Financing policy.

7.2.2 Draft Local Board Funding Policy 2025

Purpose/Introduction

The Local boards funding policy sets out how local boards are funded to meet the costs of:

- providing local activities
- administration support.

This policy takes effect from 1 July 2025. Funding for local boards through FY 2024/2025 will be allocated in alignment with the prior long-term-plan 2021-2031, as set out in the Local board funding policy 2022.

Background

Auckland Council's 21 local boards have decision making responsibility for local activities. The full list of local activities is set out in the Allocation of decision-making tablein the 10-year Budget. They include amongst others:

- local recreation services e.g. swimming pools
- local libraries
- local parks
- local events
- local community development.

Funding for local activities is split into operating expenditure (opex) and capital expenditure (capex).

Local boards have decision making responsibility for fees and charges within any parameters set by the Governing Body. For example, local boards can set the fees for adult entry to swimming pools but may not charge for the entry of children, under 16.

How local boards will be funded for various local activities and for their administration support is set out below.

Funding for local activities

Operating expenditure for local activities will be funded by:

1. fees and charges set by the local board and collected from local assets
2. plus any other revenue including grants, donations, and sponsorships
3. plus any revenue from a targeted rate set by the Governing Body to fund local assets and services
4. plus general rate funding provided as detailed in the next sections

The total general rates funded budget available for local activities will be set by the Governing Body and will be identified in the 10-year Budget or annual plan.

Capital expenditure budgets are set by the Governing Body and mainly funded through borrowing, non-local asset sales and development contributions collected for future growth.

General rates funding for local community services activity

Local community services include libraries, local parks and sportsfields, recreation facilities, community halls and local arts facilities.

Each local board will be allocated separate shares of OPEX and CAPEX from a total budget decided by the Governing Body and based on the equity formula (80:15:5) described below. When applied, the equity formula determines the equitable funding level of for each local board. Funding for the Aotea / Great Barrier and Waiheke local boards will be allocated from the total pool (see section below), the remainder will be allocated using the equity formula.

Through LTP 2024-2034 the Council has decided to move 18 local boards (including Aotea / Great Barrier and Waiheke local boards) to within 5 per cent of their equitable funding level for both opex and capex by the financial year 2026/2027. This will be achieved by reallocating 50 per cent of the surplus of funding from local boards that are currently funded above their equitable level. The remaining 50 per cent of funding required to achieve this outcome has been approved through the LTP 2024-2034. These changes will come into effect from 1 July 2025.

Each local board's equitable funding level will be equivalent to its share of the regional population adjusted for deprivation and land area, excluding Aotea / Great Barrier and Waiheke. This is set out in the following table:

Factor	Proportion of total general rate funded locally driven initiative budget	Local board share
Population	80 per cent	Local board population divided by the total population of all local boards excluding Aotea / Great Barrier and Waiheke
Deprivation*	15 percent	Local board population falling in the top 3 percentiles (8, 9 and 10) of NZDep2018, excluding Aotea / Great Barrier and Waiheke, divided by the total Auckland population falling in the top 3 percentiles (8, 9 and 10) of NZDep2018
Land area	5 per cent	Local board land area divided by the total land area of all local boards excluding Aotea / Great Barrier and Waiheke
The information for this analysis will be provided by Auckland Council's Research & Evaluation team, based on the latest census data available.		

Funding in the financial year 2024/2025

There will be no change to local board funding in the financial year 2024/2025. The funding for this financial year will as per the existing Local board funding policy 2022.

Funding beyond financial year 2027/2028

The 80:15:5 allocations will be updated with the latest population, deprivation and land area statistics to maintain the achieved equitable funding levels through the adoption of each long-term plan.

General rates funding for Aotea / Great Barrier and Waiheke local boards' local community services

The general rates funding for the island local boards will be as below:

1. one per cent of the total fund allocated to the Aotea/Great Barrier Island local board.
2. two per cent of the total fund allocated to Waiheke Island local board.

General rates funding for items and local activities excluded from the funding equity analysis

The budget categories (within local community services activity) described in the table below are excluded from the 80:15:5 allocation.

Proposed to be out of scope	Reason
Growth funding	Funding prioritised for investment in new infrastructure to respond to population growth.
Discrete projects	These are specific projects decided and funded through previous long-term plans and annual plans based on the plans and priorities of the Council.
Various response budgets	Slip remediation and coastal renewals - This budget is allocated based on the priorities in the slips prevention work programme which responds to coastal health and safety priorities across Auckland. Response budget associated with full facilities contracts – This is for reactive repairs and maintenance work outside of the full facilities contract scheduled maintenance. Sports renovations – For sports platform and infrastructure renovations programme Urgent minor capex – Urgent & minor capex works with high risk to health & safety, and disruption to service. Demolition budget – for the demolition and removal of high-risk unfit for purpose assets Green Assets OPEX – to respond to unplanned maintenance in Council's green spaces. Regional Pest Management OPEX – Natural Environment Targeted Rate funding for Regional Pest Management Plan 2020 Coastal Management OPEX – to respond to unplanned maintenance in Council's coastal assets. Storm Damage – to respond to costs arising out of a major storm event
Local targeted rates	Local targeted rates are collected for a specific purpose and to deliver outcomes in a specific location. These cannot be considered for reallocation.
Specific funds	These are funds such as external grants, sales proceeds from asset divestment etc received to deliver a specific project.
Overhead costs and interest and depreciation	Local boards are allocated a share of the overhead costs such as interest, depreciation and corporate overheads based on the local board funding policy.

Funding for the above items and other local activities such as local environment management, local planning and development, and local governance activities will be provided to each local board area, by the Governing Body in the 10-year Budget.

Funding allocation for administrative support

The funding for administrative support is allocated by adopting the following method:

a) Allocation for the costs related to elected members in a local board - number of elected members multiplied by the budgeted cost per elected member.

b) Allocation for meeting other administrative costs - estimated cost of other administrative support for all local boards divided by the number of local boards.

In estimating the costs, the special circumstances of the Aotea/Great Barrier Island and Waiheke Island are taken into consideration to ensure equitable allocation of funds.

Funding allocation for non-dedicated purposes

There is no allocation of non-dedicated (general purpose) funding to local boards in the 10-year Budget 2021-2031.

Funding sources for funds allocated for local activities

Funding sources for funds allocated for local activities are set out in the Revenue and Financing policy.

Te Pari ā-Rohe o Albert-Eden

7.3.1 Albert-Eden Local Board

He kōrero mai i te Heamana

Message from the Chair

Kia ora koutou

In 2023, amid the disruption of storms and Council budget cuts, we consulted on and developed the Albert-Eden Local Board Plan 2023. It is our three-year strategic document and sets out our vision for the area, guides local board activity, funding, and our investment decisions. Community participation and feedback was key to us, and we received strong support for the final outcomes in the plan.

We are now seeking your feedback on our proposed priorities and activities for the first year of the plan being the 2024/2025 financial year as well as the bigger projects we wish to secure for our area in council's 10-year Budget 2024-2034.

Our communities are changing and growing, there is development happening everywhere and one of our priorities is that people are connected, our community is resilient, and they can have their say on our proposals or those of council.

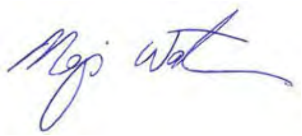
We are proposing to keep up our environmental work; step up our climate action; planning for good green spaces and supporting our communities to get together. Also, we know how important Pt Chevallier Library for our rohe is, so we are working to get a long-term solution to bring it back! The planning for town centre upgrades and transport infrastructure remains a focus, to ensure our villages are thriving places people enjoy visiting and shopping in.

We will advocate to the Governing Body for fairer local board funding, long term solutions for flooding, better facilities, reliable public transport, upgrades to our town centres and regional events and programmes that bring people together.

So, we are looking forward to hearing from your thoughts on all these as we put our plans together.

As always, thanks for your support.

Margi Watson



Chairperson, Albert-Eden Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Celebrating different people and cultures, bringing people together with fun and engaging activities, and reducing barriers for those who might struggle to connect with council or others in the community.
- Continuing our environmental work through tree planting, parks restoration, supporting volunteer pest control and planting groups and helping community climate action through our Climate Activator.
- Planning for how our parks and open space can respond to growth, making the most of what we have, balancing different uses and connecting green spaces together.
- Supporting our community groups with funding, information, learning new skills and building their capability and networks.
- Settling in at the new, medium-term location for the Pt Chevalier library and continuing to investigate what the long-term library solution might be and how we will fund it.
- Working with the community on activations in the Mt Albert Civic Square.
- Making our parks rubbish-bin free to minimise waste and improve environmental and climate outcomes.

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$3.9 million	$0	$0	$0	$3.9 million
Planned operating spend to maintain and operate assets and deliver local activities	$14.3 million	$176,000	$624,000	$1.2 million	$16.4 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- Caring for our environment and working alongside the community to protect and enhance it.
- Local climate action projects to help our community transition to a lower carbon future.
- Maintaining our libraries, community centres, venues for hire and community leases services so they are affordable, fit for purpose, well used and easily shared.

- Long-term service provision of library and community centre services in Pt Chevalier and for the community centre in Sandringham.
- Reviewing community services and the open space required in response to growth, including the Carrington and Epsom campus development and Kāinga Ora areas.
- Support Māori Kaupapa and priorities.
- Park acquisition and development in areas of growth, and for completing open space projects such as Chamberlain Park, Mt Albert civic square and Windmill Park.
- Continuing supporting local business associations, social enterprises and small business entrepreneurs, including those from migrant communities.
- Supporting arts, events and night-time economies that bring people into our town centres.

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- Achieving funding equity for local boards to ensure our area receives appropriate levels of funding.
- Flood recovery and stormwater management, including development of blue-green networks in our area.
- Additional funding to be able to deliver a library and community centre hub in Pt Chevalier.
- Funding for Mt Albert pool access to ensure the network is maintained.
- Growth funding to respond to the increase in development and support the future community living in our area and for upgrading or expanding existing parks, sportsfields and building new indoor court facilities.
- Retain funding for town centre upgrades at Sandringham and Greenwoods Corner.
- Continued funding for regional events such as Matariki, Pasifika, Diwali and Auckland Lantern Festival, and adding Dominion Road Moon Festival to the regional events calendar.
- Supporting the CAB which delivers a critical service in our area.
- Reinstate the Auckland Transport Connected Communities project, which provided more travel options, safer streets, improved town centres, walking, cycling and improved bus services along key roads in our area.
- Advocate for reliable and frequent bus and train services.
- Advocate to Auckland Transport for upgrades in Mt Albert, Kingsland, Sandringham, Greenwoods Corner and Dominion Road Town centres.
- Supporting more walking and cycling by advocating for infrastructure which allows people to use alternative travel options easily and safely, and programmes which promote and help people use them.

- The development of key new walking and cycling paths identified in the Albert-Eden Local Paths (Greenways) Plan, especially key connections such as:
  - Motu Manawa - Howlett Reserve to Fairlands Reserve and Heron Park (via road reserve and boardwalks)
  - Western Springs to Greenlane Express – a cycle route on St Lukes Road to Balmoral Road and Greenlane West, connecting the local board area.

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Pari ā-Rohe o Aotea

7.3.2 Aotea / Great Barrier Local Board

He kōrero mai i te Heamana

Message from the Chair

Our three-year, strategic Local Board Plan 2023 was adopted in October 2023. Thank you for helping us to develop the plan by coming along to the summer BBQs, various meetings and submitting written feedback.

The focus for the next three years is continued island resilience. This means support for community groups, future-proofing our infrastructure, and environmental restoration including marine protection.

This year, Auckland Council will be consulting on and adopting its 10-year Budget 2024-2034. Budgets are going to once again be tight. The local board will seek to secure funds so that we can support our community groups to deliver core services and maintain their community-owned facilities, support our local environmental groups, and support the mana whenua and community-led ‘Ahu Moana’ marine protection projects.

We will also be advocating to the Governing Body for urgent assistance in managing the exotic *Caulerpa* threat, continued support for the Tu Mai Taonga restoration project, support for community-led waste and septic services given our landfill closure, and to investigate a visitor levy solution to respond to the impacts of tourism.

For this coming financial year, we propose to focus on continuing our annual funding support for community groups and environmental projects, asset maintenance, playground improvements and implementing aspects of the Destination Management Plan.

Thank you once again for helping us shape our local board plan. We look forward to your feedback on our focus for the coming financial year and our priorities and advocacy to the Governing Body in the council’s 10-year Budget 2024-2034.

Ngā mihi nui

Izzy Fordham

Chairperson, Aotea / Great Barrier Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Continue the regular programme of funding for community groups to deliver services and environmental groups to deliver ecology works
- Continue our regular maintenance of parks and assets
- Investigate improvements for playground areas island-wide
- Support implementation of aspects of the new Destination Management Plan

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$ 400,000	$-	$-	$-	$ 400,000
Planned operating spend to maintain and operate assets and deliver local activities	$ 1.6 million	$ 212,000	$ -	$ 708,000	$ 2.5 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- Provide capital grant funding to island groups for the maintenance of community-owned community facilities
- Provide annual grant funding to community organisations to deliver our core community services
- Provide annual grant funding to local environmental groups to deliver ecology projects
- Progressing mana whenua and community-led ‘Ahu Moana’ marine protection projects

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- Managing the urgent response for the existing biosecurity threat of exotic *Caulerpa*
- Support for the mana whenua and community-led restoration project Tu Mai Taonga
- Support for community-led waste and septic services given the recent closure of our landfill
- Investigations into a visitor levy solution

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Pari ā-Rohe o Devonport-Takapuna

7.3.3 Devonport-Takapuna Local Board

He kōrero mai i te Heamana

Message from the Chair

I am pleased to present the local board's priorities for the 2024/2025 financial year, and to inform the 10-year Budget 2024-2034, the first year in which we can implement many of the initiatives and objectives contained in the newly adopted Devonport-Takapuna Local Board Plan 2023.

Your feedback received during the consultation for the local board plan and last year's annual budget has helped us understand your priorities and we will use this information to develop our work programmes in the coming year.

We will continue to progress the delivery of key projects including a new library and community hub in Takapuna. The finalisation of our local parks management plan will also help to guide decisions and investment in our parks and open spaces to meet the needs of current and future residents.

Our valued local community organisations and volunteers will continue to receive support to provide the backbone services and programmes used and enjoyed by many.

Budget constraints are ever present and proposed changes to the local board funding model will mean that we will again have our funding reduced. We will have to make some hard decisions as we will not have the funds to meet our requirements in terms of facilities maintenance or service delivery.

To help generate local funds we are proposing that we investigate selling underutilised or poorly functioning assets to enable investment in the things our communities want and need.

Some key priorities that do not sit within the local board's decision-making will require that we advocate to the Governing Body or other entities for support. These include the Lake Road upgrade, the development of the Francis Esmonde link and the requirement for a new ferry terminal at Bayswater. We will continue to work on your behalf for the things that are important to you.

We look forward to hearing your feedback on the priorities identified for this 2024/2025 financial year and the 10-year Budget 2024-2034.

Ngā mihi nui

Toni van Tonder
Chairperson, Devonport-Takapuna Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Progress the detailed business case and delivery of a new library and community hub in Takapuna.
- Complete the Devonport-Takapuna Local Parks Management Plan that will guide decisions on the use and management of our parks and open spaces.
- Implement priority actions from the Devonport-Takapuna Ethnic Plan.
- Continue to build relationships with Iwi and Matawaka to promote projects of interest to Māori including the restoration and improvement of Te Uru Tapu.
- Invest in the delivery of key events in our town centres to support local businesses and showcase our area to visitors and locals alike.
- Continue to renew and improve community facilities including the playground at Achilles Reserve and toilets and changing facilities at Becroft Park.
- Continue support of our valued art partners who provide a wide range of programmes, exhibitions and live productions and performances.

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$5.5 million	$0	$0	$0	$5.5 million
Planned operating spend to maintain and operate assets and deliver local activities	$12.8 million	$86,000	$573,000	$915,000	$14.4 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- Invest in initiatives that build community networks and contribute to local resilience.
- Support environmental groups to undertake community-led conservation including planting, eradication of plant and animal pests and community clean-up events in our parks and waterways.
- Support initiatives that promote inclusion, diversity and expression of culture.

- Investigate options to sell underperforming or underutilised assets. The proceeds will fund investment in well-used assets including valued heritage buildings.
- Support and invest in sport and recreation organisations to provide opportunities for all to become and stay active.

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- Advocate to the Governing Body to support Auckland Emergency Management to deliver community initiatives that help people prepare and respond to emergencies.
- Advocate to the Governing Body for increased investment in the provision and improvement of stormwater assets through the Making Space for Water programme.
- Advocate to the Governing Body for increased investment in the Wairau Catchment and Lake Pupuke to improve water quality.
- Advocate to the Governing Body for additional funding to renew and protect our heritage assets or that they be funded from a regional budget.
- Advocate to the Governing Body for greater funding and support for improved travel options including the upgrade of Lake Road, the development of the Francis Esmonde Link and the development of a new Bayswater Ferry Terminal.

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Pari ā-Rohe o Franklin

7.3.4 Franklin Local Board

Tēnā koutou katoa,

Community input is an important part of how the Franklin Local Board sets priorities for the future. We've recently adopted our Franklin Local Board Plan for 2023-2026, and now seek your feedback to help inform our spending and work programmes for the financial year beginning July 2024 - the first year of implementing our new local board plan.

Current challenges that inform our priorities for 2024/2025, include:

- council-wide budget pressures including a projected $30 million shortfall in renewals funding over the next 10 years, meaning we cannot afford to maintain existing facilities in Franklin and need to make changes
- Council's ability to meet the demands of the community whilst constricting resources including staff
- how to prudently provide equitable access to council services in communities across our large Franklin Local Board area and to new and growing communities
- how to balance legacy and existing service expectations with the needs of new and future needs.

It's clear we need to do things differently. Our priorities for 2024/2025 reflect the need for change.

In the last annual budget, we asked you whether we should investigate a targeted rate to fund path development across Franklin. We now propose a targeted rate of $52 per year (or a dollar a week) over 10 years, to fund a programme of paths and pedestrian safety improvements across the Franklin Local Board area that will enable our communities to safely change their travel habits and contribution to climate action.

We know that finances are tight. There is never a good time to propose a targeted rate, but this is the only way to enable us to take action and deliver this transformational programme. We are seeking your feedback on our proposed targeted rate – more detail can be found in Section four.

The Franklin Local Board area is a community of 75,000+ people. We are geographically dispersed and there are many views – we need to hear your views so they can be considered as we make decisions. We look forward to receiving your feedback on our proposed priorities. Please submit today.

Ngā mihi nui

Angela Fulljames

Chairperson, Franklin Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Develop fit for purpose facilities and respond to growth challenges through projects like the Clevedon Village Heart programme, 'Belmont' Sports Park development and the Unlock Pukekohe programme.
- Allocate funding for three-year Strategic Community Partnerships with local organisations that are willing to and capable of delivering social, environmental, cultural and economic outcomes in line with the local board plan and support to these organisations to deliver.
- Support environmental and cultural restoration programmes in partnership with Iwi including Te Kete Rukuruku (place naming) and Te Korowai Papatuuaanuku (environmental restoration).
- Develop "Franklin Community Occupancy Guidelines" to inform decisions on council-owned facility leases, including leasing charges.
- Identify opportunities to reduce Franklin's maintenance costs e.g. by replacing lawn with eco-sourced native trees and reducing or relocating public rubbish bins.
- Progress the development and delivery of the Franklin Paths Programme.
- Continue a refreshed approach to enabling young people in Franklin to access services and participate in their communities.
- Continue to progress a Pukekohe Cemetery memorial project that acknowledges the unmarked graves at the site.
- Continue from 2023/2024:
    - community resilience programmes that enable communities to respond to emergencies
    - investment in third-party owned facility development through our Franklin Sport and Recreation Facilities Plan
    - a role focussed on local economic development in Franklin
    - Franklin-wide assessment of potential assets for sale.

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$7.0 million	$0	$0	$0	$7.0 million
Planned operating spend to maintain and operate assets and deliver local activities	$15.1 million	$268,000	$883,000	$1.3 million	$17.6 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- continue to develop our community facilities and parks so that they can accommodate growing town centres and villages, using service property optimisation (sale of some properties to reinvestment in others) where appropriate to deliver improved and sustainable community outcomes
- introduce a local targeted rate to accelerate delivery of pathways in partnership with others, and enable uptake of safe active transport across the Franklin Local Board area
- continue to partner with Iwi as kaitiaki and local environmental groups in the restoration and protection of the natural environment
- reconfigure how we deliver community services across Franklin (library services, arts and culture services, community centres and venue for hire spaces) so that they are accessible to our geographically dispersed communities, including our young people whilst being financially sustainable.

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- reinstate the Local Board Capital Transport fund to $20 million per annum across the 21 Local Boards to enable capital projects of local importance to be delivered
- provide sufficient funding to Auckland Transport to improve the maintenance, design and function of roads
- refresh The Southern Initiative to provide local economic development in the Franklin Local Board area or resource Tataki Auckland Unlimited to provide this function
- support redistribution of budget so that local boards are equitably resourced to deliver to their communities.

What do you think?

1. Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025, and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

   Please give feedback on the proposed Franklin Paths Targeted Rate at Question 6a.

2. Do you have any additional thoughts on the proposed Franklin Paths Targeted Rate?

Te Pari ā-Rohe o Henderson-Massey

7.3.5 Henderson-Massey Local Board

He kōrero mai i te Heamana

Message from the Chair

I am pleased to present our proposed priorities for the 2024/2025 Henderson-Massey Local Board Agreement, which is part of Auckland Council's Annual Budget.

In 2024/2025, the Henderson Massey Local Board will focus on supporting community organisations and local initiatives that strengthen social and economic resilience and equity in our Local Board area. Climate change remains a global challenge facing all of humanity. We must continue to play our part in helping address this existential environmental challenge. Our Climate action Plan, the first by any of Auckland's 21 Local Boards, remains a top priority. The board area is home to diverse ethnic and cultural groups including Māori, Pasifika, Asian and other smaller ethnic and refugee communities. In our Local Board Agreement, we seek to expand the public visibility and community appreciation of this cultural diversity through the promotion of community festivals and events that focus on giving a public understanding and enjoyment of the diverse customs, cuisines and histories of people living in our local area.

The Māori Responsiveness Plan and the Te Kete Rukuruku Project will continue to provide a framework to support programmes that recognise the unique status of Māori in our local area. The Pacific and Asian communities are large and vibrant in west Auckland. The board will continue to support Pasifika and Asian initiatives which highlight the rich cultures of the Pacific and Asian regions, and the contribution Pasifika and Asian peoples make to the economic, cultural and sporting life of west Auckland.

This is the first year of delivery on the Henderson-Massey Local Board Plan 2023, and we will continue with existing projects that already deliver on that plan, many of which were highlighted in the 2023/2024 Local Board Agreement. Residents informed us during development of the plan that accessible community facilities, caring for the natural environment, responding to the challenges of climate change and celebrating the ethnic and cultural diversity of our local communities are important issues for residents. We absolutely agreed with those priorities.

The New Zealand economy continues to be impacted, like most counties, by rising energy costs compounded by the ongoing war in Ukraine and the unrest in the Middle East. These crises have fuelled rising global inflation and slowed economic growth in many developed countries, including New Zealand. Auckland Council's operating budget remains limited due to these financial conditions. The Henderson Massey Local Board must plan carefully and work within that constrained council budget reality.

Despite these challenges our highest priority will continue to be supporting our community organisations to help manage resilience and recovery in our local communities and fund, where possible initiatives and work streams that focus on priorities that l have highlighted.

I look forward to hearing your views on these priorities.

Ngā mihi nui

Chris Carter

Chairperson, Henderson-Massey Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Our People – create opportunities that support connectedness, diversity and inclusion in our community.
- Our Environment – focus on initiatives that increase tree canopy cover, improve water health and provide for resilient and low carbon communities across Henderson-Massey.
- Our Community – ensure the maintenance and development of 'fit for purpose' local services and spaces meet the needs of our diverse communities.
- Our Places – support initiatives that improve walking and cycling opportunities.
- Our Economy – continue to support the Western Initiative to deliver the Youth Connections programme.

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$12.6 million	$0	$0	$0	$12.6 million
Planned operating spend to maintain and operate assets and deliver local activities	$31.1 million	$298,000	$529,000	$1.3 million	$33.2 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following advocacy priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- Our People – support initiatives that increase community safety and wellbeing in our communities.
- Our Environment – continue to implement the Henderson-Massey Urban Ngahere Action Plan, and invest in climate response initiatives to reduce transport emissions.
- Our Community – support new and innovative ways to deliver events, programmes and activities that reflect and celebrate our diverse communities.
- Our Places –progress opportunities for neighbourhood path connections.
- Our Economy – support local community organisations to deliver economic development initiatives.

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

Advocate to the Governing Body:

- for additional funding from the Climate Change Targeted Rate (CCTR) or Natural Environment Targeted Rate (NETR) to increase urban ngahere planting
- to progress the Climate Action Targeted Rate-funded Kelston to New Lynn Cycle Focus Area project to increase the connected cycle network from Henderson-Massey to the central city
- for funding in the council's 10-year Budget for community recovery and resilience in response to the ongoing effects of the flooding and Cyclone Gabrielle damage

- for the continued funding partnership with government for the completion of the Te Whau Pathway through the Auckland Council- central government partnership.
- for funding in the council's 10 year budget for the detailed design and construction phase for an aquatic facility in the north west
- to fund Auckland Transport at pre-covid levels so that the Local Board Transport Capital Expenditure Fund can be retained and increased
- to retain funding levels for Tātaki Auckland Unlimited to enable delivery of the Henderson Creative Arts Precinct
- to retain funding for Panuku to enable full delivery of the Unlock Henderson urban regeneration project

Advocate to Auckland Transport

- to prioritise projects that improve public transport and provide safety improvements in Henderson-Massey.

Advocate to Waka Kotahi:

- to accelerate development of a rapid transit corridor on the northwestern motorway.

Advocate to Tātaki Auckland Unlimited:

- to increase its focus on delivering economic outcomes for rangatahi Māori and Pacific youth.

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Pari ā-Rohe o Hibiscus and Bays

7.3.6 Hibiscus and Bays Local Board

He kōrero mai i te Heamana

Message from the Chairperson

Every year, we are required to present and consult on our priorities.

That's all well and good, however I am sure you've all got a few basic questions. Why are these priorities? How did the local board come up with them? Probably most importantly, if the local board already has projects that it has prioritised, will giving feedback change anything?

These are all priorities because they are within our authority to deliver. Local boards have a role to play that is defined by legislation – and we are given budgets and powers.

We have proposed these priorities during the process of developing our local board plan. We listened to many voices in our community to create this three-year strategic plan. You may not realise that when you comment on social media or send an email to one of the local board members, we do listen and take note. We can't always respond, but these individual voices all add up.

So, you may ask – is this it? Is this all your local board does? You will be relieved to know that your money goes further than this, we spend a lot of the budget on libraries, leisure centres, parks and facilities. But we also target certain new or hot topics – like ensuring that there are strong community networks in the event of another natural disaster. Or, looking at ways to improve the water quality in those areas we can control (where it runs through our parks and reserves).

We are also frequently asked to give feedback on topics dear to the heart of our residents. You will see this listed below as advocacy.

So, what we want to know is: do these points resonate with you? What do you think?

Gary Brown, Chairperson, Hibiscus and Bays Local Board.

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

1. Support the development of community-led resilience networks in our area, so our community and organisations will know who does what, where to get information and how to help, including in emergencies.
2. Support and advocate for further protection of our sea, soil and fresh water from contamination and sedimentation through methods such as re-naturalisation, or daylighting.
3. Engage with our community and key stakeholders, including mana whenua and youth, on the future uses of our undeveloped reserves, and older established ones, including investigation of cost-effective options for other informal recreation and play in these areas.
4. Continue to support activities and facilities that promote vibrancy, diversity and showcases creativity in our area, such as events, festivals, and other shared experiences in our public spaces for all.
5. Continue to renew and enhance the paths network (greenways) to create a safer, off road, well-connected networks for active modes of transport.

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$13.6 million	$0	$0	$0	$13.6 million
Planned operating spend to maintain and operate assets and deliver local activities	$21.9 million	$312,000	$522,000	$1.1 million	$23.9 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- Advocate to the Governing Body to ensure continued funding and support for the coastal projects along Orewa Beach, to ensure that the coastal margins remain safe and accessible.

The following priorities sit outside local board decision making and require advocacy to the Governing Body or another entity:

- Advocate to the Governing Body and Central Government for greater education and practical advice for landowners, or those who own assets on leasehold land, whose assets are at risk from the effects of climate change, including erosion, increased temperatures or inundation.
- Advocate to the Governing Body to fund the planned expansion of community recycling centres, especially those that will benefit the Hibiscus and Bays area.
- Advocate to the Governing Body to adequately fund Auckland Transport to enable them, along with Waka Kotahi - New Zealand Transport Agency, to deliver the Whangaparāoa Transport interchange and the supporting public transport services are in place when O Mahurangi Penlink is open, as a crucial option to support the existing Gulf Harbour Ferry route in the area.
- Advocate to the Governing Body to adequately fund Auckland Transport to enable them to prioritise and fund the fast delivery of the Glenvar and East Coast Road improvements project.
- Advocate to the Governing Body to adequately fund Auckland Transport to enable them to prioritise and deliver of the upgrades to Vaughans Road and Okura River Road areas for safer access for Long Bay, Okura, and Torbay.

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Pari ā-Rohe o Howick

7.3.7 Howick Local Board

He kōrero mai i te Heamana

Message from the Chair

As we prepare this consultation we're facing uncertainty, but we know that there is likely to be financial challenges due to rising costs, high inflation and increased demand from continued population growth.

Local Boards have recently been granted greater decision-making powers, including more control over our budgets. This should mean greater visibility, accountability, and responsiveness. However, we must also recognise that our annual budgets have reduced significantly in recent years so we will embrace the challenge of doing more with less by using innovative and creative approaches.

We've already proven we can do this through 2023/2024 Annual Budget which required us to make some incredibly tough decisions. This was made possible because we had excellent engagement from the public, staff and elected members which enabled us to prioritise what was important to local residents.

We've used the feedback from the 2023/2024 Annual Budget and Local Board Plan 2023 to focus our priorities for the 2024/2025 financial year and the 10-year Budget 2024-2034. We remain committed to Flat Bush Community Centre and Library and are proposing we take additional steps to kickstart this project sooner. We're proposing that we continue to build on our successful environmental programmes with additional funding to expand their reach and impact. We'll start work on our community-led climate action plan, that considers both how we mitigate our emissions and adapt to our changing environment – together with our local emergency management plan, this will prepare our communities for the future and empower them to be resilient. We'll refresh some of our older plans to ensure they're still meeting the needs of the communities they serve. Instead of trying to do everything ourselves, we will look more for partnerships and local procurement.

Please tell us if we've missed or misunderstood anything, or if we've got it right.

Ngā mihi nui | Kind regards,

Damian Light (he/him)

Heamana | Chairperson

Te Poari ā-Rohe o Howick | Howick Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Review and refresh the Howick Heritage Plan
- Review and refresh the Howick Tourism Plan
- Encourage community groups to adopt a reserve, park, or waterway etc, and provide for restoration and maintenance activities with council support
- Rescope the Industrial Pollution Prevention Programme (which educates and informs industry about the impacts they may have on local waterways) to broaden its outreach and include all businesses.
- Develop a community-led climate action plan
- Explore the development of a Howick Ward 'business collective', or other group, to provide support for small business owners outside of the established Business Improvement Districts. This work may lead to establishing a new business association and possible new Business Improvement District (BID) programme.

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$7.6 million	-	-	-	$7.6 million
Planned operating spend to maintain and operate assets and deliver local activities	$31 million	$436,000	$555,000	$1.2 million	$33 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- Implement the Howick Urban Ngahere action Plan 2021 to increase tree canopy coverage on public land from 15 per cent to 18 per cent, with an overall goal of 30 per cent
- Partner with the southern local boards for local landfill diversion facilities for south-east Auckland – for example, a recovery centre and hazardous waste disposal.
- All new assets and facilities to be designed and managed in an environmentally sustainable manner

- Provide services and facilities that cater to the changing demographics of the Howick Local Board

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- Continue to advocate to the governing body to start construction of the Flat Bush community centre and library as soon as possible
- Continue to advocate for funding to implement sustainable measures to manage coastal erosion and inundation – including loss of sand from local beaches.
- Advocate to the governing body to increase monitoring of illegal discharge into stormwater, waterways and onto our beaches
- Advocate to the governing body to ensure adequate infrastructure is in place before approving housing intensification
- Advocate to the governing body to change the procurement policy to allow greater use of smaller, local businesses

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Pari ā-Rohe o Kaipātiki

7.3.8 Kaipātiki Local Board

He kōrero mai i te Heamana

Message from the Chair

On behalf of the Kaipātiki Local Board, I'm pleased to present our proposed high-level priorities for the 2024/2025 financial year and 10-year Budget 2024-2034. These priorities come from our recently adopted 2023 Local Board Plan, which is our strategic document that will guide us for the next three years. A big thankyou to everyone who shared their ideas and feedback throughout the development of the plan.

We're committed to continuing to work collaboratively with our community to lead and deliver the services that are needed and are relevant to you. This includes in community development and wellbeing, the natural environment, our parks and reserves, and our town centres. We are focused on ensuring that we continue to provide quality outcomes through investing in the operation, maintenance, and renewal of our facilities and services, in the most cost-effective way possible.

We welcome increased decision-making over our local assets and services when compared to previous years. However, we strongly advocate that the Governing Body provide the Kaipātiki Local Board with sufficient funding to maintain and build on services and assets invested in by previous generations. We support the Governing Body focusing new investment to address funding inequities across local board areas, but do not support the redistribution of the already insufficient Kaipātiki Local Board funding to other areas. This would be unfair for Kaipātiki and its residents, and could lead to cuts in local services and the deterioration of assets.

We hope that we have accurately captured your priorities in our proposals. Whether we have or haven't, please let us know your view, as the priorities will help to shape our on-the-ground work programme for the 2024/2025 financial year. We do really appreciate the time you take to give us your valuable feedback.

Ngā mihi nui

John Gillon

Chairperson, Kaipātiki Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- investing in the maintenance and renewal of our parks, playgrounds, recreation facilities, and other public spaces so they continue to meet our communities needs
- supporting a community-led approach for the delivery of relevant and diverse services that connect the community
- supporting environmental groups, community volunteers, and our diverse communities to carry out environmental restoration projects, including stream clean-ups, habitat improvement, native riparian planting, and pest control
- begin implementing the Mini Shoreline Adaptation Plan for the Little Shoal Bay / Te Wai Manawa alongside our community to address the issues caused by flooding and seawater inundation
- supporting a community climate activation programme to support and amplify community initiatives identified in the Kaipātiki Climate Action Plan
- building relationships with local iwi and mataawaka groups so that Kaipātiki is rich with Māori identity and culture.

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$6.3 million	$0	$0	$0	$6.3 million
Planned operating spend to maintain and operate assets and deliver local activities	$20.6 million	$353,000	$338,000	$1.1 million	$22.4 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- implementing the Birkenhead War Memorial Park Masterplan, with the first project being to develop a new multi-purpose facility and improved aquatic play space
- delivering the integrated Northcote Community Hub alongside the upgrade to Puāwai/Cadness Reserve

- delivering the priority projects identified in the planned update of the Kaipātiki Connections Network Plan, with existing funding currently tagged to stage three of the Beach Haven Coastal Connection.

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- Advocate for sufficient funding to maintain facilities and the service provided through our parks, community facilities, and recreational spaces
- Advocate for investment into coastal assets around the Kaipātiki coastline, including continuing the budgets already tagged to the outcomes of the Little Shoal Bay Shoreline Adaptation Plan
- Advocate for and support the development of a quality compact, urban form that supports low carbon, resilient development, while ensuring adequate infrastructure to support it
- Advocate for increased resource for compliance enforcement teams so they can respond to all requests and complaints received in the Kaipātiki area
- Advocate to continue improving the bus and ferry network serving Kaipātiki through cheaper ferry and bus fares, maintaining our existing three ferry services – with increased frequency, and more buses going to more destinations more often
- Advocate for the continued investment of the Water Quality, Natural Environment, and Climate Action Targeted Rates into Kaipātiki
- Advocate for work to be undertaken to reduce flooding of the Wairau Valley, and to protect community assets such as the Eventfinda Stadium
- Advocate for an increase to, and greater share of, regional funding to support delivery of sport and recreation opportunities in Kaipātiki, including through the Regional Sport and Recreation Facility Investment Fund and Regional Sport and Recreation Facilities Operating Grant.

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Pari ā-Rohe o Māngere-Ōtāhuhu

7.3.9 Māngere-Ōtāhuhu Local Board

He kōrero mai i te Heamana

Message from the Chair

I am excited to share the local board's draft priorities for the upcoming 2024/2025 financial year and the 10-year Budget 2024-2034. Our key advocacy to the Governing Body includes a fairer distribution of local budgets to help deliver our programmes like building community resilience and capacity, maintaining our aging facilities, and supporting initiatives such as free public transport.

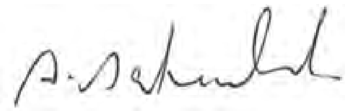
Additionally, we are seeking support to complete the David Lange Park improvements and continue backing the Māngere Mountain Education Trust education programmes. These priorities play a crucial role in addressing challenges like climate change, improving crucial local amenities, and telling our local whakapapa.

In collaboration with community groups and mana whenua, we're developing sustainable initiatives to enhance environmental education with local groups and creating meaningful opportunities for residents to improve their lifestyles. Arts programs, parks activations, youth and safety initiatives are integral parts of this strategy, fostering a vibrant cultural scene around our community, town centres and facilities.

Despite the enthusiasm, it's important to acknowledge budget constraints that pose challenges in fully realising our local board plan. We're committed to navigating these financial limitations while still advocating for community-driven initiatives. Striking a balance between fiscal responsibility and providing valuable services are our aim. We will do this in partnership with Mana whenua and diverse communities.

Your support and creative input are vital in overcoming these obstacles, how we should think about our aging facilities and if we sell them or how we can manage them with our growing needs. Join us in shaping a resilient, inclusive, and vibrant community. Together, we can address budget challenges, recover from weather extremes and work towards a brighter, more sustainable future for all.

Ngā mihi nui



Tauanu'u Nanai Nick Bakulich

Chairperson, Māngere-Ōtāhuhu Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Strengthen partnerships with local mana whenua through project delivery, including Te Kete Rukuruku, completion of David Lange Park playground and improvements
- Deliver community climate initiatives such as Low Carbon Lifestyles, and Māngere Bike Hub with our community partners
- Deliver a community-driven safety action plan aimed at tackling anti-social behaviour and addressing local safety concerns enhancing the overall sense of safety within our local community
- Improve employment and economic opportunities through our local economic broker programme
- Support community-led activations at our parks and facilities through our community grants

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$4.8 million	$0	$0	$0	$4.8 million
Planned operating spend to maintain and operate assets and deliver local activities	$19.9 million	$301,000	$1.2 million	$1.1 million	$22.5 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- Explore how our community facilities and services are better used to reduce growing costs to maintain these assets
- Work with Māori to achieve their aspirations through partnership projects and increased co-governance arrangements.
- Collaborate with locals to enhance their ability to withstand and prepare for the impacts of climate change
- Support new and innovative ways to deliver events, programmes and activities that reflect and celebrate our diverse communities
- Help strengthen the skills and abilities of community groups, facilitate opportunities for local leaders and securing sustainable funding

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- Urge the Council Group and Central Government to allocate resources fairly for our recovery and strengthen community resilience to future disasters
- Advocate for fairer resource allocation, including the distribution of environment targeted rates
- Advocate for further local decision-making opportunities, allowing locals to have a greater say in transportation, climate change, and water quality-related decisions
- Advocate to the Governing Body to retain and increase the Local Board Transport Capital Fund
- Advocate to the Governing Body to ensure adequate infrastructure is in place before approving housing intensification

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Poari ā-Rohe o Manurewa

7.3.10 Manurewa Local Board

He kōrero mai i te Heamana

Message from the Chair

We are looking forward to consulting with you on the first year of our 2023 Manurewa Local Board Plan and I'm pleased to present some of our proposed priorities for 2024/2025 and the 10-year Budget 2024-2034.

We'd like to prioritise actions that lift the health and wellbeing of our communities together with our grassroots community groups, and advocate to ensure you have access to great public amenities, transport options and a thriving environment. In this first year, we want to put an increased focus on our Māori and Pacific communities, seniors including older migrants, and young people.

Safety is an ongoing concern for you. We will play our part to jointly address neighbourhood safety and reduce antisocial behaviour in our public spaces. We will continue current safety initiatives with the police and local community groups, and explore new projects focusing on crime prevention, safer communities, and injury prevention.

Over 70 per cent of our population live in areas of high deprivation. We must continue our advocacy for increased investment into Manurewa to address historical inequities of funding. This includes sufficient funding to address our transport deficits such as adequate active mode and public transport options, and improved road maintenance and renewals to increase the resilience of the roading network.

Despite budget challenges, the board has worked hard to successfully deliver several sport, recreation and play upgrades. This will continue. Our focus on War Memorial and Mountfort parks remains front and centre as we endeavour to complete the works needed.

With some of the environmental challenges facing us, it's important we prioritise planting, for the wellbeing of our community, to anticipate future temperature rises, and to prevent the loss of our biodiversity. We will also advocate to the Governing Body to ensure stormwater sumps and drain grates are cleared more regularly to mitigate flood risk.

As a local board, we are privileged to serve you. We look forward to hearing from you and encourage you to have your say.

Ngā mihi nui

Glenn Murphy

Chairperson, Manurewa Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Continue to support, deliver and fund initiatives that contribute to positive youth development such as youth grants, youth enterprise, youth participation, sport and recreation, and creativity.
- Invest in evidence-based projects that focus on crime prevention, safer communities and injury prevention.
- Fund and support activities that include older people and foster their community participation. This includes a specific focus on reaching older migrants.
- Invest in community led projects and initiatives that respond to social connection and cohesion, build climate resilience and contribute to climate action, with a particular focus on increasing our tree canopy cover.
- Develop a masterplan for Mountfort Park to ensure our open space and sports field network meets the demands of our diverse communities.
- Identify options for recreational activities to support people of all ages and abilities being casually active, e.g. more basketball courts, and new and growing sports such as pickle ball, kilikiti and futsal.
- Investigate community lease options to support Ngāti Tamaoho aspirations for a cultural hub at Te Pua/Keith Park.
- Investigate the feasibility of an arts broker programme to nurture creative expression. This resource would include a specific focus on supporting Māori and Pacific creative arts.

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$9.5 million	$0	$0	$0	$9.5 million
Planned operating spend to maintain and operate assets and deliver local activities	$16.2 million	$118,000	$1.2 million	$1.2 million	$18.7 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- deliver improved sports fields and lighting at War Memorial Park and deliver further improvements such as more sand carpeting, lighting and training hours across the network in Manurewa to bring us up in line with the rest of Auckland
- investigate provision of a new public toilet facility at Mountfort Park
- revitalise existing parks and play spaces including Rowandale Reserve and Tairanga/Tington Reserve

- undertake comprehensive renewals at Te Matariki Clendon Community Centre, Te Pātaka Kōrero o Waimāhia (library), and Te Pātaka Kōrero o Manurewa (library)
- investigate options to extend what the Manurewa Pool and Leisure Centre can offer using the outdoor area immediately surrounding the facility, e.g. an all-weather artificial track and group fitness area
- allocate funding of $1.7 million to replace the roof leaks at Manurewa Netball and Community Centre. As a local asset, the local board is being asked to pay for these repairs. This means other assets in desperate need of maintenance will be compromised due to the lack of available budget
- investigate options for the installation of more solar panels across our community facilities in partnership with power companies and encourage households to do the same.

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- advocate to the Governing Body to look at ways to achieve funding equity for the most underfunded boards in the shortest timeframe possible with a priority focus on Manurewa
- advocate to the Governing Body to allocate an equitable funding distribution to ensure our public facilities and spaces are welcoming, meet the demands of our diverse communities and deliver sustainability outcomes
- advocate to the Governing Body to allocate funding to support the War Memorial Park (our One Local Initiative in the previous 10-year Budget)
- advocate to the Governing Body to allocate additional funding from the Climate Action Targeted Rate or Natural Environment Targeted Rate to plant new trees in our parks and streets to help increase tree canopy cover
- advocate to the Governing Body for a minimum of twice-yearly clearance of stormwater sumps and more frequent clearance of drain grates to be a routine and ongoing service to mitigate flood risk
- advocate to Auckland Transport to reinstate local board transport funding to the pre-COVID-19 level of $21 million per annum
- advocate to Auckland Transport to allocate adequate funding to ensure improved road maintenance and renewals to improve the roading network
- advocate to Auckland Transport, Governing Body and Waka Kotahi to allocate climate action funding to create a walking and cycling connection, including a bridge across the Papakura Stream between Manurewa and Waiata Shores, to link active transport users to the Great South Road, Te Mahia train station and the State Highway 1 cycle path.

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Pari ā-Rohe o Maungakiekie-Tāmaki

7.3.11 Maungakiekie-Tāmaki Local Board

He kōrero mai i te Heamana

Message from the Chair

Thank you to all those that gave their input on our newly adopted Maungakiekie-Tāmaki Local Board Plan 2023. Our plan was developed alongside our community and will guide our priorities for the 2024/2025 financial year and advocacy to the Governing Body.

We know that our community are strong advocates when it comes to protecting our taiao / natural environment and have experienced first-hand the impact of climate change with the 2023 severe weather events. We will continue to invest in initiatives that protect and restore our waterways, such as collaborating with mana whenua and neighbouring local boards through Tāmaki Estuary Environmental Forum and Manukau Harbour Forum. We will also encourage our rangatahi / youth and community to be leaders in climate action, through programmes like Maungakiekie Songbird and Love Your Neighbourhood.

A key challenge outlined in our local board plan is how our current provision of community services and ongoing maintenance requirements of our community facilities is not affordable in the long-term. We need to look at how to deliver these services differently to be more cost-effective, while maintaining our standards of quality for the community. To address this challenge, we have outlined seven precincts that we want to focus our efforts on progressing and will focus on developing plans and our strategic partnerships, so that we and our partners are ready to deliver when funding is available. We will also advocate to Governing Body to ensure sufficient resources are allocated to enable local boards to fully utilise our increased decision making.

As funding becomes increasingly limited, we want to ensure that our community groups are still able to deliver key activities to the community. We will support community-led activities through activities such as local community grants. We will also continue to prioritise capacity and capability for our community and sporting groups, supporting them to foster long-term sustainable funding models for delivery of community programmes and potential multisport developments.

Onehunga Business Association are proposing to expand their business improvement district. We will continue to support our business associations doing amazing mahi / work to make our town centres inviting and supporting local businesses.

Kāhore taku toa I te toa takitahi, he toa takitini

We cannot succeed without the support of those around us

All of our priorities outlined above are key to delivering the outcomes you have helped us develop in our Maungakiekie-Tāmaki Local Board Plan 2023. Please get involved in helping us decide if our advocacy into the 10-year budget and priorities for the 2024/2025 financial year reflect your views. We look forward to hearing from you.

Ngā mihi nui

Maria Meredith
Heamana | Chairperson,
Te Poari ā-Rohe o Maungakiekie-Tāmaki | Maungakiekie-Tāmaki Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Support community groups and community-led activities by continuing to provide local community grants
- Building the capacity and capability of local community and sporting groups towards long-term sustainable funding models and independence through our strategic partnerships programme
- Empowering community groups and organisations to deliver community events through sustainable funding models
- Collaborate with mana whenua and neighbouring local boards to protect and restore our waterways through Tāmaki Estuary Environmental Forum and Manukau Harbour Forum
- Encourage our rangatahi / youth and community to be leaders in climate action. For example, through programmes like Tiakina te taiao and Ope (biodiversity and climate action education programme in schools), Love Your Neighbourhood (environmental volunteer grants) and Songbird programmes (community pest control and biodiversity initiative)
- Support business associations to continue supporting local businesses and ongoing growth, development and liveliness of town centres, including assisting Onehunga Business Associations proposed BID expansion.

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$10.4 million	-	-	-	$10.4 million
Planned operating spend to maintain and operate assets and deliver local activities	$16.6 million	$183,000	$1.1 million	$1.1 million	$19 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- prioritise developing local plans and implement when funding allows
- investigate options to progress upgrades of our precincts, delivering quality mixed-use areas for our community, including partnering with external organisations to leverage funding

- continue to deliver local climate action programmes, enabling Māori, community and rangatahi to lead
- support local groups to lead programmes and initiatives for the community
- support building capacity and capability of community and sporting groups, brokering opportunities for sustainable funding
- support community-led and externally funded initiatives that empower and upskill local rangatahi and people who are not yet in education, employment, or training
- support social enterprise and innovation projects that have a positive social or environmental impact and promotes a circular economy, such as Onehunga and Tāmaki Community Recycling Centres
- work with business associations to encourage business resiliency and business continuity planning, and to support the ongoing growth, development and liveliness of town centres.

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- equity and accessibility to guide Auckland Council's decision-making, focusing our investment on areas that have infrastructure gaps and supporting the communities that need it most
- Enabling effective increased decision-making for local boards, with appropriate staffing resources, more regional demolition funding and ability to determine how renewals funding is utilised and how growth funding is allocated across our community
- Confirmation in the 10-year Budget for funding to redevelop:
    - Panmure multiuse facility
    - Onehunga Recreation Centre
    - Ruapōtaka Marae
- Long-term continuation of the Local Board Transport Capital Fund with funding restored to previous levels
- Equitable investment for Manukau Harbour and Tāmaki Estuary
- Support infrastructure upgrades to mitigate flooding
- Remove the residential Onehunga KiwiRail designation for the Avondale Southdown connection to give the Onehunga community certainty that there will not be significant disruption of the Onehunga community through this designation.

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Onehunga Business Association is seeking an expansion of its Business Improvement District programme boundary area. If it is successful, businesses ratepayers and owners located within the expansion area will become members of the Onehunga BID programme and pay the associated BID target rate.

Do you support the expansion of the Onehunga Business Improvement District (BID) programme and associated BID targeted rate?

Te Poari ā-Rohe o Ōrākei

7.3.12 Ōrākei Local Board

He kōrero mai i te Heamana

Message from the Chair

The following is the Ōrākei Local Board proposed priorities for the 2024/2025 financial year as well as the bigger projects we wish to secure for our area in council's 10-year Budget 2024-2034. We are seeking your feedback in what is a financially constrained and unstable time.

Local boards work to three-year plans that come out of the council's long-term plan. This is the first year of the three-year delivery on the Ōrākei Local Board Plan 2023 and in the development of that plan we heard clearly from our residents what they felt was most important.

In our area we have several key issues that are outside our decision-making remit, such as the Gowing Drive connection and Newmarket Gully. As a local board we are working hard to ensure that projects like these are kept in front of the relevant decision makers.

The Gowing Drive connection to the Glen Innes to Tāmaki Drive Shared Path was a prominent theme during the development of our local board plan. We have been advocating at every opportunity to council's Governing Body and the Auckland Transport board to have this project confirmed by Auckland Transport for 2024/2025 and will continue to do so.

The Ōrākei main sewer collapse in Parnell served as a stark reminder about the importance of our waterways and the immense pressure on our aging infrastructure. The implementation of the Eastern Interceptor and Newmarket Gully storage project are key to improving these issues and we will continue lobbying for them.

To ensure Ōrākei remains a desirable place to live, with limited funding from the Governing Body, it is imperative we find alternative funding sources. We must consider opportunities to sell underused land and facilities to reinvest locally and investigate the implementation of a targeted rate to support the accelerated delivery of larger, transformative projects.

I once again encourage you to give your feedback so that as a board we can prioritise where to allocate our limited funding to what matters most to our community.

Ngā mihi nui

Scott Milne

Chairperson, Ōrākei Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Complete the seismic strengthening of the Remuera Library.
- Progress the Meadowbank Community Centre development.
- Assess the reactivation of facilities at Tagalad Reserve and work towards providing access for the community.
- Continue to work with our many community volunteers to eradicate plant and animal pests in our natural environment, including at Pourewa Valley and in our many beautiful parks and urban forests, and support other environmental activities, for example, the Environmental Forum.
- Continue local initiatives to enhance neighbourhood connections and increase safety.
- Fund and support local events to showcase our spaces and benefit local residents and businesses.
- Continue to engage and better support our diverse communities and organisations, such as Auckland East Community Network and Youth of Ōrākei.
- Maintain efforts to monitor and improve water quality in our local waterways.
- Develop options and projects for a community facilities targeted rate for the financial year 2025/2026.
- Investigate ways to enhance council facilities in Ellerslie to better meet the needs of the local community.

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$8.0 million	$0	$0	$0	$8.0 million
Planned operating spend to maintain and operate assets and deliver local activities	$15.0 million	$372,000	$578,000	$1.0 million	$16.9 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- work to develop and enhance facilities at The Landing
- upgrade Thomas Bloodworth Park with better drainage, lighting and field surfacing to provide for additional sports capacity
- work with Ngāti Whātua Ōrākei to establish an indoor multi-sport facility at Ōrākei Domain to benefit iwi whanau and community
- progress capital improvements at Colin Maiden Park, Tagalad Reserve and Purchas Hill.

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- advocate to Auckland Transport to progress the Gowing Drive connection to Te Ara Ki Uta Ki Tai – Glen Innes to Tāmaki Drive Shared Path
- advocate to Auckland Transport and Waka Kotahi to complete Stage 4 of Te Ara Ki Uta Ki Tai – Glen Innes to Tāmaki Drive Shared Path
- advocate to Watercare and the Governing Body to progress the Newmarket Gully wastewater project and the Eastern Isthmus Water Quality Improvement Programme
- advocate to the Governing Body to fund the renewal of the stormwater pipe leading from Waiatarua Reserve to Ōrākei Basin
- advocate to the Governing Body for funding to dredge Ōrākei Basin
- advocate to the Governing Body for the ability to debt-fund significant capital developments as part of increased local board decision-making
- advocate to the Governing Body for funding to properly enforce existing bylaws to address matters such as dog control and public safety and nuisance
- advocate to the Governing Body to change Auckland Council's Development Contributions Policy with the intention of increasing contributions to better reflect the increased costs and pressures caused by growth and intensification.

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Pari ā-Rohe o Ōtara-Papatoetoe

7.3.13 Ōtara-Papatoetoe Local Board

He kōrero mai i te Heamana

Message from the Chair

E fofō e le ālamea le ālamea– We hold the solutions to our own problems.

This year we adopted our new Ōtara-Papatoetoe Local Board Plan and are now ready to start putting it into action. Thank you to those who had their say and told us what is most important to you. We are excited to work together to continue to make Ōtara-Papatoetoe a great place to live, work and study.

Our community continues to demonstrate strength and resilience in the face of challenges including climate change-related weather events, rising living costs and an uncertain economic outlook. We know the reality for many in our community is that times are tough. We will continue to advocate on your behalf so that our residents and area do not suffer more than others and ensure that our community continues to be prioritised in areas such as upgrades to roads and facilities, environmental protection and reducing the impact of climate change. Another important focus for us continues to be building stronger relationships with mana whenua through increased engagement and partnerships, including co-governance opportunities.

We have many large-scale projects that we are continuing to work on or advocate for as we believe they will have an enduring positive impact on the community and enhance the liveability of our area. These projects include the Manukau Sports Bowl development, Old Papatoetoe Community hub and advocating for increased investment and development in Ōtara Town Centre. Ensuring our public places and spaces are useable, friendly, and safe will serve to bring the community together and encourage new businesses to locate to the area.

In addition, we will continue our work on the projects and initiatives that although might be smaller in scale, their impacts are equally as important. We will be looking to continue our focus on youth, the environment and community-led events and projects. We want to continue to empower the community to decide and deliver what is most important and meaningful to you.

Thank you for continuing to have your say on your vision and priorities for our area. We look forward to continuing the journey together.

Ngā mihi nui

Apulu Reece Autagavaia

Chairperson, Ōtara-Papatoetoe Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Through grants, support community-led events and initiatives that create safe neighbourhoods and promoting active living, sustainable practices.
- Support activities to increase social cohesion, neighbourly connections, better outreach to people from smaller ethnic groups and connect newer settlers to local services.
- Increase youth empowerment through supporting leadership and training programmes as well as prioritising youth engagement.
- Identify and promote 'Play advocacy' for local opportunities in projects that can provide spaces for play in places beyond playgrounds.
- Continue to support and look to increase environmental and sustainability projects to address climate change and environmental challenges through community-led projects and by working with mana whenua.
- Explore options for ways of delivering increased local economic outcomes for small to large businesses.

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$5.7 million	$0	$0	$0	$5.7 million
Planned operating spend to maintain and operate assets and deliver local activities	$21.9 million	$279,000	$1.2 million	$1.2 million	$24.6 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- Increase focus on Māori outcomes, including Māori input in local governance and engagement.
- Securing funding and delivering the Manukau Sports Bowl masterplan.
- Secure funding and deliver the Old Papatoetoe Community hub with Eke Panuku.
- Assess our community leases and assets to ensure they are financially sustainable, and prioritising local needs and the changing demographics.

- Prioritise environmental initiatives to protect and care for our environment and mitigate the effects of climate change.
- Continue to deliver improved sports fields and lighting to ensure our community has access to high quality facilities for formal or informal recreation.

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- Prioritise addressing inequity of funding in the first 3 years of the Long-term Plan so that underfunded local boards have the financial tools to begin to address service provision.
- Advocate to the Governing Body for the reinvestment of the council's capital expenditure and include Ōtara into the 'transform' category to collaborate with Eke Panuku.
- Advocate to the Governing Body and Auckland Transport to retain and increase the Local Board Transport Capital Fund to the pre-COVID-19 level.
- Advocate for equity in funding to address the disparity in asset management with priorities based on the needs of the area.
- Request Auckland Transport to increase investment to prioritise improvements to road conditions, in particular for quicker maintenance and upgrades.
- Advocate to trial free or further-subsidised public transport in our area to encourage uptake in public transport use to minimise the cost of transport, as well as to contribute to meeting our climate goals.
- Advocate for the targeted rate funding from the Climate Action, Natural Environment and Water Quality targeted rates to be prioritised for communities that need them the most.

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Pari ā-Rohe o Papakura

7.3.14 Papakura Local Board

He kōrero mai i te Heamana

Message from the Chair

I am pleased to present to you our key proposed priorities for 2024/2025 and the 10-year Budget 2024-2034. We know you value the community being brought together through free events which we will continue to support including the Anzac day events. This is particularly special to our area given the strong military history in Papakura.

We will continue to support Māori-led initiatives and aspirations with Mātauranga Māori (Māori knowledge), including the Māori Wardens. We also are pleased to partner with mana whenua in the delivery of Te Kete Rukuruku project which is the dual naming and storytelling of our parks and reserves.

We have recently been working on enhancements to the Te Koiwi Reserve pond and are looking at further work that can be done in this area.

Takanini is an important part of our local board area. We are pleased to see the significant growth of both the business and the residential areas. We will continue to support the Takanini Business Association in the establishment of their Business Improvement District (BID).

Papakura has a talented and culturally rich community, and we will continue to showcase this through the community arts programme.

We are concerned at the lack of council staff resource to deliver local economic outcomes currently and we will continue to advocate to the Governing Body to have this addressed. We will also continue to advocate to the Governing Body for the release of the Opaheke encumbrance budget and legacy parking budgets in addition to our capital expenditure budgets. The board also intends to advocate for improved road maintenance.

I strongly encourage you to provide feedback on what is important to you for the 2024/2025 financial year and the 10-year Budget 2024-2034.

Ngā mihi nui

Brent Catchpole

Chairperson, Papakura Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Te Koiwi Reserve pond enhancement
- Support to the Takanini Business Association in their Business Improvement District (BID) establishment
- Community arts programme
- Anzac services in Papakura and Drury
- Support Māori led aspirations

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$3.1 million	$0	$0	$0	$3.1 million
Planned operating spend to maintain and operate assets and deliver local activities	$14.1 million	$67,000	$414,000	$1.2 million	$15.8 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- Local resource to deliver economic outcomes
- Investment into the community sport network including Papakura Tennis and Squash

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- Access to the encumbrance fund and to the legacy parking fund in addition to capital expenditure budgets
- Allocation of maintenance, renewals and operational budget for Bruce Pulman Park as an asset of local, regional and national significance
- Retention and increase of Local Board Capital Transport Fund (LBCTF)
- Further develop AT local (on demand ride-share public transport service) in parts of Papakura Local Board area to increase public transport use
- For growth funding to be provided for new facilities in line with growth and deprivation
- Advocate for improved road maintenance

- Prioritise addressing inequity of funding in the first three years of the long-term plan so that underfunded local boards have the financial tools to address service provision

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Pari ā-Rohe o Puketāpapa

7.3.15 Puketāpapa Local Board

He kōrero mai i te Heamana

Message from the Chair

Over the first year for this term, we have been developing our local board plan that we will aim to set out and achieve. Not only is this our guiding document over the next three years, it also helps us inform what we would like to accomplish over the next ten years. In October, we adopted this plan, formally referred to as the 2023 Puketāpapa Local Board Plan. This plan informs the 10-year budget / long-term plan 2024-2034, which occurs every three years in place of the annual budget. Similar to the annual budget, this 10-year budget will still set the activities, services and investments for not only the upcoming year but for the next 10 years.

It is this consultation that inspires me with taking a forward thinking, strategic approach to the decisions we make as a board now to influence the next ten years. It is our commitment to you that we get this right. Your input guides us in making these decisions and we value the time you take to feed this back to us. Take a look at what we have proposed to verify if this aligns with your views and vision for our community.

For each focus area within our local board plan, we have set out a vision for each outcome. With this consultation being what it is, we can take that vision and dissect it into what we want to achieve in the short term (2024/2025), long term (2024-2034) and what we want to advocate to the Governing Body for. In unison with our local board plan informing us, another key strategic piece of work that will be used is our Integrated Area Plan for parts of Puketāpapa and Albert-Eden Local Boards.

Our environment and people have been a strong theme the community prioritises from previous consultations and feedback. Therefore, for the year ahead, key projects will be to continue investment in our climate change response and our efforts to improve wellbeing and healthy lifestyles. In addition to supporting initiatives that improve active modes of transport opportunities. Longer term, we aim to retain and continue investment in initiatives that will continue to support not only the wellbeing of our people but also their recovery and resilience. We have seen the effects of climate change from the 2023 damaging weather events. Furthermore, with a strong focus in our local board plan on our growing communities and neighbourhoods, we aim to ensure investment and growth in our local facilities and services respond to these changing needs.

Lastly, we are anticipating less funding may be available in future years. We aim to continue our advocacy for investment into our area that will improve and benefit our people, community, places and environment.

Ngā mihi nui

Chairperson, Puketāpapa Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Invest in opportunities to support local community leadership.
- Invest in climate change response initiatives and support volunteer groups working on local environmental restoration / protection and climate action programmes.
- Consider our investment in facilities and services to see if there are opportunities to do better.
- Support initiatives that improve and encourage walking and cycling opportunities.
- Help coordinate and support local business groups.

• Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$2.3 million	$0	$0	$0	$2.3 million
Planned operating spend to maintain and operate assets and deliver local activities	$9.5 million	$166,000	$6,000	$1 million	$10.7 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- support our communities of greatest need and celebrating our cultural diversity
- focus our investment in parks, facilities and programmes on growing neighbourhoods, such as Wesley, Waikōwhai and Three Kings
- work with Kāinga Ora and Fletcher Living to encourage use of the Integrated Area Plan for parts of Puketāpapa and Albert-Eden Local Boards to guide their development, so that the growing neighbourhoods of Roskill, Wesley, Waikōwhai and Three Kings are well planned, built and serviced
- support a range of accessible transport options that are easy to find and use by improving the paths network and investing in cycling safety and repair programmes
- invest in climate change response initiatives
- restore Te Auaunga/Oakley Creek, the Wairaki catchment, and the Manukau Harbour coastline

- determine the future of the building known as the Whare and look into how Monte Cecilia Park can be a more popular destination
- support local business groups, social enterprises and small businesses.

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- repair of flood damaged parks / coastal infrastructure and the development of blue-green networks in our area, which will create greater resilience to flooding
- further naturalisation of Te Auaunga/Oakley Creek and Wairaki catchment and an increase to the urban ngahere (tree cover).
- investment into the restoration of the Manukau Harbour
- continued funding for sport, recreation and events such as the Auckland Cultural Festival and Matariki
- retention of funding for the following: the building known as the Whare (Monte Cecilia Park), development of a new neighbourhood park in Mt Roskill, toilets at Turner Reserve and Three Kings Quarry and a regional review of Auckland’s Aquatic Network Strategy.
- Funding for facilities and open space to respond to housing growth, such as sports changing rooms at the newly developed Three Kings Quarry and an extension to Cameron Pool
- retention of the Local Board’s Transport Capital Fund and restore it to pre-COVID levels.
- safety improvements at the Denbigh Avenue/Dominion Road Roundabout
- improve public transport and footpaths, particularly in growing neighbourhoods.

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Poari ā-Rohe o Rodney

7.3.16 Rodney Local Board

He kōrero mai i te Heamana

Message from the Chairperson

I am pleased to present the local board's priorities for the 2024/2025 financial year, the first year from our newly adopted Rodney Board Plan 2023 and the 10-year Budget 2024-2034.

As we face the ongoing challenges of extreme weather events, we are committed to supporting our communities in building resilience. We propose to assist in the formation of local community emergency leadership groups and the development of emergency action planning that can address these extremes, be it drought or floods.

We understand the importance of our beautiful and unique natural environment to each of you. That's why we are dedicated to continuing our efforts to assist community groups and mana whenua to restore biodiversity and maintain clean waterways. To support this, we will also be advocating for sensitive planning to avoid impacts on the environment and better resourced and enforced environmental compliance. Additionally, we will work with the community to promote waste reduction and create a more sustainable Rodney.

With the growing number of families moving to the area, it is important that we provide adequate programmes and activities for our young people, as well as accessible local playgrounds. Next financial year, we will be focussing on improving and building new playgrounds in Goodall Reserve, Ta Hana Reserve, Rautawhiri Park and Riverhead War Memorial Park.

In line with our commitment in supporting the Helensville and Kumeū Arts Centres to deliver quality programmes, we also aim to extend arts experiences to other parts of Rodney. We believe that fostering creativity and cultural enrichment throughout our community will enhance the quality of life for all residents.

Finally, we know that our roading infrastructure presents many challenges to you. We will therefore continue to advocate to Auckland Transport for increased budget for our rural roads, from improvements to our unsealed roads to better maintenance of our network.

Thank you for your feedback on our proposal for next financial year and the 10-year Budget 2024-2034. Together we can make Rodney a more resilient, pristine, and vibrant place for all.

Ngā mihi

Brent Bailey

Chairperson, Rodney Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Deliver new and/or improved playground and play spaces in Goodall Reserve, Te Hana Reserve, Rautawhiri Park and Riverhead War Memorial Park.
- Support communities to develop local community emergency leadership groups and emergency action planning in response to the findings of the Emergency Response Assessment study being undertaken in 2023/2024.
- Provide additional activities and programmes for children and young people maximising the use of libraries, halls and open spaces, where possible.
- Continue to support our local arts centres in Helensville and Kumeū and look to extend arts experiences to other parts of Rodney.
- Continue to support community groups and mana whenua to keep our waterways clean and healthy and restore biodiversity.
- Support the community to minimise waste, turn it into resources, and promote education on waste reduction.
- Develop and refurbish toilet facilities in Glasgow Park, Dinning Road Esplanade Reserve and Port Albert Recreation Reserve.
- Develop pathway connections in Green Road Park.

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$5.6 million	$0	$0	$0	$5.6 million
Planned operating spend to maintain and operate assets and deliver local activities	$14.5 million	$554,000	$331,000	$1.3 million	$16.7 million

Our key priorities for the 10-year Budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. These priorities sit outside of our decision-making and require advocacy to the Governing Body or another entity:

- Advocate to Auckland Transport for increased funding in the 10-year budget (long-term plan) for rural roads that are resilient including:
    - $124 million for Auckland Transport's Unsealed Roads Improvement Programme to improve unsealed roads through strengthening and other methods, with significant investment in the first two years of the plan to address the backlog. The local board is keen to hear the community's view on this important matter.

  - an increase of funding, ringfenced for maintenance and renewals exclusively, that allows Auckland Transport to renew and maintain at least eight to nine per cent of Auckland's roads in any given year as per Auckland Transport's Asset Management Plan.
- Advocate to the Governing Body for sensitive planning to avoid any impact on our natural landscapes with high biodiversity values, working with the environment to protect and preserve it.
- Advocate to the Governing Body for adequately resourced and effectively enforced environmental compliance to both public and private entities to protect our environment.

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Pari ā-Rohe o Upper Harbour

7.3.17 Upper Harbour Local Board

He kōrero mai i te Heamana

Message from the Chairperson

I am pleased to share with you our proposed priorities for the 2024/2025 financial year which is our first year delivering on the three-year Upper Harbour Local Board Plan 2023. Our plan was developed alongside our communities, and now we want to invest in the initiatives and projects that deliver on the priorities agreed in the plan.

Some of our key priorities for 2024/2025 include continuing to deliver stage 1b of Te Kori Scott Point, implementing actions from the Upper Harbour Ethnic Peoples Plan (which is currently being developed) and implementing actions from the Upper Harbour Wheeled Recreation Service Assessment. Some of our medium-longer term priorities over the next three years include investigating and developing a new public toilet facility at the Whenuapai Town Park and delivering a new multi-purpose library facility in Albany.

Auckland Council is also consulting on its priorities for the 10-year Budget 2024 – 2034 and budgets are expected to remain severely constrained. This is going to result in some uncomfortable conversations and tough decisions. While the local board has increased decision-making over our local assets and services compared to previous years, we still do not have enough money to deliver what we need to for our communities and the likelihood of getting extra money is low.

We are interested in investigating the possibilities of selling land or introducing a targeted rate in order to fund projects that you have told us are a priority such as building a new multi-purpose library facility in Albany. At this stage we have no detailed options on the table however we are committed to ensuring a thorough public consultation process should any options for sale of land or the introduction of a targeted rate be viable to fund the shortfall of building a new multi-purpose library facility.

There are several key matters that do not sit with the local board decision making role however we are committed to advocating on behalf of our communities for these important outcomes as outlined in our local board plan.

Your feedback on our priorities is important to us and we look forward to hearing from you.

Ngā mihi nui

Anna Atkinson

Chairperson, Upper Harbour Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Progress with the detailed business case for a new multi-purpose library facility in Albany.
- Continue to deliver stage 1b of Te Kori Scott Point which includes physical works for 3 sports fields and sport field lighting as well as a second baseball diamond.
- Implement actions from the Upper Harbour Ethnic Peoples Plan.
- Continue to invest in projects that improve the environment and address climate change including planting trees as outlined in the Upper Harbour Urban Ngahere Strategy and continuing to support and fund volunteer environmental work.
- Implement actions from the Upper Harbour Engagement Strategy.
- Implement actions from the Upper Harbour Greenways Plan.
- Implement actions from the Upper Harbour Wheeled Recreation Service Assessment.

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$5.0 million	$0	$0	$0	$5.0 million
Planned operating spend to maintain and operate assets and deliver local activities	$16.3 million	$363,000	$764,000	$931,000	$18.3 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- investigate options to sell land or introduce a targeted rate* to enable investment in building a new multi-purpose library facility in Albany
- investigate and develop a new public toilet facility at the Whenuapai Town Park
- develop and implement a plan for Albany to create a connected community and vibrant destination where people want to live, visit, shop, work and connect
- continue to prioritise support to our local community organisations and volunteers to deliver outcomes that provide a sense of belonging, wellbeing and resilience for residents.

**A targeted rate is a specific fee imposed on ratepayers in a certain area to fund a particular project or service that directly benefits the community*

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- advocate to the Governing Body for fair and equitable funding allocations for Upper Harbour
- advocate to the Governing Body for appropriate funding to enable fit for purpose library service provision in Albany
- advocate for adequate level of renewals funding to ensure existing assets are well maintained
- advocate to the Governing Body for appropriate investment in North Harbour Stadium to be a well utilised multi-purpose facility that meets the needs of the growing North Auckland community
- advocate to the Governing Body for appropriate planning and investment for infrastructure and quality open space in areas impacted by growth and intensification e.g. Whenuapai, Hobsonville Point and Albany.
- advocate to the Governing Body and Auckland Transport for the retention and increase of the Local Board Transport Capital Fund.

What do you think?

1. Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

2. We will prioritise investment in a Detailed Business Case for a new multi-purpose library facility in Albany, however given the financial constraints faced by Auckland Council we would like to explore alternate options to fund any budget shortfalls. We want to hear your views regarding the local board investigating options to sell land or exploring the introduction of a targeted rate to enable investment in building a new multi-purpose library facility in Albany (noting that there will be a robust public consultation process on any sale of land or the introduction of a targeted rate following investigation of viable options). Which of the following options do you support:

   a. Investigate options to sell land
   b. Investigate options to introduce a targeted rate
   c. Investigate options to sell land and introduce a targeted rate
   d. None of the above
   e. I don’t know

3. Do you have any other thoughts or ideas on potential options to fund budget shortfalls associated with building a new multi-purpose library facility in Albany?

Te Pari ā-Rohe o Waiheke

7.3.18 Waiheke Local Board

He kōrero mai i te Heamana

Message from the Chair

The Waiheke Local Board's key proposed priorities for 2024/2025 and the 2024-2034 10-Year Budget are based on the newly adopted and publicly consulted Local Board Plan 2023 which provides the vision and the framework for local board decisions.

Climate change continues to be front of mind and we will be supporting our community in their efforts to becoming more resilient, connected and prepared, and we will be advocating for development of plans that help us understand and to mitigate stormwater effects on the island and how best to protect our coastal assets. The Rangihoua Reserve Onetangi Sports Park Management Plan and the recently adopted Waiheke Local Parks Management Plan will guide future use and management of our valued open spaces.

Community partnerships, including ecological restoration, waterway quality and predator management continue to be priorities. Waiheke's predator eradication programmes have been highly successful to date with significant regeneration of our indigenous biodiversity evident in our birdlife. Successful applications from the community grants and environmental grants programmes lead to delivery of a rich diversity of local projects and events underpinned by community-wide volunteer support, and we will continue to support these initiatives.

Housing availability and affordability are major challenges for residents. We will support community-led housing initiatives that align with the Waiheke Housing Strategy and prioritise advocacy for affordable, community and social housing. A healthy and supportive society is another priority for our community. The local board will advocate on behalf of our Waiheke health and social service providers and encourage collaboration of health resources. We will advocate for increased governance responsibility over council owned facilities and land and work with the council group to progress initiatives.

Your feedback is critical as we set priorities within our allocated funding. Please submit your feedback online during the consultation period of 28 February to 28 March 2024 or come and talk to us at local engagement events. Details of the events will follow.

Ngā mihi nui

Cath Handley

Chairperson, Waiheke Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Delivering core council operational services, such as mowing, track and facility maintenance, and the library
- Programmes which protect, restore, and enhance the island's natural environment, and initiatives that provide opportunities for community connectedness, capability and resilience
- Working with our community and businesses to progress actions within the Waiheke Island Climate Action Plan
- Progressing recommended actions within the Waiheke Local Parks Management Plan and the Rangihoua Reserve and Onetangi Sports Park Reserve Management Plan
- Working with mana whenua and mataawaka to identify and respond to their needs and aspirations
- Capital projects including the Tawaipareira Reserve playground and flying fox, and replacement of the Rakino Hall

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$885,000	-	-	-	$885,000
Planned operating spend to maintain and operate assets and deliver local activities	$5.5 million	$140,000	-	$894,000	$6.5 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- continuing to support local organisations with the development of a community swimming pool and consider consulting on a local targeted rate if required
- future provision of equestrian facilities

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- advocating to central government and the Governing Body to meet key community needs such as transport, housing, environmental and economic

- increased decision-making and Local Board ownership over all council owned and operated assets on Waiheke to facilitate future asset development and enhanced community facilities for the community
- implementation of effective flood control by use of nature-based solutions, proactive stormwater maintenance and necessary capital investment
- working with relevant authorities, partners, and mana whenua to support the implementation of marine protection strategies, and eliminate the exotic Caulerpa from the Hauraki Gulf
- continuation of the AT LB capital fund, and funding for the Waiheke 10-year Transport Plan (via RLTP)
- progressing the Auckland Transport Mātiatia Landside Improvements project
- funding for equitable public transport ferry fares for Waiheke Island resident and our work force
- affordable, reliable ferry services and wharf infrastructure that is fit for purpose and future-proofed
- funding line to facilitate required changes in the Hauraki Gulf Island District Plan for Dark Sky status, helipad consents and housing initiatives, drawn from Auckland Unitary Plan change budget.

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Poari ā-Rohe o Te Ika Whenua o Waitākere

7.3.19 Waitākere Ranges Local Board

He kōrero mai i te Heamana

Message from the Chair

Auckland Council will soon be consulting on its next ten year plan.

This document forms an important part of the consultation material. It is also an important part of our decision making and future planning and feedback on our proposal is sought.

It sets out our priorities and the local activities we intend to provide over the next 12 months.

The last 12 months have been an interesting time.

Climate change has made its presence felt. Near the beginning of this year within a very short period the west experienced two storms on top of each other the severity of which has rarely been experienced.

For some of us the effect has been profound. Westies have seen their homes devastated and their future plans placed under severe strain.

For the rest of us we have looked on and hoped that this never happens to us. Council's efforts to look after those affected are in my view very appropriate.

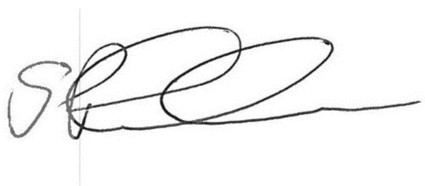
We have great plans for the west. We have a Greenways network to complete and development proposals for Glen Eden to start. We have a vibrant arts sector to help and nourish and a network of community organisations that contribute tremendously to local life that we need to continue to support.

We are also the home of the Waitakere Ranges Heritage Area. This is an area of national significance, an area of majestic natural beauty and of a recovering sub tropical forest. It contains the West Coast, the most magnificent area of natural beauty imaginable.

The Heritage Area rightfully attracts much of our attention. There are Local Area Plans for communities within the Heritage Area that we want to reflect on and work towards the goals that locals set out for their communities.

As part of this consultation we need to hear from you what we should be doing for our part of the west. The last few years have been tough and the next few years pose many challenges. But we live in an exquisitely attractive part of the world which needs to be preserved and enhanced.

Ngā mihi nui



Greg Presland

Chairperson, Waitakere Ranges Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- initiatives to support community resilience and safety
- progress priority actions from the Waitākere Ranges Local Climate Plan (currently under development)
- restoration and enhancement of significant ecological areas on local parks and in buffer zones around the regional park
- provide operating grants for arts and culture programmes delivered by our community arts partners, such as Te Uru.
- support provision of community services, for example, Glen Eden and Titirangi Community Houses
- continue to activate library spaces with programmes, services and events
- invest in our relationship with mana whenua, Te Kawerau ā Maki
- initiatives to support youth/rangatahi
- progress an application for Waitakere Ranges Heritage Area to become a dark sky place

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$1.8 million	$0	$0	$0	$1.8 million
Planned operating spend to maintain and operate assets and deliver local activities	$10.0 million	$1.2 million	$96,000	$807,000	$12.2 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- ensure our parks and assets are well-looked after and cared for, for the benefit of the community, the environment and their social, cultural and heritage value
- refurbish the exterior of the Titirangi War Memorial Hall
- neighbourhood park development in Glen Eden
    - improve the amenity of Koroī | Clayburn Reserve

  - staged implementation of the Te Kakau (formerly Sunvue Reserve) concept design developed in partnership with local rangatahi.
- continue to support a network of community places, such as community centres, houses and halls
- support community-led and council actions from Local Area Plans
- progress a Deed of Acknowledgement with Te Kawerau ā Maki and Ngāti Whātua for the Waitākere Ranges Heritage Area
- progressively develop Waitipu (the former Waitakere Quarry) as a park.
- develop a civic space and laneway in Glen Eden town centre

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

Advocate to the Governing Body:

- for funding to support the recovery of people and communities impacted by the early 2023 storms
- to establish a service level for the Waitakere Ranges Heritage Area (WRHA) in the 10-year budget[1]
- for the Natural Environment Targeted Rate to continue at its previous level (2022-2023) to enable delivery of environmental programmes in the Waitakere Ranges Heritage Area, and elsewhere
- for Marae investment to support Te Kawerau ā Maki on the Kainga Whakahirahira (settlement of significance) project to develop a Marae and Papakainga in Te Henga.
- to partner effectively with government agencies, police, Auckland Transport and community organisations to improve community safety and reduce harm. Road safety, water safety, social deprivation, along with crime and anti-social behaviour are all issues of concern in west Auckland.

Advocate to Auckland Transport:

- to increase road and drain maintenance, along with climate change adaptation for roads that provide a critical lifeline to communities
- to develop a solution to the conflict between traffic and trains at the level rail crossing in Glen Eden to manage congestion in the town centre when train frequency increases
- streetscape and lighting upgrades in Glen Eden town centre
- to trial a bus service to outer coastal areas to give our residents and visitors access to public transport
- to fund a shared path from Glen Eden to Sunnyvale.

[1] A statutory requirement to monitor the funding impact arising from activities to be undertaken to give effect to the Waitakere Ranges Heritage Area Act 2008 needs to be addressed in the council's financial reporting (WRHAA, s34)

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Pari ā-Rohe o Waitematā

7.3.20 Waitematā Local Board

He kōrero mai i te Heamana

Message from the Chair

Thank you for taking the time to read and consider our consultation material relating to our Local Board Agreement for 2024/2025 and the council's 10-year Budget 2024-2034.

One of our key priorities for next year in the Local Board area is the delivery of a new civic space at 254 Ponsonby Road. We want to create a wonderful and vibrant space to enhance opportunities for people to connect. We also intend to begin a phased delivery of improvements for Heard Park in Parnell.

Another key project is the completion of the detailed design of Leys Institute remediation and seismic strengthening.

Community safety and wellbeing is very important to us. We will develop and deliver programmes that will improve perceptions of safety within the city centre and our city fringe town centres.

There are also some priorities that sit outside the local board decision-making and require advocacy to the Governing Body or another entity, for example, advocating for continued measures to ensure water quality improvements to mitigate impacts on our waterways, catchments, beaches, and harbours.

Thank you for having your say on our proposed priorities for our Local Board Agreement for 2024/2025 and the Council's 10-Year Budget 2024-2034. Your thoughts, ideas and feedback will help guide our decision-making so that Waitematā can be the best place to live, work, learn and play.

Ngā mihi nui

Genevieve Sage, Waitematā Local Board Chair

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 Local Board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- Deliver a new civic space at 254 Ponsonby Road
- Complete detailed design of Leys Institute remediation and seismic strengthening, and progress physical works
- Phased delivery of improvements for Heard Park
- Seek opportunities to promote and celebrate heritage places in Waitematā including making digital content and place-based stories more accessible
- Deliver services and programmes that support youth activation, leadership, and wellbeing, particularly in Newmarket
- Support programmes that improve perceptions of safety within the City Centre, and our town-centres
- Support local communities to develop Emergency Planning & Readiness Response Plans.

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$9.2 million	$0	$0	$0	$9.2 million
Planned operating spend to maintain and operate assets and deliver local activities	$24.5 million	$289,000	$9.3 million	$1.2 million	$35.3 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our Local Board Plan, which sets our three-year direction for the Local Board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- Work with the community to investigate future options on improving library services across Waitemata
- Progress the development and implementation of the Omnibus Local Parks Management Plan which includes Dove-Myer Robinson Park, and Victoria Park
- Implement the 2013 Waitematā Greenways Plan and work with Parks and Community Facilities and Auckland Transport to deliver key walking and cycling connections.

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- Advocate to the Governing Body to ensure regional funding of city centre projects and initiatives focussed on improving safety and perceptions of safety
- Advocate to the Governing Body for investigation and implementation for fair funding of regional and sub-regional services, such as for our aquatics network
- Advocate to the Governing Body to progress the next phase of the Waterfront Programme including the design of a new city centre park guided by the Te Ara Tukutuku Plan
- Advocate to the Governing Body for continued measures to ensure water quality improvements to mitigate impacts on our waterways, catchments, beaches, and harbours
- Advocate to the Governing Body for the restoration of Auckland Council's membership of Local Government New Zealand.

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Te Poari ā-Rohe o Whau

7.3.21 Whau Local Board

He kōrero mai i te Heamana

Message from the Chair

Whau Local Board is asking you to give feedback on our priorities for 2024/2025 and Auckland Council's 10-year budget, also known as the Long-term Plan. The outcome of this consultation will inform decisions on long term expenditure and investment across our city, including our local board area.

Auckland Council faces many challenges such as the impact of climate change, repairing storm damage and rebuilding infrastructure, as well the financial difficulties that arose over the past four years. Despite the uncertainties we face, Whau Local Board plans to continue advocating to Auckland Council's Governing Body to ensure that there is adequate investment in infrastructure to cater to our rapidly growing population.

Our key priorities include items from the previous Long-term Plan, notably Te Hono, the Whau Aquatic and Recreation Centre and completion of Te Whau Pathway. Despite our reduced expectations around the aquatic centre, due to the reallocation of some funding to the construction of Te Hono, we will advocate for the funding and planned timeline for construction of the pool to be retained. Another key priority is the development of Crown Lynn Park now that essential drainage and stormwater infrastructure work has been completed.

Among our advocacy items is a request that the Governing Body considers regionwide prioritisation of open space acquisition and provides funding for the purchase of adequate green space at Avondale Racecourse. In the near future, land currently being used for sports fields and open green space in the racecourse may be lost to the development of intensive housing.

Please give us feedback to let us know your thoughts on our priorities and advocacy items.

Ngā mihi nui

Kay M Thomas

Kay Thomas

Chairperson, Whau Local Board

Introduction

Each year we plan the activities and services we will deliver in your local board area, and any key changes to services. These are based on our 2023 local board plan, which sets our three-year direction. We are seeking your input on our proposals for the 2024/2025 financial year and our key priorities for the 10-year budget 2024-2034.

What we propose in your local board area in 2024/2025

- We will work with our partners to build community capacity, from climate/emergency preparedness and community resilience to increased participation and community capability.
- We will encourage and support volunteerism and community participation, especially through environmental and ecological initiatives around the Manukau Harbour and foreshore, the Whau River and its tributaries, and our urban ngahere.
- We will continue to undertake governance-level engagement and collaboration with mana whenua and the other west Auckland local boards.
- We will work with the local BIDs where possible, to support local economy and to realise shared goals around climate action, community connection and belonging.
- We will consider accessibility and inclusion across our services, engagement, and other initiatives.

Key areas of spend 2024/2025	Community Services	Environmental Services	Planning Services	Governance	Total
Planned capital spend to renew and develop assets	$8.1 million	$0	$0	$0	$8.1 million
Planned operating spend to maintain and operate assets and deliver local activities	$15.5 million	$188,000	$1.0 million	$1.2 million	$17.9 million

Our key priorities for the 10-year Budget 2024-2034

In this 10-year budget we have increased decision making over our local assets and services compared to previous years. The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- Delivery of Te Hono, the Avondale Community Centre and Library project.
- Retention of funding and existing timeline for the planned Whau Aquatic and Recreation Centre.
- Park acquisition and development in areas of growth (e.g. Avondale Racecourse, Crown Lynn Park).
- Completion of the Whau sections of Te Whau Pathway through funding partnerships.

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- Improved public transport services, with a focus on accessible services in areas of higher deprivation and employment hubs, including wayfinding infrastructure and other service improvements that support and encourage mode shift.
- Regionwide prioritisation and funding of open space acquisition (e.g. Avondale Racecourse).
- Investment in projects that can adapt to and lessen climate impacts (e.g. Shoreline Adaptation Plans, stormwater infrastructure, etc.).

What do you think?

Tell us your thoughts on the activities and services we propose to deliver in your local board area in 2024/2025 and our key priorities for the 10-year Budget 2024-2034 – have we got it right?

Auckland Council Group capital programme list for 10-year Budget 2024-2034

Programme/Project ($m)	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	2031/32 budget	2032/33 budget	2033/34 budget	10-year total
Auckland Transport	1,437	1,534	1,195	1,349	1,547	1,399	1,282	1,289	1,176	1,201	13,409
Additional investment for the Auckland Housing Programme areas*	114	140	137	160	149	138	63	19	(20)	(34)	866
City Rail Link investment (AC share)	282	123	69	-	-	-	-	-	-	-	474
Transport	**1,833**	**1,797**	**1,401**	**1,509**	**1,695**	**1,537**	**1,345**	**1,308**	**1,156**	**1,167**	**14,749**
Watercare	1,257	1,218	1,385	1,400	1,542	1,648	1,673	1,379	1,169	1,197	13,868
Stormwater	566	239	226	235	245	257	246	265	272	277	2,827
Additional investment for the Auckland Housing Programme areas*	73	87	83	87	86	74	6	8	(9)	(20)	475
Water supply, wastewater and stormwater	1,896	1,544	1,695	1,721	1,873	1,979	1,925	1,652	1,431	1,455	17,169
Parks & community local and regional projects	273	303	332	356	388	429	489	515	519	531	4,135
Additional investment for the Auckland Housing Programme areas*	7	1	(8)	(2)	2	24	85	-	-	-	110
Parks and community	280	304	324	354	390	453	574	515	519	531	4,245
Eke Panuku Development Auckland	100	90	87	80	80	141	80	80	80	80	897
Development Programme Office	60	52	38	33	30	32	25	3	3	3	279
City Centre and Local Development	**160**	**142**	**125**	**113**	**110**	**173**	**105**	**83**	**83**	**83**	**1,177**

Programme/Project ($m)	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	2031/32 budget	2032/33 budget	2033/34 budget	10-year total
Waste Solutions	33	34	26	37	54	19	9	9	12	9	244
Environmental Services	5	0.2	0.2	0.1	0.1	-	-	-	-	-	6
Resilient land and coasts	28	30	27	18	21	20	26	30	31	31	263
Regulatory Services	6	5	4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	19
Environmental Management and Regulation	**73**	**69**	**58**	**56**	**76**	**40**	**35**	**40**	**43**	**41**	**531**
Economic and Cultural Development	**84**	**75**	**65**	**70**	**54**	**46**	**45**	**42**	**41**	**54**	**576**
Council corporate support	108	85	75	134	73	67	72	72	72	73	831
Port of Auckland	44	-	-	-	-	-	-	-	-	-	44
Council Support	**152**	**85**	**75**	**134**	**73**	**67**	**72**	**72**	**72**	**73**	**875**
Total Group	**4,477**	**4,017**	**3,743**	**3,957**	**4,271**	**4,295**	**4,101**	**3,711**	**3,346**	**3,404**	**39,322**

*Note: additional investment in priority housing areas enabled by government funding including the Housing Acceleration Fund.

Transport

Programme/Project ($m)	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	2031/32 budget	2032/33 budget	2033/34 budget	10-year total
Asset Renewals	358	441	536	560	583	606	631	658	682	711	5,766
Rapid Transit Network: Eastern Busway	297	228	137	163	67	70	70	44	-	-	1,074
Priority growth areas	69	132	133	98	71	73	69	71	69	71	856
Network Optimisation	22	61	58	111	118	119	73	76	78	81	798
Road Safety	50	71	73	67	69	66	61	62	64	65	649
Rapid Transit Network: Stations	29	49	66	86	86	111	101	35	22	22	608
Bus Projects	22	43	44	73	118	64	27	116	34	25	567
Customer-Public Transport systems	55	46	45	48	53	53	56	56	56	60	528
Resilience/Adaptation	58	88	63	17	19	22	25	28	31	34	385
Cycleway network	31	54	56	70	62	39	44	41	35	44	477
Community response	33	48	49	66	55	41	40	40	41	42	455
Ferry Projects	61	91	109	100	28	27	-	-	-	-	417
Rapid Transit Network: Rail-City Rail Link	198	86	32	34	28	3	3	-	-	-	385
Local Board priority	22	34	22	22	23	23	24	24	24	25	243
Bus City Centre	24	25	29	57	75	7	-	-	-	-	215
Network projects	15	5	18	42	39	19	10	-	-	-	148
XRail crossings	-	1	2	8	32	31	24	16	17	-	131
Unsealed Road Improvements	6	6	13	13	14	14	14	14	15	15	124
Urban Cycleways Programme	80	18	-	-	-	-	-	-	-	-	98
Parking	6	7	10	11	10	12	9	7	7	7	85
Removal of Regional Fuel Tax (RFT) funded investment*			(300)	(300)							(600)
Auckland Transport	**1,437**	**1,534**	**1,195**	**1,349**	**1,547**	**1,399**	**1,282**	**1,289**	**1,176**	**1,201**	**13,409**
Additional investment for the Auckland Housing Programme areas	**114**	**140**	**137**	**160**	**149**	**138**	**63**	**19**	**(20)**	**(34)**	**866**
City Rail Link	**282**	**123**	**69**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**474**

Programme/Project ($m)	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	2031/32 budget	2032/33 budget	2033/34 budget	10-year total
Transport Total	**1,833**	**1,797**	**1,401**	**1,509**	**1,695**	**1,537**	**1,345**	**1,308**	**1,156**	**1,167**	**14,749**

*The government has announced the cancellation of the regional fuel tax (RFT) which supported investment in specified transport infrastructure and services. It might be that as a result of the government's RFT decision some transport infrastructure or services investments are re-scoped, deferred or stopped.

Water supply, wastewater and stormwater

Programme/Project ($m)	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	2031/32 budget	2032/33 budget	2033/34 budget	10-year total
Wastewater network assets	193	473	377	353	301	386	461	437	390	338	3,709
Western water supply	51	69	201	308	374	304	172	152	143	126	1,900
Water network assets	203	263	323	225	355	514	637	430	322	341	3,613
Waitematā Water Quality Improvement	15	30	143	176	61	34	23	56	85	105	729
Wastewater treatment plant assets	238	154	217	285	384	305	204	70	92	128	2,079
Water collection & treatment assets	111	120	113	43	54	92	161	219	121	144	1,177
Business	56	9	9	9	10	11	14	12	13	13	156
Digital	7	2	2	2	2	2	2	2	2	2	27
Central Interceptor	382	97	-	-	-	-	-	-	-	-	479
Watercare total	**1,257**	**1,218**	**1,385**	**1,400**	**1,542**	**1,648**	**1,673**	**1,379**	**1,169**	**1,197**	**13,868**
Making Space for Water	57	75	85	87	88	89	60	61	62	64	728
Flooding remediation	30	21	14	18	13	13	20	23	27	29	209
Enabling growth	13	14	13	19	20	23	21	24	29	29	206
Major and critical asset renewals	25	38	33	41	39	46	51	53	56	60	441
Environmental improvements	2	2	3	4	2	4	3	5	4	5	33
Catchment and asset planning, safety and modelling	15	16	16	16	16	16	17	17	17	18	164
Stormwater projects (excl. WQTR funded & Category 3 home buyouts)	**143**	**168**	**163**	**185**	**178**	**190**	**172**	**183**	**195**	**205**	**1,781**
Water Quality Targeted Rate (WQTR) (including Eastern Isthmus, Waterview Separation, Point Erin extension, Point	57	52	63	50	67	67	74	82	77	72	661

Programme/Project ($m)	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	2031/32 budget	2032/33 budget	2033/34 budget	10-year total
Chevalier separation, Lower Khyber separation)											
Water Quality Targeted Rate funded projects	**57**	**52**	**63**	**50**	**67**	**67**	**74**	**82**	**77**	**72**	**661**
Category 3 home buyouts	**366**	**19**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**385**
Additional investment for the Auckland Housing Programme areas	**73**	**87**	**83**	**87**	**86**	**74**	**6**	**8**	**(9)**	**(20)**	**475**
Stormwater total	**639**	**326**	**309**	**321**	**331**	**331**	**252**	**272**	**263**	**257**	**3,302**
Water supply, wastewater and stormwater	**1,896**	**1,544**	**1,695**	**1,721**	**1,873**	**1,979**	**1,925**	**1,652**	**1,431**	**1,455**	**17,169**

Parks and Community

Programme/Project ($m)	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	2031/32 budget	2032/33 budget	2033/34 budget	10-year total
Regional											
Renewals - Multi-year including seismic, sustainability and climate	20	16	21	17	21	17	19	16	16	18	181
Renewals - regional parks, wintergardens, Botanic Gardens, cemeteries and crematoria, residential and commercial leases	14	15	14	17	21	20	22	24	31	33	211
Growth - Local Parks and Sportsfield Development	19	26	32	39	40	38	44	82	102	104	526
Land Acquisition - Growth & Cemeteries	34	24	36	35	38	46	71	60	45	37	426
Multi-year - Development including LTP Climate - Urban Ngahere	1	2	2	2	2	3	2	1	1	1	17
Development including regional parks, cemeteries and crematoria, and slip prevention	9	13	17	19	25	23	22	23	23	23	197
Co-Governance - Te Maunga Authority, Te Poari o Kaipatiki, Ngāti Whātua Ōrākei	12	14	16	15	19	19	18	18	18	17	166
Public Art and Culture - renewals and development	2	3	3	2	3	3	3	3	3	3	28
Library - Collection, Technology, Digital & Mobile renewals and development	22	23	23	23	25	25	27	28	29	30	255
Additional investment for the Auckland Housing Programme areas	7	1	(8)	(2)	2	24	85				110

Programme/Project ($m)	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	2031/32 budget	2032/33 budget	2033/34 budget	10-year total
Local											
Renewals including Jubilee Bridge	91	93	105	138	145	153	161	163	152	168	1,369
Development - specific developments and funds including Albany Library, Te Hono Community Centre, Purchas Hill, Lowtherhurst, Ponsonby Park and Te Whau Pathway	30	40	26	7	4	3	5	7	8	9	139
Locally Driven Initiatives (LDI)	12	12	12	12	13	13	13	13	14	14	128
Other local assets	7	7	10	15	17	51	67	62	62	59	357
Fairer Funding for Local Boards	-	15	15	15	15	15	15	15	15	15	135
Parks and Community total	**280**	**304**	**324**	**354**	**390**	**453**	**574**	**515**	**519**	**531**	**4,245**

City Centre and Local Development

Programme/Project ($m)	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	2031/32 budget	2032/33 budget	2033/34 budget	10-year total
Transform and unlock	48	53	53	54	54	47	42	38	39	39	466
Waterfront development	15	14	12	10	10	17	22	26	25	25	175
Other development	7	4	6	6	6	6	6	6	6	6	59
Regeneration	**70**	**70**	**70**	**70**	**70**	**70**	**70**	**70**	**70**	**70**	**700**
Commercial property renewals	7	2	2	3	1	3	3	10	10	10	50
Waterfront renewals	3	8	8	7	9	7	7	-	-	-	50
Property Management	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**100**
Reinstatement of Strategic Development Fund*	**20**	**10**	**7**	**-**	**-**	**61**	**-**	**-**	**-**	**-**	**97**
Eke Panuku Development Auckland	**100**	**90**	**87**	**80**	**80**	**141**	**80**	**80**	**80**	**80**	**897**
City Centre Targeted Rate Programme (including Te Ha Noa Victoria Street)	55	44	34	24	23	28	22	-	-	-	231
Tamaki Transformation Project	5	5	-	2	3	-	-	-	-	-	14
Other (including Growth)	-	4	4	7	4	4	3	3	3	3	34
Development Programme Office	**60**	**52**	**38**	**33**	**30**	**32**	**25**	**3**	**3**	**3**	**279**
City Centre and Local Development	**160**	**142**	**125**	**113**	**110**	**173**	**105**	**83**	**83**	**83**	**1,177**

*Note: The Strategic Development Fund (SDF) is a revolving credit facility that enables Eke Panuku to acquire land or property for development purposes, particularly to aggregate sites in and near centres. Restoration of the SDF is proposed as part of Option A - maintain current investment. The SDF currently has $97 million of the available $100 million invested in property with sales to release proceeds staged overtime. The projected timing and value of future asset sales proceeds are reflected in the SDF line.

Environmental Management and Regulation

Programme/Project ($m)	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	2031/32 budget	2032/33 budget	2033/34 budget	10-year total
Refuse Transfer Station, Resource Recovery Network & Other	25	26	7	19	22	15	5	5	7	5	135
Waste Service & Food scrap Bins	8	8	19	19	33	4	4	5	5	5	109
Waste Solutions	**33**	**34**	**26**	**37**	**54**	**19**	**9**	**9**	**12**	**9**	**244**
Natural environment and climate change response programme	5	0.2	0.2	0.1	0.1	-	-	-	-	-	6
Environmental Services	**5**	**0.2**	**0.2**	**0.1**	**0.1**	**-**	**-**	**-**	**-**	**-**	**6**
Closed landfill and coastal landfill remediation	13	14	12	3	3	3	3	7	7	7	73
Response to natural and coastal hazards	15	16	16	15	18	17	22	23	23	24	190
Resilient land and coasts	**28**	**30**	**27**	**18**	**21**	**20**	**26**	**30**	**31**	**31**	**263**
Regulatory system optimisation	3	5	4	-	-	-	-	-	-	-	12
Depots and animal shelter renewals	2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	4
Regulatory equipment replacements	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	3
Regulatory Services	**6**	**5**	**4**	**0.4**	**0.4**	**0.5**	**0.5**	**0.5**	**0.5**	**0.5**	**19**

Programme/Project ($m)	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	2031/32 budget	2032/33 budget	2033/34 budget	10-year total
Environmental Management and Regulation total	**73**	**69**	**58**	**56**	**76**	**40**	**35**	**40**	**43**	**41**	**531**

Economic and Cultural Development (Delivered by Tātaki Auckland Unlimited)

Programme/Project ($m)	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	2031/32 budget	2032/33 budget	2033/34 budget	10-year total
Adaptation and Resilience	1	1	2	2	1	1	0.1	-	-	-	9
Auckland Town Hall (managed on behalf of council)	2	1	1	1	1	1	1	1	1	1	11
Critical infrastructure	17	19	13	11	12	9	10	10	10	12	123
Venue Renewals	27	20	15	23	12	15	16	18	17	21	186
Zoo masterplan progression	10	19	20	21	16	9	7	4	4	13	122
Event Operations	1	1	1	1	1	1	1	1	1	1	6
Security Infrastructure	5	5	6	3	4	3	3	3	3	2	40
Renewals	**63**	**67**	**58**	**62**	**47**	**40**	**38**	**37**	**36**	**49**	**496**
Auckland Art Gallery Heritage Restoration Project	**11**	**1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**12**
Digital	**4**	**4**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**33**
Strategic Initiatives	**2**	**1**	**0.2**	**0.2**	**1**	**1**	**0.2**	**0.2**	**0.2**	**0.2**	**6**
Collection Storage and Acquisitions	**1**	**1**	**1**	**2**	**2**	**1**	**3**	**1**	**1**	**1**	**15**
TAU +	**2**	**1**	**3**	**3**	**1**	**1**	**1**	**1**	**1**	**0.5**	**14**
Economic and Cultural Development	**84**	**75**	**65**	**70**	**54**	**46**	**45**	**42**	**41**	**54**	**576**

Council Support

Programme/Project ($m)	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	2031/32 budget	2032/33 budget	2033/34 budget	10-year total
Business Change Fund	17	16	15	14	15	15	15	16	16	16	155
Vehicle renewals and decarbonisation	9	7	2	3	6	1	4	5	5	5	47
Corporate property renewals	11	13	12	6	7	7	9	9	9	9	92
WorkSmart programme	9	-	-	-	-	-	-	-	-	-	9
Group Shared Services programme	4	10	3	-	-	-	-	-	-	-	17
Information and communications technology	25	22	23	23	23	23	23	22	21	21	226
Built Heritage Protection Fund	15	4	5	5	6	6	5	4	4	5	59
Other corporate support	18	13	15	13	16	15	16	16	17	17	156
Wharf Investment	-	-	-	70	-	-	-	-	-	-	70
Council corporate support	**108**	**85**	**75**	**134**	**73**	**67**	**72**	**72**	**72**	**73**	**831**
Building, Infrastructure and Utilities Improvements	10	-	-	-	-	-	-	-	-	-	10
Plant Machinery and Software improvements	4	-	-	-	-	-	-	-	-	-	4
Building, Infrastructure and Utilities growth	8	-	-	-	-	-	-	-	-	-	8
New/Converted Plant Machinery and Software	9	-	-	-	-	-	-	-	-	-	9
Building, Infrastructure and Utilities upgrades	11	-	-	-	-	-	-	-	-	-	11
Plant Machinery and Software renewals/replacement	2	-	-	-	-	-	-	-	-	-	2
Port of Auckland total	**44**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**44**
Council support total	**152**	**85**	**75**	**134**	**73**	**67**	**72**	**72**	**72**	**73**	**875**

8.2: Our performance measures framework

The performance measures that are included as part of the LTP are used to monitor and assess the council group's progress against its identified community outcomes, including those set out in the Auckland Plan 2050. The focus of the service performance measures framework proposed for inclusion in this LTP is to have fewer, but higher quality, measures focusing on the performance dimensions of quantity, timeliness and quality.

The aim is to improve performance transparency and accountability across the council group with improved clarity in relation to the performance of the council group's services and activities, and to better enable the public to assess council's delivery against its identified levels of service and community outcomes. In developing our proposed framework, we have applied a set of fundamental principles, and compliance obligations, in considering whether to add new, or retain, remove or modify existing performance measures.

Our approach to setting targets is based on, where appropriate, proposed funding levels, historical data analysis and trends, forecasts and assumptions. Where we are proposing to remove existing performance measures from the LTP, we will continue to monitor and report on these as part of other reporting mechanisms.

The framework includes a consistent group-wide set of performance measures for financial performance, climate mitigation and adaptation, and Māori outcomes. We are still working through the feasibility, measurability, targets and baselines for these measures and will finalise these for adoption in May.

This information was presented to the 6 December 2023 Budget Committee. For more information see Item 12 - Attachment 1 / or click to follow this link here) . For the most up to date performance information, please refer to Section three of the Supporting Information.

North Harbour Stadium precinct

Long Term Plan consultation: supporting information

aucklandunlimited.com

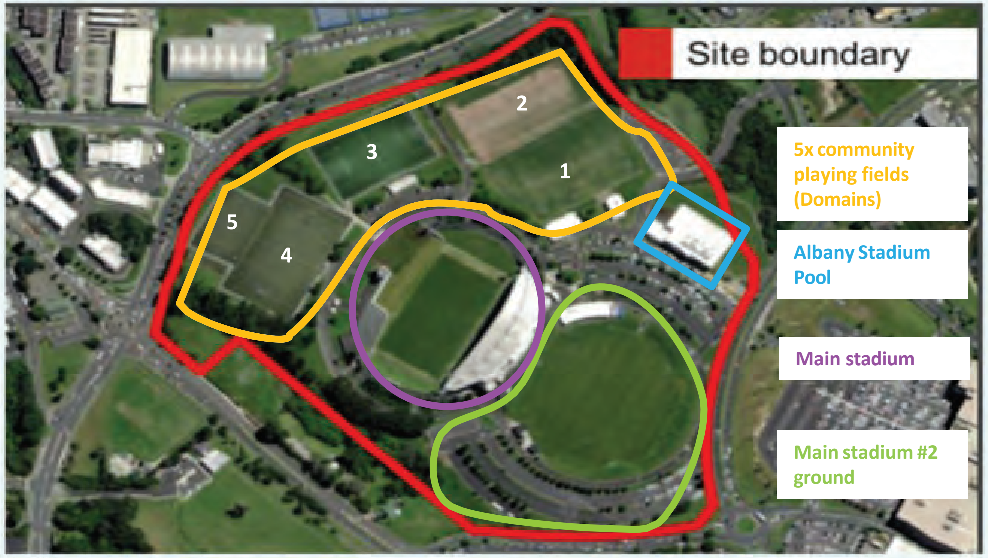
North Harbour Stadium precinct

North Harbour Stadium (NHS) precinct is a 23ha site made up of: 5x community playing fields (domains); the main stadium site which includes the No. 1 field and grandstand plus a smaller seating block with a combined seating capacity of 14,000, and the main stadium #2 ground; the Albany Stadium Pool; several buildings used by Tātaki Auckland Unlimited (TAU) and other tenants for office space; buildings owned by community sports organisations; plus general carparking and other facilities. The overall NHS precinct is owned and operated by TAU.

The main stadium structure was built by the ‘North Shore Domain and North Harbour Stadium Trust’ on land originally owned by North Shore City Council (subsequently transferred in 2010 to former CCO Regional Facilities Auckland - now TAU). The stadium was operated by the Trust from 1997 to 2014, when the Trust requested that the ownership of the stadium and management of the entire precinct be transferred to TAU.

The main stadium was originally designed to support long-term tenants North Harbour Rugby Union. It has also hosted rugby league, football, concerts, and baseball. Function rooms in the grandstand are hired out for one-off meetings and events, as well as for long-term office space.

The Albany Stadium Pool was opened in 2017. There is a ground lease for the pool complex between TAU and Auckland Council until 2046. No changes to the pool are proposed under this consultation.



Areas outlined are indicative only

Auckland’s wider regional outdoor stadium network context

Stadium network capacities

Stadium	Sports capacity	Concerts capacity
Western Springs Stadium	13,000	50,000
North Harbour Stadium	14,000	25,000 – 30,000
Go Media Stadium, Mt Smart	26,000	45,000
Eden Park	50,000	60,000

Financial sustainability

The *2020 Independent Review of Council Controlled Organisations* identified that Auckland has “four under-funded and under-utilised stadiums”.

A network approach is needed to support strategic investment decision making in a tightly constrained financial environment.

A single operator for the network

The *2020 Independent Review of Council Controlled Organisations* also identified that **a single operator approach is important**, to maximise opportunities and operate the outdoor stadiums network efficiently. This approach is endorsed by Auckland Council, and remains a key priority for council and TAU.

Future planning

Consideration needs to be given to Auckland’s future event and stadium requirements, including the questions: what does our changing population and demographics need? What is the impact of climate change?

A Political Working Group formed by council is assessing expressions of interest for a **National Stadium based in Auckland.**

Eden Park is the largest stadium in the Auckland network. While not council owned or operated, it is council funded by way of a $54m loan facility and received grant funding ($9.8m) across three years from 2019. Its long term future will be influenced by the outcomes of the political working group, in the short to medium term it is likely to require further public funding.

Go Media Stadium Mt Smart is home to elite professional sports franchises, concert events and community users and has potential for future development to enhance its high-performance training capabilities.

Western Springs Stadium remains a strategically important stadium asset and its future will focus on increased concert and festival activity.

Why is change being considered at North Harbour Stadium precinct?

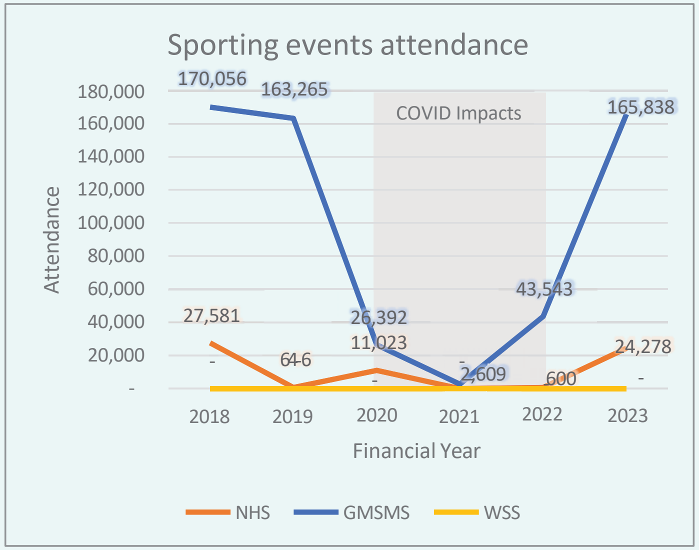
- North Harbour Stadium is the least utilised facility in the Auckland stadium network. Attendance at commercial events and matches at North Harbour Stadium was approximately **10%** of the number of fans who attended similar events at Go Media Stadium Mt Smart in the 12 months to July 2023.
- Sports organisations and concert promoters do not hire North Harbour Stadium for commercial events and matches as in their experience it has been too difficult to attract fans to the venue – in comparison to other venues in the network.
- Retaining and maintaining this largely unused stadium costs ratepayers millions each year. In the 12 months to July 2023:
    - The precinct made a **$2.65m operating loss**, despite activity being boosted by use for the FIFA Women's World Cup 2023 playoff tournament and warm up games.
    - Ratepayers paid a **subsidy of $35.68 for every person** who attended an event, a function or played community sport at North Harbour Stadium.
    - A further **$900,000** was spent on minimal capital renewals at the venue, further increasing the overall cost to the region.

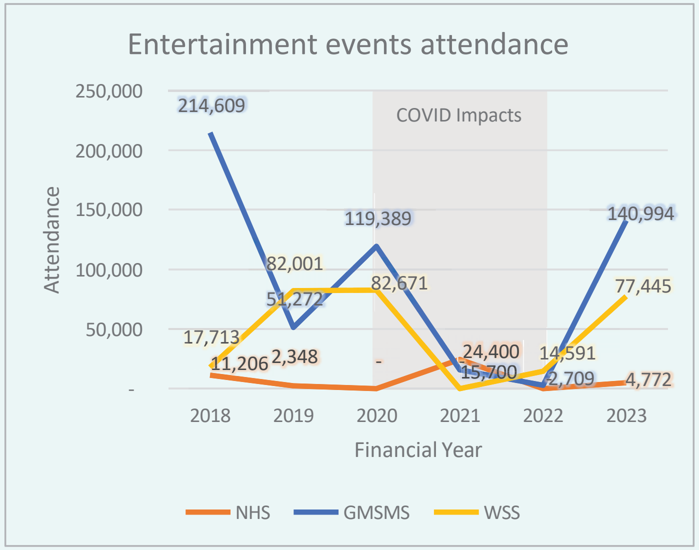
Key operational metrics for North Harbour Stadium and precinct

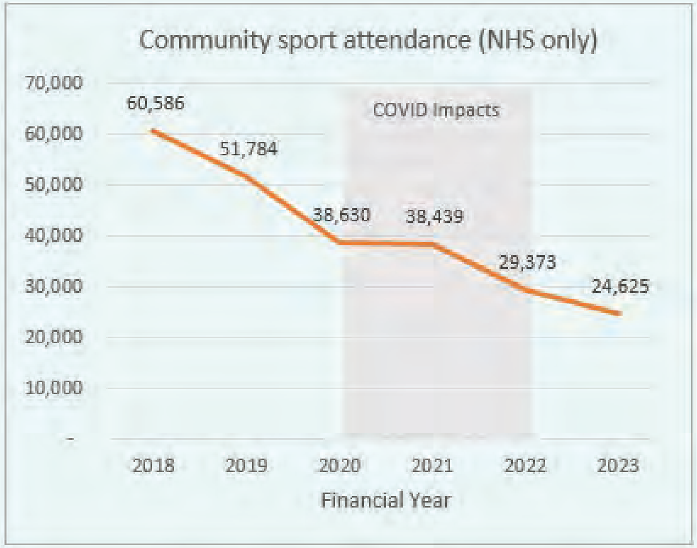
Financial performance

$3.8m	$2.6m	$13.8m	$32.9m
Operating expenditure FY2023	Net operating loss FY2023	Actual capital expenditure 2015-2024	Forecast future capital spend 2025-2034

Utilisation







What does the North Shore need?

- A combination of sporting facilities for indoor and outdoor sports.
- Facilities that are the right size, located in the right places, and that provide cost-effective options for users.
- Facilities that work for the community and offer great fan experiences.
- Facilities connected to transport and pre/post event facilities.
- Facilities with improved financial sustainability.

Why now?

- Auckland Council's Long Term Plan process is underway to decide strategic and spending priorities for the next 10 years.
- Based on stakeholder feedback, supported by utilisation and attendance data, the current North Harbour Stadium does not meet user needs and is not financially viable.
- Council, through ratepayers, is the principal funder of the stadium network in Auckland and is operating in a tightly constrained financial environment.
- North Harbour Stadium does not offer the level of fan experience found across many stadia in Australasia, and is falling further behind as other cities invest strategically to enhance their stadium facilities.
- The North Shore faces an acute shortage of indoor sporting facilities.

Context for decision making

- Engagement with North Harbour Stadium hirers and community sports organisers in Upper Harbour shows that the stadium in its current state is not serving the needs of its community.
- Analysis of sports participation trends shows a decline in outdoor field sports over the past decade, and there is also unmet demand on the North Shore for indoor courts to accommodate growth in sports such as basketball and futsal.
- Forecast population growth on the North Shore, of an average 5.1% p.a. over the next 25 years, will further exacerbate the pressure on indoor facilities.
- Investment changes are needed to rebalance community sport facility provision to better meet current and future demand.

LTP consultation options

North Harbour Stadium precinct

Summary of options

Option

Maintain the status quo and invest $33 million over 10 years in essential renewals of North Harbour Stadium and the wider precinct

Option 2:

Redevelop the stadium precinct (which could include deconstruction of the existing Stadium) to better deliver for the needs of the North Shore community, funded through the reallocation of proposed $33 million of renewal funding for the stadium, the sale of some stadium precinct land – while retaining existing community playing fields, and any other external funding available.

Option 3:

Changing the operational management of North Harbour Stadium to ensure greater use by the community Feedback from some stakeholders has suggested that part of the issue of the utilisation of North Harbour Stadium has been caused by the current operational model, as well as the cost to the community to use various parts of the facilities.

Council resolved to consider whether change to the operational model could ensure greater use by the community.

In the following pages, TAU has outlined possible changes to the operational model of North Harbour Stadium (under detailed information about both Option 1 and Option 2) which it believes could result in greater community use. The outcome of the consultation will assist to determine the optimal operational management to be implemented in the future.

Option

Maintain the status quo and invest $33 million over 10 years in essential renewals of North Harbour Stadium and the wider precinct.

If Option 1 is adopted:

- North Harbour Stadium grandstand, main field, No. 2 ground and the 5x community playing fields (domains) are retained in their current format.
- The main stadium continues to have capacity to host sports events for 14,000 patrons and concert events for 25-30,000 patrons.
- The scale of the main stadium means that the precinct continues to be a part of Auckland's outdoor regional stadium network.
- Event facilities within the grandstand, for meetings and other private events such as dinners and conferences are retained.
- Over the next 10 years, $33 million is needed to be spent on essential renewals required to maintain current service levels across the precinct including the 5x community playing fields (domains), main stadium field and No. 2 ground, as well as the grandstand and other facilities on the site.
- There is risk of ongoing operating losses.

Note that there is no allocation within the $33 million requested for any service level improvements such as improved lighting or seating

Option 2:

Redevelop the stadium precinct to better deliver for the needs of the North Shore community, funded through the reallocation of $33 million of renewal funding for the stadium, the sale of some stadium precinct land - while retaining the existing community playing fields, and any other external funding available

If Option 2 is adopted:

- A range of options will need to be considered to create an appropriately sized community stadium which maintains the flexibility to host larger one-off events. Two options which potentially could be considered include:
    - Redeveloping (which could include deconstruction) the existing grandstand at its current location, maintaining the majority of the existing built infrastructure - but reducing it in size, whilst potentially adding a new community playing field to complement the existing community fields (domains), or
    - A new playing venue with seating constructed on NHS community playing fields (domains) 1 and 2.
- 5x community playing fields (domains) will remain available for use on the precinct (unless it is determined that the new venue is developed on domains 1 and 2).
- The $33 million requested for the North Harbour Stadium precinct in the 2024-2034 Long Term Plan would be repurposed to fund:
    - Redevelopment of the main stadium.
    - Essential renewals of the 5x community playing fields (domains), which are planned from within the current request for $33 million LTP 2024-34 funding.
    - Any residual capital contributing to the development of indoor sporting facilities either in or adjacent to the North Harbour Stadium precinct.
- If the $33 million is insufficient to cover the costs of these new developments, additional funding would need to be secured through the sale of some stadium precinct land and any other external funding sources.
- TAU will work with the local community and stakeholders to establish a proposal for a community stadium facility.

Option 3: Operational management considerations

The outcome of this consultation will assist in determining the optimal operational management to be implemented in the future. The options for changing the operational management of North Harbour Stadium could include:

1. North Harbour Stadium being managed by TAU or through a future single operator model (SOSA), which will maximise opportunities and operate Auckland's regional outdoor stadium network efficiently.
2. Transfer management of the community fields to council community services, while TAU / (SOSA) continues to operate the stadium / community facilities.
3. TAU appoints a community-based operator or trust to manage both the community fields and the stadium / community facilities.

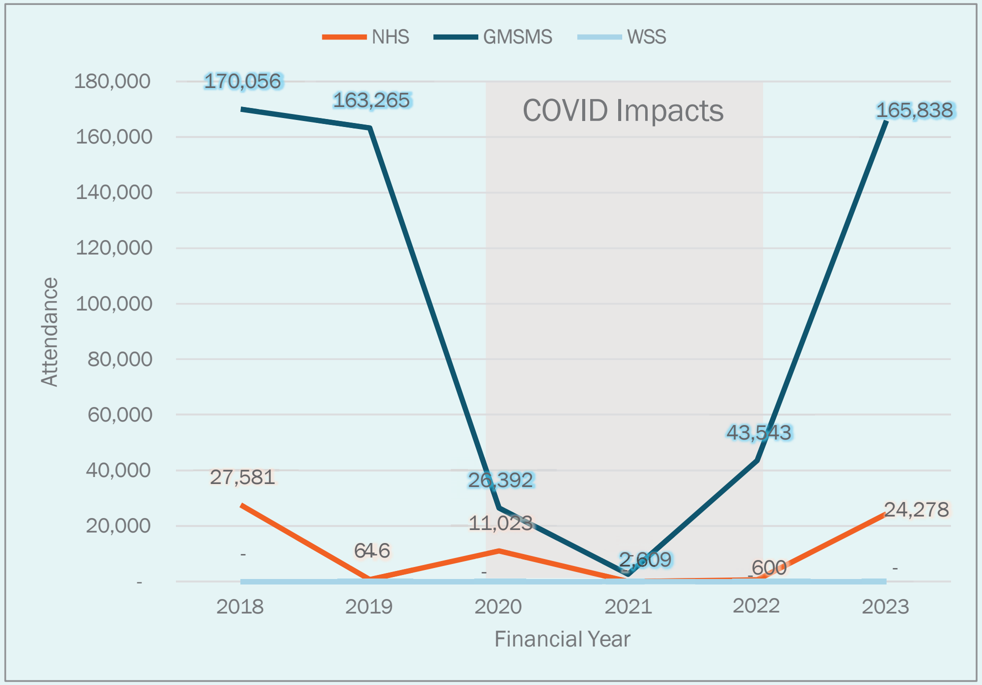
The most suitable model will be chosen to provide the best ability to:

- Improve cost efficiencies.
- Improve community access.
- Improve overall utilisation.
- Reduce the cost to the ratepayer..

Supporting data

Stadium attendance data

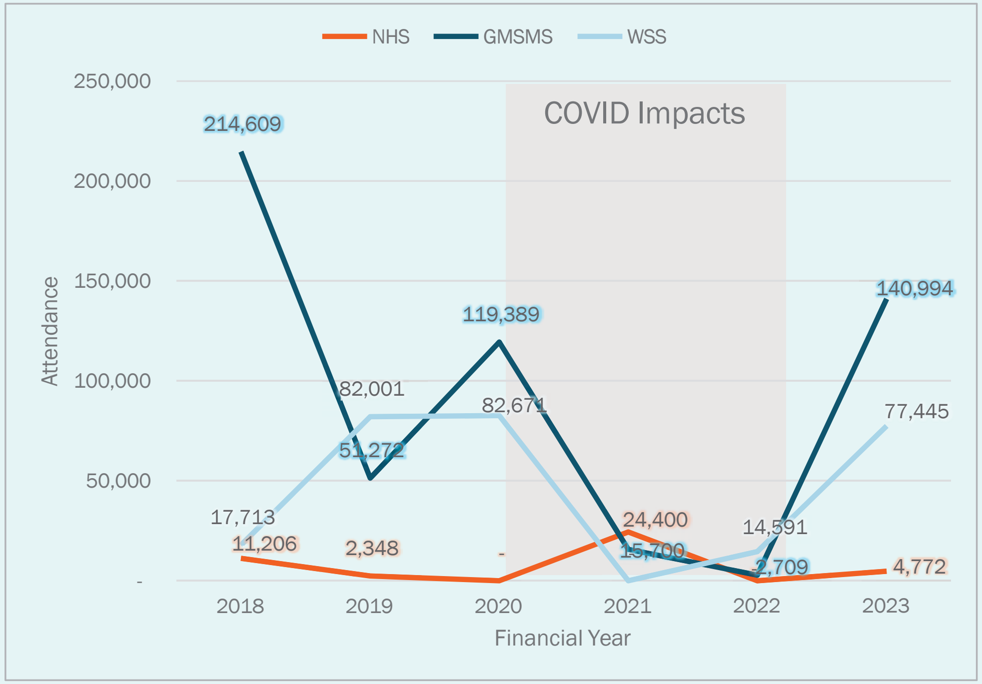
Attendance at **all professional sporting events** played within each stadium (not specific to the main arenas)



NHS commentary: The higher attendance in FY2018 was a result of a sold-out All Blacks game. FY2023 contains a number of one-off events that will not be repeated including a FIFA WWC 2023 play-off tournament and multiple Tuatara games. The Tuatara are in liquidation, so we can expect a further downward trend in future years.

WSS commentary: There are no professional sports teams based at WSS.

Attendance at **all entertainment events** hosted at each stadium (not specific to the main arenas)



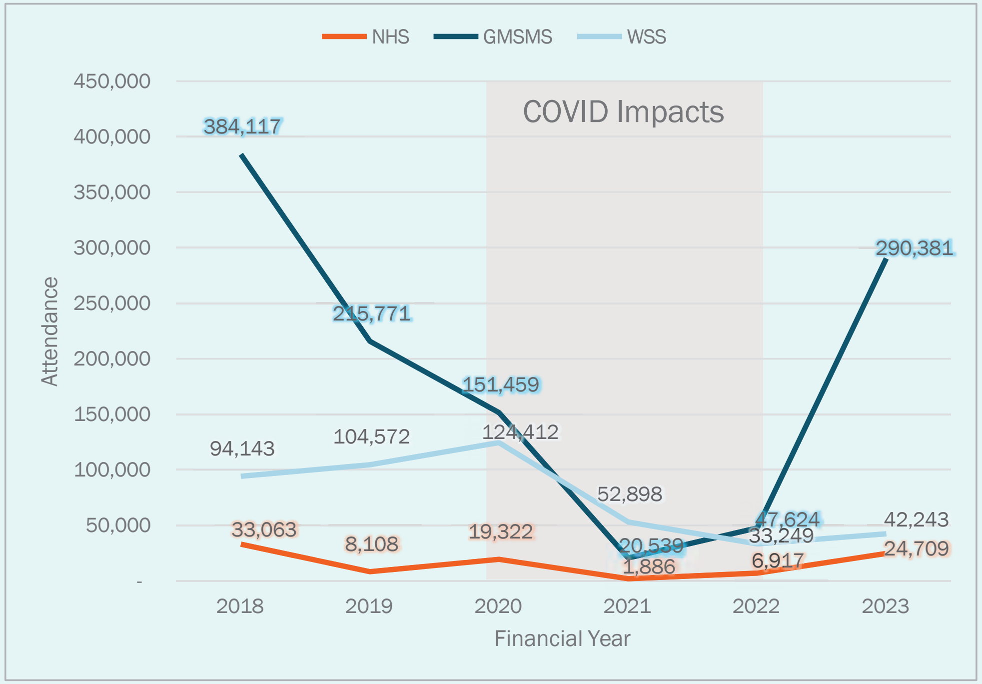
North Harbour Stadium commentary: FY2021 saw a small spike in attendees due to a circus and amusement event held between lockdowns.

Go Media Stadium Mt Smart commentary: Attendance for FY2018 is unusually high due to Ed Sheeran playing three sold-out concerts.

Western Springs Stadium commentary: FY2023 attendance numbers were significantly impacted by extensive flooding in January 2023.

Stadium utilisation data

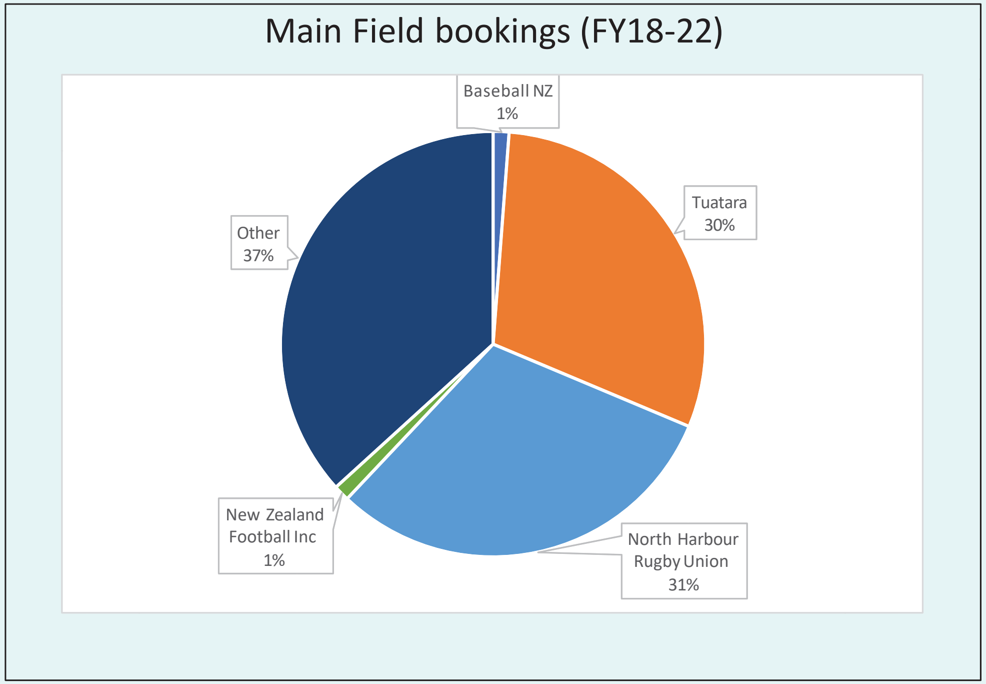
Attendance at **all types of events** held in the main arena of each stadium.



GMSMS commentary: Attendance for FY2018 was unusually high due to Ed Sheeran playing three sold-out concerts.

WSS commentary: FY2023 attendance numbers were significantly impacted by extensive flooding in January 2023.

North Harbour Stadium **main field bookings**



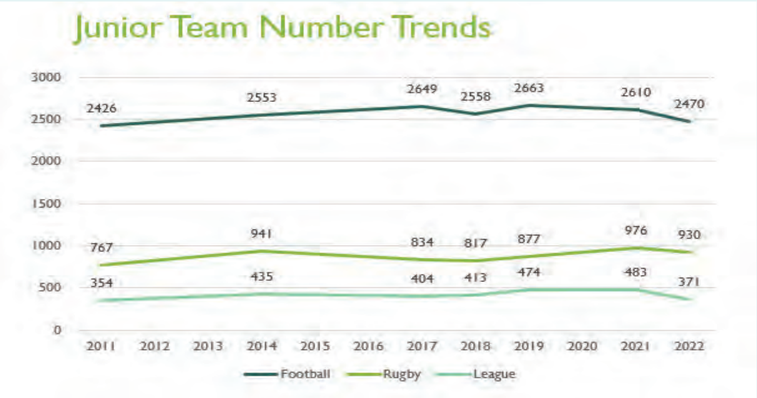
With the Tuatara baseball franchise in liquidation since March 2023, North Harbour Rugby is the last remaining tenant with an ongoing regular booking at North Harbour Stadium. This will result in a further drop in utilisation and revenue from the data shown above.

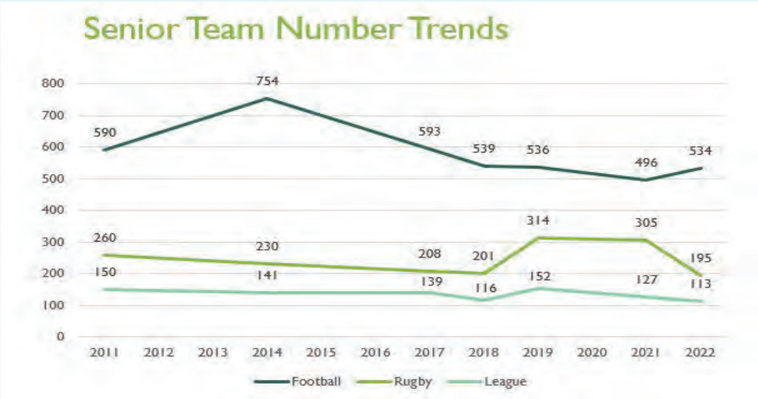
North Harbour Stadium: main stadium hirer booking information

	Last time they played	Attendance at last event	Current enquiry or future booking for NHS
All Blacks	September 2017	27,581	No
All Whites	September 2017	9,230	No
Blues Super Rugby (Covid Crowd Limits)	March 2022	600	No
North Harbour Rugby Union - NPC	September 2023	1,480	5 games expected for 2024 season
NZ Rugby League	October 2004	17,000	No
NZ Warriors – NRL pre-season	February 2014	5,800	No
NZ Warriors – Reserves	April 2023	510	NSW Cup & Junior games
Blues Super Rugby Aupiki	March 2023	1,016	No
Wellington Phoenix – Women's team	February 2023	782	No
Wellington Phoenix – Men's team	April 2018	2,300	No
FIFA	February 2023	3,250	No
Tuatara Baseball	January 2023	1,515	N/A
Moana Pasifika	N/A	N/A	Potential for one game in 2024
Concert / Festival	January 2015	2,500	Juicy Fest – Jan 2024

Community sport participation data

Auckland-wide participation (source: Auckland Council Active Communities)

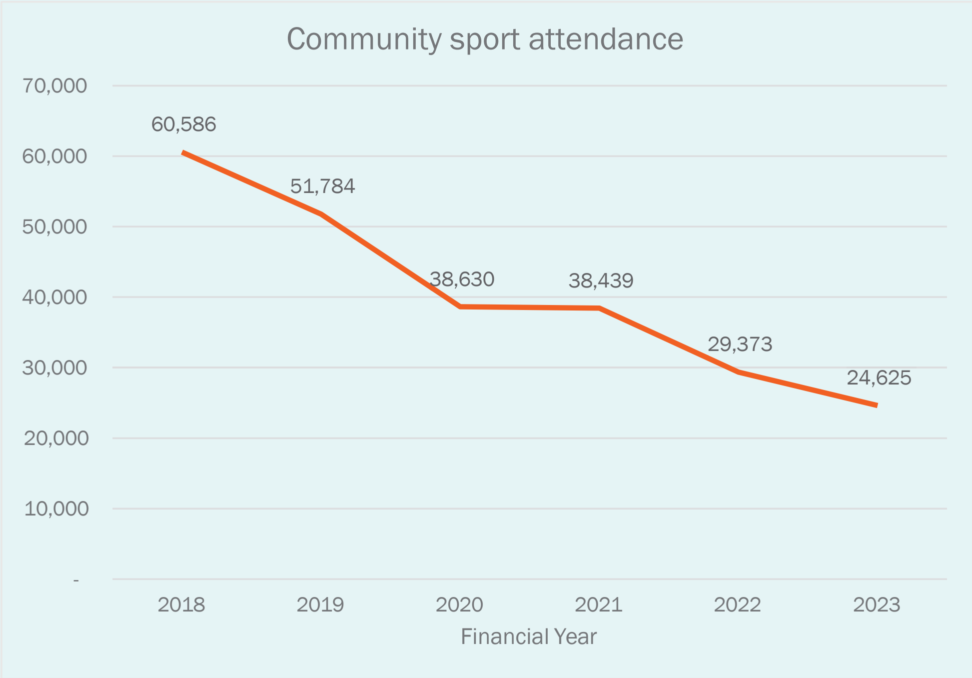




Results reported from 2020 to 2022 were heavily impacted by COVID restrictions.

Community sport at North Harbour Stadium

(Source: Auckland Stadiums attendance data)

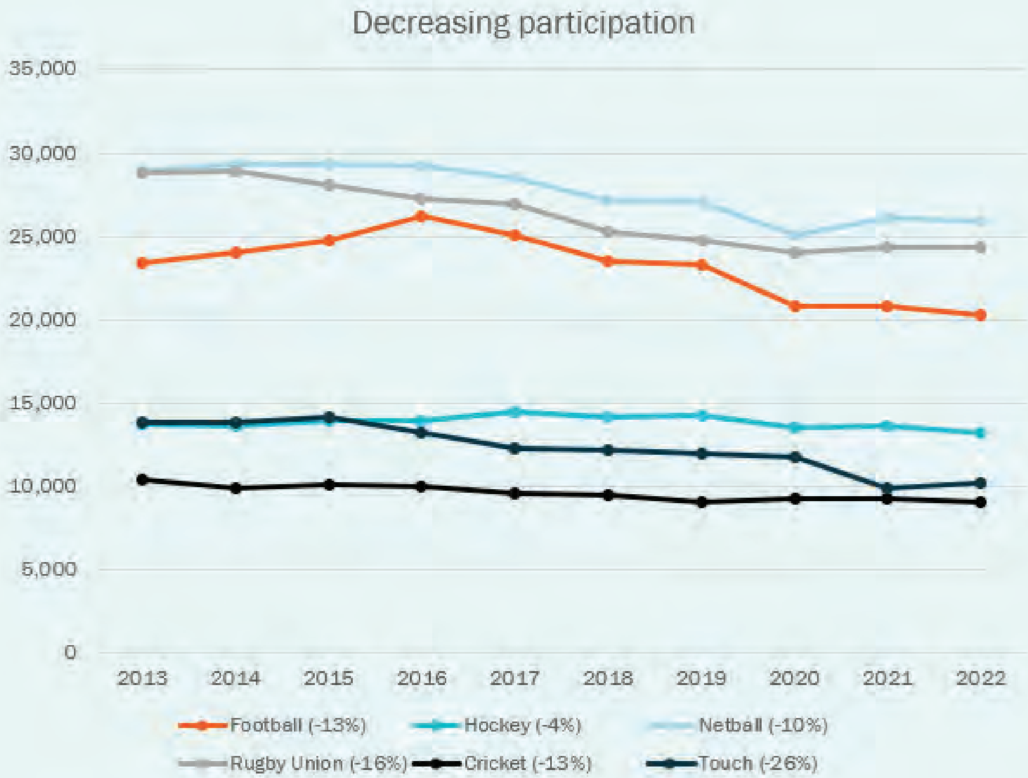


Community sport attendance at North Harbour Stadium has declined over time

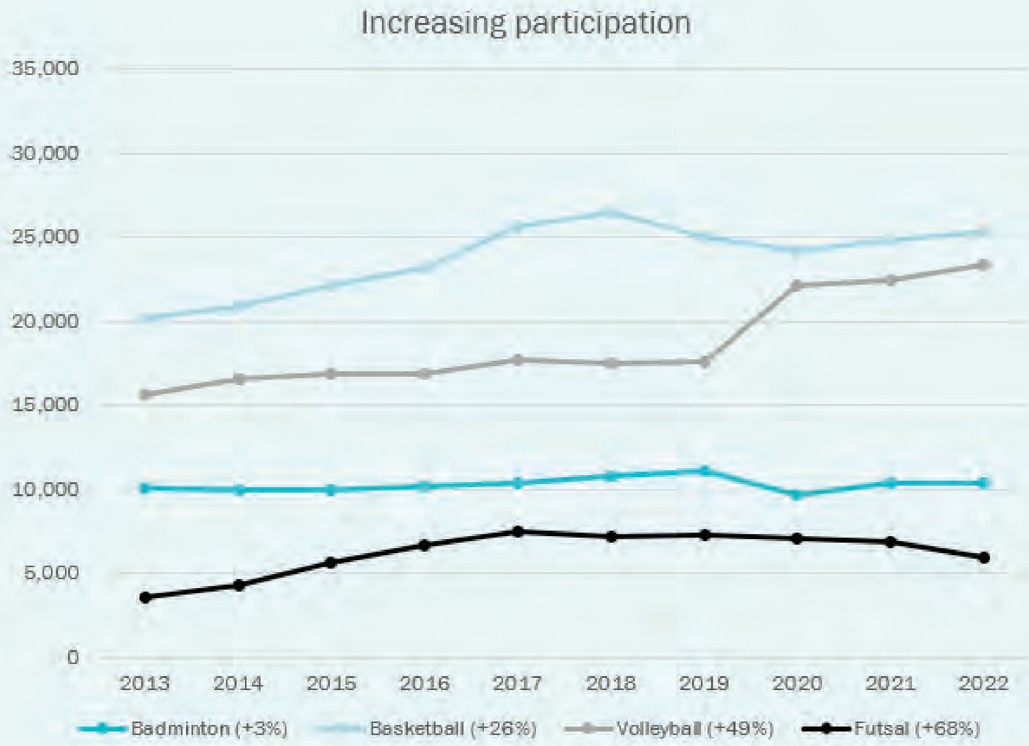
This trend is consistent with the long term (10 year) trend downward in senior participation in rugby, football and league across Auckland

School sport participation data

The below graphs show the results of the most recent School Sport NZ Representation Census 2022. A trend of outdoor sports declining while indoor sports are increasing is evident from the changes in participation rates from 2013 to 2022.



Source: School Sport New Zealand



Source: School Sport New Zealand

Profit and loss statement – North Harbour Stadium financial year 2022/23

North Harbour Stadium	
Operating Revenue	$ 2,328,891
Cost Of Sales	$ 1,170,385
Operating Expenditure	$ 3,802,849*
Net operating loss	**$ 2,644,342**
Subsidy per attendee	**$ 35.68**

excludes depreciation and interest costs

$35.68

Net subsidy by ratepayer per attendee

(Net operating loss divided by total annual attendees including community, commercial, and corporate/private events)

Tātaki Auckland Unlimited – how capital expenditure is planned

TAU uses SPM Assets, a cloud-based software system, to manage its asset register. The register includes assets used across the facilities under TAU's management.

The register includes more than 4000 separate items in North Harbour Stadium alone. For example:

- Fire sprinklers, fire dampers
- Stair handrails
- Sport fields turf
- Posts / Railing / Mesh fencing
- Grease traps, kitchen benches
- Interior finishes such as carpet, vinyl, blinds

The software – a widely used asset register system – uses an algorithm to assess when an asset needs to be renewed. The algorithm considers a set of attributes before allocating the renewal cost of individual assets over a period. TAU's property and business teams then moderate this to agree the asset replacement programme.

- Condition
- Age
- Criticality
- Building importance
- Deterioration function
- Base life range
- Minimum condition grades

Between FY15 and FY24 TAU (formerly RFA) invested **$13.8m** in renewals and capital improvements at North Harbour Stadium (this includes the transferred maintenance reserve fund of $4.9m). If the stadium and surrounding precinct are to be maintained as is, the forecast required capital expenditure for the next 10 years is **$32.9m**.

Capital investment in Auckland Stadiums venues 2015-2024

Financial year	Status	Go Media Stadium Mt Smart	Western Springs Stadium	North Harbour Stadium
2015	Actual	$ 2,603,514	$ 2,696,021	$ 3,777,107
2016	Actual	$ 1,896,652	$ 638,328	$ 1,884,831
2017	Actual	$ 8,200,783	$ 552,395	$ 502,686
2018	Actual	$ 5,289,697	$ 142,155	$ 1,600,174
2019	Actual	$ 6,697,793	$ 24,936	$ 280,501
2020	Actual	$ 9,418,395	$ 22,988	$ 3,841,880*
2021	Actual	$ 3,203,722	$ -281,155	$ 615,440
2022	Actual	$ 6,678,076	$ 12,242	$ 258,253
2023	Actual	$ 9,403,487**	$ 105,134	$ 957,192
2024	Forecast	$ 1,654,478	$ 1,041,294	$ 138,309
Grand Total		**$ 55,046,597**	**$ 4,954,339**	**$ 13,856,373**

** In 2020, $2.5m was invested in reconfiguring the stadium for additional sporting codes.*
*** In 2023, TAU had a contractual obligation to replace the athletics track at Go Media Stadium.*

North Harbour Stadium capital investment FY2014–FY2034

Since 2014, TAU (formerly RFA) has invested $13.8m in renewals and capital improvements at North Harbour Stadium (this includes the transferred maintenance reserve fund of $4.9m). If the stadium and surrounding precinct are to be maintained as is, the forecast capital expenditure for the next 10 years is $32.9m.

Financial year	Status	Capital investment
FY2015	Actual	$3,777,107
FY2016	Actual	$1,884,831
FY2017	Actual	$502,686
FY2018	Actual	$1,600,174
FY2019	Actual	$280,501
FY2020	Actual	$3,841,880
FY2021	Actual	$615,440
FY2022	Actual	$258,253
FY2023	Actual	$957,192
FY2024	Forecast	$138,000*
SPEND TO DATE		**$13,856,064**

*FY2024 capex spend is unnaturally suppressed while options for the stadium's future are being considered

Financial year	Status	Capital investment
FY2025	LTP submission	$7,473,357
FY2026	LTP submission	$4,474,932
FY2027	LTP submission	$3,031,249
FY2028	LTP submission	$4,594,731
FY2029	LTP submission	$2,687,259
FY2030	LTP submission	$3,325,642
FY2031	LTP submission	$363,229
FY2032	LTP submission	$2,496,553
FY2033	LTP submission	$1,670,136
FY2034	LTP submission	$2,878,436
PROPOSED LTP FUNDING		**$32,995,524**

North Harbour Stadium: future capital investment breakdown under Option 1

Proposal	Total
Property Renewals (general renewals as per Asset Register data. Note the full register contains approximately 4,000 individual components)	14,198,607
Floodlight renewal (main stadium)	4,300,000
Field Renovation - North Harbour Stadium domains 1 and 2	2,802,800
Field Renovation - North Harbour Stadium (main stadium #2 ground)	2,156,000
Field Renovation - North Harbour Stadium domains 4 and 5	1,916,304
Seat replacement (lower grandstand in FY25, corporate lounges and open stand in FY28, upper grandstand in FY29)	1,783,000
Field Renovation - North Harbour Stadium (main stadium #1 ground)	1,697,850
Field Renovation - North Harbour Stadium domain 3	1,098,160
Gas boiler – decarbonisation initiative	859,169
Lift controller x3	450,000
Grandstand Safety Barrier	400,000
Building Management System - Lighting / Mechanical	300,000
Sustainability - LEDification	250,000
Utilities - Electrical supply (Events) in public spaces and main switching technology	250,000
Refrigeration	233,633
Patron egress roller door	120,000
Grandstand Roof Stage 2	100,000
Grandstand Roof Lighting Renewal	80,000
TOTAL	**32,995,523**

Community and commercial venue hire costs

Venue hire costs for **non-ticketed events** at North Harbour Stadium are charged using a rate card. These include events using the main field and associated facilities such as changing rooms, and those using function rooms.

- The hire rates for use of the main field and associated facilities such as changing rooms are consistent with rates charged for similar spaces at other Auckland Stadiums venues such as Go Media Stadium Mt Smart. Both commercial and community rates are available, with not-for-profit organisations offered a 25% discount on average.
- Function spaces at North Harbour Stadium are offered at both commercial and community rates, with not-for-profit organisations offered a 23% discount on average.

Examples:

- For a community organisation, the cost to hire facilities at North Harbour Stadium ranges from a community playing field at $49.50 an hour, to the main field, grandstands, and changing rooms at $2310 a day.
- For a community organisation to hire the entirety of the level one function space, which can host up to 1000 people for a cocktail function, the cost is $2800 for a full day (this excludes any additional event costs such as catering and security).

Venue hire rates for all **ticketed** events at North Harbour Stadium are negotiated on a case-by-case basis. The hiring costs charged are dependent on the needs of the event organiser.

Ngā mihi

8.4 Auckland Council Group: Options for Asset Sales

Context

Balance sheet optimisation is an important lever for the council to release capital from poorly performing and/or non-service assets to allow greater investment in more strategically aligned activities without pulling financial levers (mainly debt) further.

Previously council has set budgets from the proceeds of the sale of assets, and there is a $800 million target in the current 2021-2031 Long-term Plan: asset recycling ($480 million), Transform and Unlock ($361 million), and Corporate Property ($47 million).

The purpose of this section is to propose an asset sales target for the Long-Term Plan 2024 – 2034.

Once assets have been identified for potential sale, a robust framework for decision-making needs to be in place to ensure asset recycling targets are achieved in the most efficient and effective way. For this reason, we also set out below an outline of the existing decision-making framework. This framework reflects existing delegations to council officers, and the legal framework on allocation of responsibilities between Governing Body and Local Boards.

This section does not consider strategic options which exist for Ports of Auckland Limited and shares in Auckland International Airport Limited.

Key considerations

Balance Sheet Optimisation

To achieve balance sheet optimisation, council must regularly review its asset portfolio to ensure that assets are disposed in a timely manner if they are not fit-for-purpose to deliver services, not receiving an appropriate return on investment and are underperforming.

Previous budgets have largely focused on new assets. There has been consideration of existing assets but there has not been ongoing consideration of the ownership assets and whether that capital could be redeployed towards higher value uses.

Council currently has an asset optimisation programme through the Long-term Plan 2021-2031.

Progress on achieving the target was reported to the Revenue, Expenditure and Value Committee in November 2023 and six-monthly updates on the asset sales programme will continue to be provided to the committee.

There is an opportunity now to reset the budget parameters and approve a new target for the Long-term Plan 2024-2034.

Developing an asset sales target for 2024 - 2034

It is proposed that council continues to optimise the use of its balance sheet and include an asset sales target in the Long-term Plan 2024- 2034.

To achieve any asset sales target, there are certain conditions that need to be in place to ensure targets are able to be met. These include:

- Principles for Asset Ownership applied to the property portfolio;
- Asset optimisation framework identifying roles and responsibilities including clear decision-making rights;
- Optimised and streamlined property transaction processes
- Adequate resourcing; and
- Portfolio monitoring by the Revenue, Expenditure and Value Committee

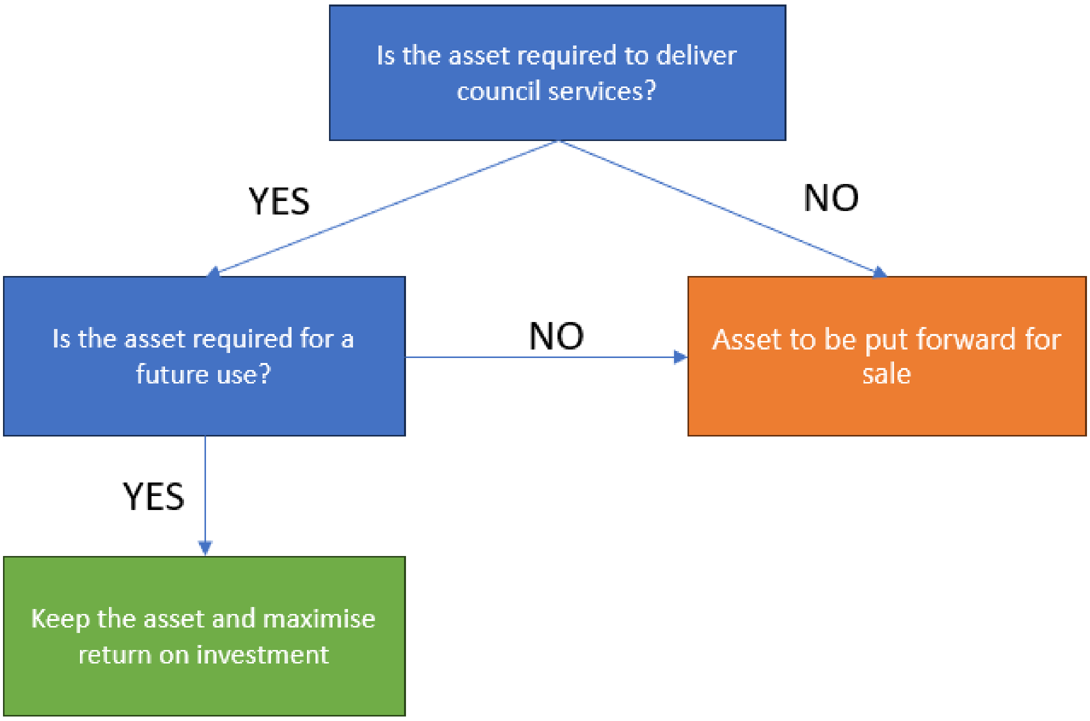
The table below outlines different scenarios for potential asset sales targets. Due to commercial sensitivity, the opportunities below are described in general terms only with the approach guided by the council's Significance and Engagement Policy.

Options	Asset Sales Target 2024-2027	Conditions to be in place to achieve target	Examples of assets to be sold	Risk
Pay more and get more	Under this scenario there is **not an asset sales target**, but balance sheet optimisation principles would still be implemented and adopted.	Decision-making framework agreed and confirmed. Balance Sheet Optimisation principles implemented.	Sale of assets where proceeds will be fully reinvested in new assets that have clear benefits for the community.	**Financial** – maintaining the current asset portfolio will impact the other financial levers (e.g. increased debt, rates and/or fees and charges). **Reputational** – inefficient council that does not deliver value for money.
Central Proposal	$90 million over three years $300 million over ten years	Decision-making framework agreed and confirmed. Balance Sheet Optimisation principles implemented.	• Sale of non-strategic property and residual property from infrastructure projects • Sale of business interests that are not core to delivery of council services	**Commercial –** ensuring that the market is able to ready to purchase increased assets marked for sale.
Pay less and get less	$300 million over three years	All strategic and non-strategic assets assessed for optimisation.	May include items in **central proposal** plus: • Accelerated sale of non- strategic property and residual property from infrastructure projects • Golf courses • Marinas • Sale and leaseback of office and community facilities • Sale or long-term lease of city centre and town centre carparks	**Community Impact** – potential decrease in levels of service **Commercial –** ensuring that the market is able to ready to purchase increased assets marked for sale.

There are potentially positive and negative impacts on the operating position (reduced revenue or reduced cost) which will be considered on an asset-by-asset basis. Council will also consult on all individual proposed asset sales in accordance with its legal obligations.

A high-level framework for making better asset decisions

To be able to achieve any agreed asset sales target, a clear decision-making framework and principles are required to discern whether council needs to retain ownership of assets for the delivery of services and/or future use requirements and enable effective and efficient transactions. Below is a high-level overview of the process that the assets will be assessed against to determine whether they should be sold or optimised:



Asset optimisation framework

A clear framework for decision-making will enable decisions to be taken at the appropriate level to ensure that divestment is not unduly delayed, subsequently resulting in targets not being met.

Balance sheet optimisation requires the assessment of both strategic and non-strategic assets identified above for potential recycling. To assist with efficient decision-making, the framework below identifies the asset classes and the associated decision-maker.

Decision-making Framework for Asset Sales

	Transactional	Local	Regional (Strategic and Non-strategic)
What	• Residual land and property which has been acquired for infrastructure purposes. • Operational (E.g. council offices, fleet vehicles) • Property acquired for and included in Eke Panuku priority location programmes	• As per the allocation table (e.g. libraries, parks, reserves, local street environments, community facilities). • Service properties only (e.g. a building currently used as a library or community centre, an open space that is currently open to the public)	**Strategic assets** as set out in section 3.2 of the Significance and Engagement policy **Non-strategic regional assets** that: • Promote well-being for all Auckland – part of a "network" • Enables prudent financial management of council's assets and finances
How	• Infrastructure assets have been purchased for a particular purpose, and once the project has been completed then the asset will be moved into the programme for asset disposal • Public Works Act considerations	• Advice to Local Boards on how to options to optimise portfolio • Programme to implement	• Programme to achieve agreed asset sales targets
Who	**Officer Delegation**	**Local Board**	**Governing Body**
Examples	• Eastern Busway residual property	• Local parks • Local community facilities • Local arts and culture facilities	• Ports • Non-service Carparks • Marinas
Financial Impact	• Reduction in capital programme cost	• Contribution to funding new assets (reduce debt requirement) • Funding source for new local assets (reduce debt requirement) (without sales some new local assets unlikely to be affordable) • Reduces future operating costs	• Potential debt reduction • Capital to redeploy to higher value assets • Diversified investment fund
Budget	Regional	Local	Regional

- All asset sales includes compliance with all legal obligations applicable to each case (including consultation, where required, and other procedural requirements.
- This table reflects the existing legal framework under section 17 of LGACA and existing officer delegations. The table gives indicative examples of how it may be applied.
- Please reference Appendix B: Decision-making framework – further details for a full list of strategic regional asset.

Impact Investment Assessment and scenarios

Mayor’s Priorities

This aligns with the Mayoral Priority of 1. Stop wasting money.

Local decision-making

The decision-making framework for asset sales sets out the role of the Governing Body and Local Board, in accordance with the relevant legal framework. This includes the budgets that the sale of the assets goes towards and supports the Governance Framework Review, including the ability of local boards to optimise local assets in their own area.

Climate

Assets that emit high emissions or restrict our ability to reach our climate goals will be considered as part of the divestment assessment and may be disposed accordingly. Climate considerations will also form part of the decision-making for each individual proposed disposal.

Change of use of an asset (rather than ownership) can impact emissions. Council has limited control once sold.

Implementation considerations

To enable the optimisation of Auckland Council’s asset portfolio through this long-term plan, the following approach is required:

- An agreedasset sales target
- Utilising a decision-making framework for asset disposal aligned with existing delegations and decision-making allocation table.

The approach also requires:

- Utilisation of the principles for the ownership of property. Once in place, staff will continually review the council balance sheet and identify opportunities to improve the effectiveness of the balance sheet and any assets that could be a part of the potential future investment fund if approved.

This work is also dependant on sufficient resources to support asset sales and enable local boards to optimise their property portfolios.

Appendix

No.	Title
A	Definition of Strategic and non-strategic assets
B	Decision-making framework – further detail

Appendix A: Definition of Strategic and non-strategic assets

Assets that council owns that are defined as strategic assets under section 5 of the LGA. Part 3.2 of the Significance and Engagement Policy identifies these as:

- Shares in Auckland International Airport Limited
- Shares in Port of Auckland Limited
- The council's interest in Housing for Older People managed via Haumaru Housing

The council has also determined the following to be strategic assets given they are critical to deliver services:

- Roading and footpath assets
- The public transport network
- The water supply, wastewater, and stormwater networks
- The network of parks and open spaces
- The community Facilities network
- Cemeteries
- The heritage and general library collections
- The network of stadiums and venues
- Auckland Zoo
- Auckland Art Gallery, including the associated art collection
- Freehold interests in central Auckland waterfront land
- Shares in substantive Council-controlled organisations

Council also owns a portfolio of assets that are considered to be non-strategic as they are not integral to the delivery of core services. These assets may still have high public and political interest and/or significance.

Appendix B: Decision-making framework – further detail

Category	Rationale for Potential Disposal	Examples	Decision-Maker	Notes / Rules	Budget
Regional[1]	Strategic Regional Assets where ownership or control of the asset is no longer needed to provide the long-term provision of services where are critical to achieving or promoting the council's community outcomes, including those identified in the Auckland Plan.	Strategic Regional Assets: As set out in sec 3.2 of the S&E policy: • AIAL shares • POAL shares • Haumaru Housing • Roading and footpath network • Public transport network • Water supply, wastewater, and stormwater network • Parks and open spaces network • Community facilities network • Cemeteries • Heritage and general library collections • Stadiums and venues network • Auckland Zoo • Auckland Art Gallery, including the associated art collection • Freehold interests in Auckland waterfront land • Shares in substantive CCOs	GB decision to go towards Asset Recycling Programme.[2]	Where a decision is made to transfer ownership or control of a strategic asset from Auckland Council, this must be explicitly provided for in the long-term plan (section 97, Local Government Act 2002). Some of council's service delivery assets have strategic significance as an overall network or group – in these cases, it is the group of assets or the network as a whole that is the strategic asset, rather than each individual asset or component of the network. Where an asset is, on its own, integral to the functioning of the network as whole, it may be considered a strategic asset on its own. Where a strategic asset is managed by a CCO, the CCO must comply with the CCO Accountability Policy when making decisions in relation to that asset. Must enable Local Board input.	Regional

[1] Enables prudent financial management of council's assets and finances in accordance with section 101 of the Local Government Act 2002.

[2] Unless water infrastructure (Watercare decision)

Category	Rationale for Potential Disposal	Examples	Decision-Maker	Notes / Rules	Budget
		Non-strategic Assets that fall within GB's remit under s 17 of LGACA (broadly, where a GB decision would better promote the wellbeing of communities across Auckland): (a) some networks of assets meet our definition of "strategic asset", and should be considered under that heading; and (b) for all proposed disposal decisions, the principles in s 17 of LGACA and the Allocation Table will determine whether GB or a LB is the decision-maker	GB decision to go towards Asset Recycling Programme.[3]	Must consider the principles for allocation of decision-making .responsibility in section 17(2) of the LGA.* [4] Must enable Local Board input.	Regional

[3] Unless water infrastructure (Watercare decision)

[4] Decision-making sits with the Governing Body where the nature of the activity is such that decision-making on an Auckland-wide basis will better promote the well-being of the communities across Auckland because:

(i) the impact of the decision will extend beyond a single local board area; or

(ii) effective decision making will require alignment or integration with other decisions that are the responsibility of the governing body; or

(iii) the benefits of a consistent or co-ordinated approach across Auckland will outweigh the benefits of reflecting the diverse needs and preferences of the communities within each local board area.

The Governing Body is responsible, under s 15(1)(d) of the Local Government (Auckland Council) Act 2009, for decision-making in relation to compliance with section 101 of the Local Government Act 2002, which requires the council to manage it revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community.

Category	Rationale for Potential Disposal	Examples	Decision-Maker	Notes / Rules	Budget
Local	An asset that: • Non-strategic - is not necessarily critical for the continued delivery of significant council services • Service – but under-utilised or no longer fit-for-purpose	As per the allocation table (e.g. libraries, parks, reserves, local street environments, community facilities).	Land exchange (TBC either allocation or delegation) *Or* Service Property Optimisation (Delegation)	Where a local asset also provides for regional activities (e.g. stormwater management), Governing Body approval is required for decisions that would impact the ability to deliver those activities. An asset must meet Service Property Optimisation criteria to be considered for sale, with sales proceeds reinvested into a local project that aligns with existing strategic documents.	Local Board
Transactional	An asset that: • has been acquired or held to provide for future use • is surplus to requirement following project completion • does not have a current or identified funded future use (non-service) • has little or no impact on frontline or delivery services.	Property acquired for infrastructure purposes and residual land from those infrastructure projects e.g. Eastern busway Operational – council offices, fleet vehicles etc. Property acquired for and included in Eke Panuku priority location programmes.	Staff decision (Delegation) with monitoring oversight through the Revenue, Expenditure and Value Committee.	Existing general delegation to the Auckland Council Chief Executive from the Governing Body enables this mechanism for disposal. Must enable GB / LB input Note: Where a high level of political interest is identified, or revenue exceeds the CE delegated financial authority, a Governing Body Committee decision will be required.	Regional

8.5 Tātaki Auckland Unlimited expenditure and funding options for destination marketing and major events and economic development

We are proposing to maintain funding for Tātaki Auckland Unlimited's (TAU) $11 million investment in economic development (ED) and $14 million per annum investment in destination marketing and major events (DME) in 2024/2025 onwards. ED expenditure is currently funded from general rates and we propose to continue this funding. In the current financial year (2023/2024) DME is being funded with $9 million of general rates and $5 million from the government's COVID-19 Recovery Regional Events Fund (CRREF) which expires this year. We are seeking additional government investment to replace the loss of the CRREF[1].

ED expenditure includes investment attraction and fostering growth of Auckland's innovation ecosystem. In 2022/2023 ED activity helped in attracting $325 million of investment into the Auckland economy. DME currently includes funding a range of initiatives to attract visitors to Auckland and the delivery of cultural festivals including the Lantern, Diwali, and Pasifika Festivals. In 2022/2023 this contributed around $74 million to regional GDP.

The proposed funding will allow for the delivery of key local events, like the cultural festivals, and support for the full suite of anchor events like the ASB Classic, Auckland Marathon, and Synthony in the Domain. If we are unable to replace the CRREF funding with additional government funding, or only some of the funding sought is provided, investment will focus in the first instance on the key local events with no or limited investment in anchor events.

Ideally legislative change would give us access to funding tools for DME such as bed taxes and share of the tax income generated from increased economic activity that connect funding sources with the direct beneficiaries.

Introduction

TAU invests in ED and DME. This drives prosperity through creating jobs, attracting international and domestic visitors, and building Auckland's brand. Public investment in ED unlocks additional returns to Auckland that would otherwise be lost if left to private investment. However, providing ongoing investment in ED and DME activity requires certainty of future funding.

TAU's expenditure and funding sources for 2023/2024 are set out in the table below.

Funding source	DME	ED
General rates	$7m	$11m

[1] While we are seeking this funding, we haven't yet secured it. Accordingly, there is a degree of uncertainty which we will resolve prior to LTP adoption.

Destination Partner Program (DPP)[2]	$2m	
COVID-19 Recovery Regional Events Fund (CRREF)	$5m	
Total	$14m	$11m

From 2024/2025 there will be a funding gap to current spend of around $5 million as the COVID-19 Recovery Regional Events Fund ends. Prior to COVID-19, investment in DME was around $28 million, funded 50/50 from the Accommodation Provider Targeted Rate and general rates. The 2024/2025 funding gap to pre-COVID-19 levels would be around $19 million inclusive of the loss of the CRREF.

Services funded

DME currently includes funding a range of initiatives to attract visitors to Auckland and the delivery of cultural festivals including the Lantern, Diwali, and Pasifika Festivals. In 2022/2023 delivery of the DME programmes helped contribute to around $74 million in regional GDP from support for events like the Auckland Boat Show, Synthony in the Auckland Domain, Women's Rugby World Cup 2021, and New Zealand: World Rally Championships.

ED encompasses a wide range of activities aimed at facilitating growth of the Auckland economy and the creation of new jobs. Services funded through ED include investment attraction with a focus on screen production activity and facilitating job creation and growth of Auckland's innovation ecosystem through involvement in planning processes and innovations hubs like GridAKL and GridMNK. In 2022/2023 ED activity helped in attracting $325 million of investment into the Auckland economy through feature films, television, construction, and manufacturing.

TAU DME and ED expenditure options

The expenditure proposed for ED in 2024/2025 is the same as the $11 million level funded in 2023/2024. This would deliver similar outcomes to 2023/2024 which included attracting of $100 million investment into the Auckland economy, delivery of Tech Tamaki Makaurau Year 2, delivery of Screen Auckland services, film studio management, economic research and insights.

We considered three expenditure options for TAU's DME investment in 2024/2025 which are set out below:

- Option 1. $9 million investment (existing general rates funding of $7 million and $2 million from the Destination Partnership Programme (DPP)).
- Option 2. $11.5 million investment (existing general rates funding of $7 million, $2.5 million from additional government funding being sought, and $2 million from the DPP.
- Option 3. Maintain the existing level of $14 million investment, maintain existing expenditure levels (existing general rates funding of $7 million, $5 million from additional government funding being sought, and $2 million from the DPP).

[2] The Destination Partnership Programme funds tourism marketing and business event attraction activities in key markets. Businesses can voluntarily contribute, depending on their level of interaction with the visitor economy.

While we are seeking additional government funding in options 2 and 3 above, we haven't yet secured it. Accordingly, there is a degree of uncertainty which we will resolve prior to LTP adoption.

The table below sets out the likely DME programmes that would be delivered in 2024/2025 under each of these options and the forecast impact that this would have on outcomes achieved.

Option	Programmes delivered	Impact on outcomes
1. Lower investment ($9 million investment)	**Destination & Major Events (DME)** Delivery of Auckland focused festivals only (e.g., Lantern, Diwali, Pasifika, Moana Festivals). No funding available to support anchor Auckland events (e.g., Auckland Marathon, ASB Classic, Synthony in the Domain) No funding available to support national sport content or major one-off events (e.g., The Ocean Race).	**Destination and Major Events (DME)** Significant reduction in Auckland major events calendar Reduction in regional GDP (approximately $20 million) and visitor nights Decreased regional destination promotion
2. Moderate decrease in funding ($11.5 million investment)	**Destination & Major Events (DME)** Delivery of Auckland focused festivals (e.g., Lantern, Diwali, Pasifika, Moana Festivals). Limited funding available to support some anchor Auckland events (e.g., Auckland Marathon, ASB Classic, Synthony in the Domain) No funding available to support national sport content or major one-off events (e.g., The Ocean Race).	**Destination and Major Events (DME)** Reduction in Auckland major events calendar Reduction in GDP (approximately $10 million) and visitor nights Decreased regional destination promotion
3. Proposal: Maintain existing investment levels ($14 million investment)	**Destination & Major Events (DME)** Delivery of Auckland focused festivals (e.g., Lantern, Diwali, Pasifika, Moana Festivals). Funding available to support full suite of anchor Auckland events (e.g., Auckland Marathon, ASB Classic, Synthony in the Domain) No funding available to support national sport content or major one-off events (e.g., The Ocean Race).	**Destination and Major Events (DME)** Maintained Auckland major events calendar Maintained GDP and visitor nights Maintained regional destination promotion

Funding to support major sporting and one-off events cannot be accommodated under any of these options. This activity would only be able to proceed through the use of significant new funding sources, such as those discussed in the following section.

TAU DME and ED funding options

This section considers the options for funding DME and ED. The benefits from TAU activity accrue to:

- Businesses – particularly those in the accommodation, tourism and hospitality sectors

- Wider regional economy – increased business activity and resulting employment.

Where possible it would be desirable for funding sources for ED and DME to have a clear alignment and connection to benefits generated from that investment. Ideally we would have access to funding tools such as bed taxes and share of the tax income generated from increased economic activity i.e.: a share of GST and income tax. Accessing these funding sources would require central government agreement and legislative changes. Seeking this agreement and progressing with any necessary legislative changes are a medium-term solution to TAU funding needs. Any additional revenue from the DPP, commercial partnerships and increased user charges will be uncertain and will not replace the revenue reduction in 2024/2025 caused by the COVID-19 Recovery Regional Events Fund ending. To maintain current levels of funding a more immediate solution is still required.

The re-introduction of the APTR would require a fresh consideration of the policy rationale given the changes since pre-COVID-19 TAU's investment levels and economic conditions. There has been insufficient time to undertake the level of analysis required to meet the deadlines for consultation on the 10-year Budget 2024-2034. As the APTR lacks industry support it would likely lead to industry pulling out of the DPP increasing the gap to current funding levels to round $7 million. Additionally, as the APTR is set on capital value it is not as directly related to revenue as our preferred funding sources noted above.

Expanding the APTR to include other tourism related business would have the same issues identified above. However, it also has significant implementation issues with identifying business that specifically benefit from tourism related activity.

As the preferred funding tools noted above are not presently available we considered there were only three reasonably practicable funding sources for funding TAU's investment in ED and DME in the short to medium term. These are:

- continuing to seek ongoing government support (our proposal)
- general rates funding
- increasing the level of the business differential beyond any decision on the Long-term Differential Strategy to fund some or all of the costs of DME and ED (community events would continue to be funded from non-business properties).

Options for how these funding tools could be used are set out below.

Option 1 – our proposal

Seeking additional government investment to fill the funding gap left by the ending of the Government's COVID-19 Recovery Regional Events Fund allows the council to maintain investment levels without placing further demand on general ratepayers. While a temporary measure, it provides time to secure further government funding for activities from which they directly benefit through GST and income tax and to secure legislative change to allow for more appropriate funding mechanisms. If further government support or alternative funding options do not eventuate, then the impacts will be similar to the lower investment DME expenditure option (option 1) discussed above for 2024/2025 and onwards.

Option 2

Under this option, general rates will continue to be the primary source of funding ED and DME. However, while the entire region benefits from these investments the immediate direct beneficiaries are businesses and the government. Filling any immediate shortfall in DME funding from general rates would place 69 per cent of the burden of these activities on non-business ratepayers.

Option 3

Increasing the business differential to fund the costs of ED and DME will have different impacts on the level of business differential and the impact on business ratepayers depending on the expenditure option chosen. The base starting position will be that the business differential is approximately 31 per cent plus an amount added to the reflect the TAU expenditure levels.

Under this approach community events (around $3 million) would continue to be funded from non-business properties while the balance of TAU funding need would be met from business ratepayers. The exact increase in the differential for business properties will depend on the overall general rates increase for 2024/2025 and the TAU expenditure option chosen.

The following analysis shows the impact on the business differential under existing general rates levels combined with the TAU expenditure options for ED and DME discussed above:

- Option 1. ($9 million DME and $11 million ED) business differential increases to around 31.37 per cent and business rates increase by around 1.3 per cent
- Option 2. ($11.5 million DME and $11 million ED) business differential increases to around 31.44 per cent and business rates increase by around 1.6 per cent
- Option 3. ($14 million DME and $11 million ED) business differential increases to around 31.51 per cent and business rates increase by around 1.8 per cent

Each option could free up an amount of up to about $9.4 million of general rates funded from non-business ratepayers. This would ultimately mitigate any rates increase for non-business properties in 2024/2025 and support higher levels of activity for which non-business ratepayers would be the direct beneficiaries.

The actual level of the business differential will depend on the level of expenditure decided on for these activities and the decision on the total level of general rates for all other activities this year and in future years.

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