Te Mahere ā-Tau 2025/2026

ANNUAL PLAN 2025/2026

Volume 1: Our plan and financial overview

Mihi

Nau mai e te Tai Whakarunga e te Tai Whakararo
Nau mai e te Tai Tūpuna o Rēhua,
o Te Moananui-o-Toi.
Nau mai ki Tāmaki i whakawhenuatia rā,
i ngā waitapu e rua nei arā ko te
Waitematā ko te Mānukanuka.
Koia i maea ake i te kōpū o Papatūānuku
e takoto mai nei,
kia tangihia tonuhia e Ranginui e tū iho nei.

He tātai whetū ki te rangi tū tonu
He tātai tāngata ki te whenua, ngaro noa.
E te iwi raro rā, whakarongo ake ki
te tangi a te iwi e tū nei
Hoki wairua mai, haere. Hoki ki te kainga
tuturū kia au ai te moe.

Āpiti hono tātai hono,
I te ao wairua, I te ao kikokiko nei hoki

Piki mai te mana, kake mai te mana
Tau tonu rā ki te tahuna nui ki te tahuna roa o Tāmaki
kia mihia nuitia e ngā pou me ngā whare wharau
O te Kaunihera o Tāmakau Makaurau
E Whakatau nei I a koutou ē....!

Welcome, o tides from the north and south.
Welcome, ancestral seas of Rēhua and of Toi.
Welcome to Tāmaki – the land conferred by sacred
right, born of the two sacred harbours: Waitematā
and Mānukanuka-a-Hoturoa.
You who emerged from the womb of Papatūānuku,
lying here still, lamented continually
by Ranginui above.

A genealogy of stars in the heavens endures,
while the line of humanity on earth fades away.
To those who have passed –
listen to the cry of those who stand here now.
Return in spirit, and go peacefully.
Return to the eternal homeland, and rest.

That which is bound remains joined, an unbroken line
– in the realm of spirit and the realm of the living.

To the esteemed; ascend, climb and rise –
to the broad and far-reaching shores of Tāmaki.
That you may be received and acknowledged
by the pou and the gathering places,
by the people and the Council of Tāmaki Makaurau
who welcome you all.

He kōrero mō tēnei tuhinga

About this document

This is Te Kaunihera o Tāmaki Makaurau / Auckland Council's plan for what we will spend money on and the services we will provide during the 2025/2026 financial year, the second year of the Long-term Plan 2024-2034. It was informed by public consultation that ran from 28 February to the end of March 2025.

This included online feedback opportunities and in-person events across the Auckland region. We received more than 13,000 pieces of feedback from a wide range of ages and ethnic groups. This plan was adopted by the council's Governing Body on 26 June 2025.

Annual Plan 2025/2026 Volumes

1

Our annual plan for 2025/2026

Volume 1 includes our plan for the 2025/2026 financial year including the financial overview for the Auckland Council Group, key changes to rates and other fees and projects we aim to deliver for the year. This volume also includes The Tūpuna Maunga o Tāmaki Makaurau Authority operational plan.

2

Local board information and agreements

Volume 2 includes information about each of the 21 local boards and their planned expenditure for the 2025/2026 financial year.

Rārangi kōrero

Contents

He kupu nā te koromatua

Message from the mayor

Unlike so many previous annual plans, this one reflects financial sustainability, sticking closely to the commitments we made in the Long-term Plan 2024-2034 (LTP).

As I've said many times before, the LTP is like a contract with Aucklanders. This means we hold up our end of the agreement by:

- keeping rates increases for the average value residential property of 5.8 per cent
- retaining a significant level of investment across all major investment areas like water, transport and the environment
- committing to an additional $47 million of operating expenditure savings (bringing the total savings for 2025/2026 to $86 million).

This will be the first annual plan since our decision to reform council-controlled organisations (CCOs) by bringing in house the functions of Eke Panuku and economic development from Tātaki Auckland Unlimited.

From the 1 July 2025, we will have a new integrated organisational structure in place. Watercare will be separated from our balance sheet, and we will be closer to legislation change that will allow us to reimagine transport governance and delivery in Auckland.

This is a huge amount of change within 12 months and is a sign of a maturing relationship between Auckland and central government.

One of the key issues we consulted on was the concept of a bed night visitor levy to fund major events and destination marketing. While government hasn't yet agreed to legislation change that would provide us this option, we will continue to advocate for it. Aucklanders overwhelmingly support it.

In the meantime, we will use an additional $2.5 million from the City Centre Targeted Rate to contribute to funding this tourism related activity, along with a contribution of $500,000 from my mayoral office budget due to underspend from the 2024/2025 financial year. Importantly, we will keep working with the industry to ensure we're promoting Auckland and delivering events that provide vibrancy to our city.

We are on the right trajectory to deliver good outcomes for Auckland while working within our budget parameters – delivering services better, faster and cheaper.

Wayne Brown
Mayor of Auckland

Ngā tāngata o te Kāhui Hautū

Governing Body members

Auckland's 20 councillors, who represent 13 wards, along with the mayor make up the Governing Body.

Wayne Brown
Mayor

Desley Simpson JP
Deputy Mayor | Ōrākei

John Watson
Albany

Wayne Walker
Albany

Julie Fairey
Albert-Eden-Puketāpapa

Hon Christine Fletcher QSO
Albert-Eden-Puketāpapa

Andy Baker
Franklin Ward

Sharon Stewart QSM
Howick

Maurice Williamson
Howick

Lotu Fuli
Manukau

Alf Filipaina MNZM
Manukau

Angela Dalton
Manurewa-Papakura

Daniel Newman JP
Manurewa-Papakura

Josephine Bartley
Maungakiekie-Tāmaki

Chris Darby
North Shore

Richard Hills
North Shore

Greg Sayers
Rodney

Shane Henderson
Waitākere

Ken Turner
Waitākere

Mike Lee
Waitematā and Gulf

Kerrin Leoni
Whau

1

Tirohanga whānui

Overview

Tā mātou mahere

1.1 Our plan

Our annual plan for 2025/2026 focuses on getting on with delivering year two of our Long-term Plan 2024-2034 (LTP). It is about strengthening Auckland's physical and financial resilience by making the most of what we have and targeting investment in areas where it is needed most, or will have the highest impact.

Our plan includes prioritising investment in transport, water and enabling local boards to better respond to the needs of their communities.

We do this in a way that continues to recognise cost of living concerns for Aucklanders, while providing for our communities of greatest need.

Our vision

We are creating an Auckland that is beautiful, thriving and safe for all Aucklanders.

This includes:

A stunning natural environment – harbours, beaches, forests, maunga, islands, urban trees – that can be accessed and enjoyed by Aucklanders across the region.

A thriving economy that supports growth and opportunities for all.

A transport system and development pattern that enables us to live in decent houses in nice communities and move around the region easily, affordably and in a way that meets our climate commitments.

Decent and affordable public services, amenities, and infrastructure.

A diverse and dynamic city, which honours the place of Māori and includes a rich array of cultural and sporting events, museums, galleries and built heritage.

Our annual plan supports this vision by:

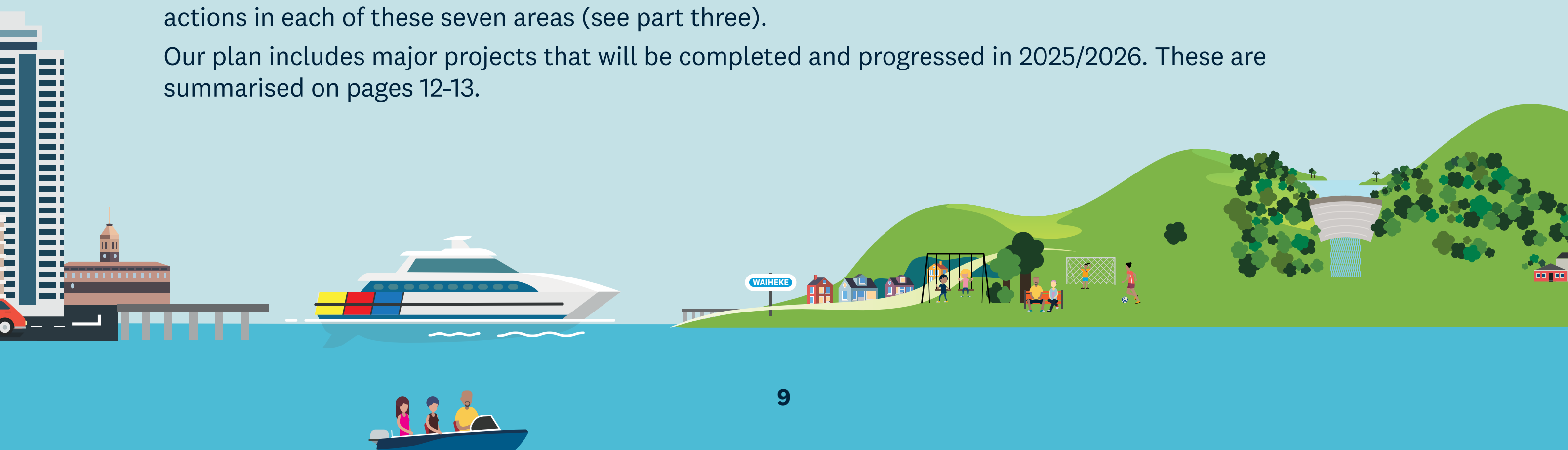
- Delivering key programmes across seven areas of investment: transport, water, built environment, natural environment, community, economic and cultural development and well-managed local government.
- Delivering $4.3 billion of capital investment for the 2025/2026 financial year: investing in assets such as roads, pipes and transport infrastructure to provide further services to Aucklanders and build a more resilient region.
- Beginning to address the funding imbalances between the 21 local boards that have been in place since Auckland Council was established in 2010. This enables local boards to better respond to the needs of their communities.
- Setting an overall rates increase of 5.8 per cent for the average value residential property for 2025/2026, or around $223 a year ($4.29 a week). This is in line with what we said in the LTP.

This annual plan delivers the second year of our LTP.

Ultimately this is about the council delivering an outcome-focussed approach to investment, to deliver on our priorities for Aucklanders.

There are seven areas of council activities, or investment, that contribute to the collective vision for Auckland. This plan continues the work in the first year of the LTP to address the challenges and deliver actions in each of these seven areas (see part three).

Our plan includes major projects that will be completed and progressed in 2025/2026. These are summarised on pages 12-13.



Te tirohanga whānui ki te tahua pūtea

1.2 Budget overview

Auckland Council Group invests in seven key areas to support the region's long-term goals, which are set out in the Auckland Plan 2050. These investment areas reflect the services and activities the group is responsible for. We have specific goals for each investment area that guide our strategic priorities, including our kaitiakitanga role. These help us decide how to use our resources to meet the needs of Aucklanders.

Part three outlines what we plan to deliver for Aucklanders in the 2025/2026 financial year.

Our seven investment areas	Operational expenditure*	Capital investment
Transport We are delivering a dependable, efficient and safe transport system for all Aucklanders.	1,705 ($m)	1,684 ($m)
Water We are providing safe, reliable and resilient water services for all Aucklanders.	846 ($m)	1,254 ($m)
Built environment We are planning, enabling and supporting quality growth and development for all Aucklanders.	90 ($m)	118 ($m)
Natural environment We are restoring and enhancing our natural environment for all Aucklanders.	721 ($m)	67 ($m)
Community We are connecting Aucklanders to experiences, facilities and affordable services that help build stronger communities.	865 ($m)	385 ($m)
Economic and cultural development We are growing a thriving economy and celebrating our vibrant cultures.	214 ($m)	74 ($m)
Well-managed local government We are delivering value for money and a well-run organisation serving all Aucklanders	692 ($m)	692 ($m)
TOTAL	**$ 5,133m**	**$4,274m**

*Operating expenditure figures exclude depreciation and amortisation expense.

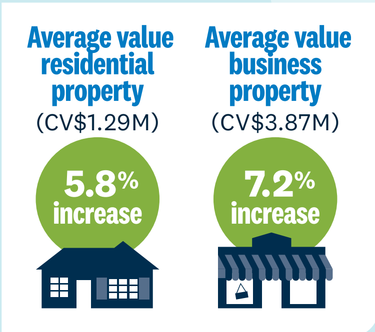
Te utu i tēnei mahere

Paying for this plan

Our plan uses a wide range of funding and financing sources. While rates is the most well-known source of funding, this only makes up less than half of our total revenue. The council also funds its activities with fees and user charges (such as water use charges, or public transport fares), grants and subsidies from central government and development contributions.

The council also prudently borrows in order to spread the cost of long-lasting infrastructure over the lives of these assets. This ensures that the ratepayers of today are not overly burdened for expenditure that will continue to benefit the city long into the future. The council ensures its borrowing levels remains within prudent and sustainable limits and maintains a high credit rating (S&P: AA, Moody's: Aa2).

The plan includes $4.3 billion of capital investment supported by $1.7 billion of additional borrowings. In total, the council's net borrowings are planned to be only 19 per cent of the council's total assets.



Rates

The annual plan includes an overall rates increase of 5.8 per cent for the average value residential property for 2025/2026, or around $223 a year ($4.29 a week).

This is in line with what we said for the second year of the LTP, and allows the council to continue its significant levels of capital investment, improve service levels and implement fairer funding for local boards.

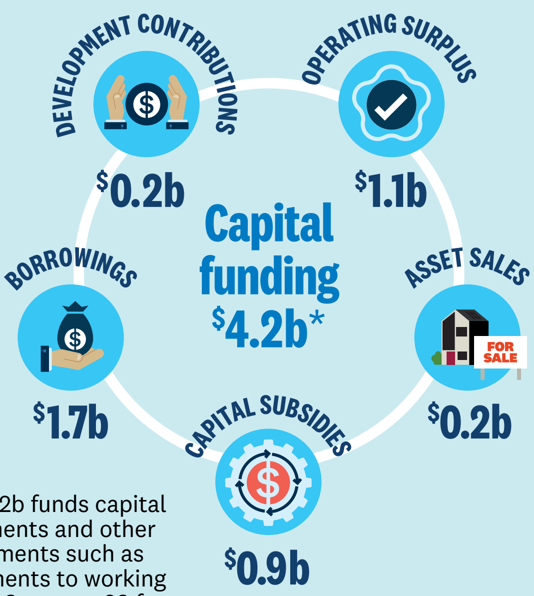
Most Auckland ratepayers will see some degree of rates increase for the 2025/2026 financial year. However, due to recent revaluations, how a residential property's capital value (CV) changes compares to other properties in the region will generally determine whether that property's rates increase is more, or less, than the 5.8 per cent average.

If your residential property value has reduced more than the average (-9 per cent), you can expect a smaller rates increase than the 5.8 per cent. Conversely, if your property value held up better than the average, then you can expect a larger rates increase.

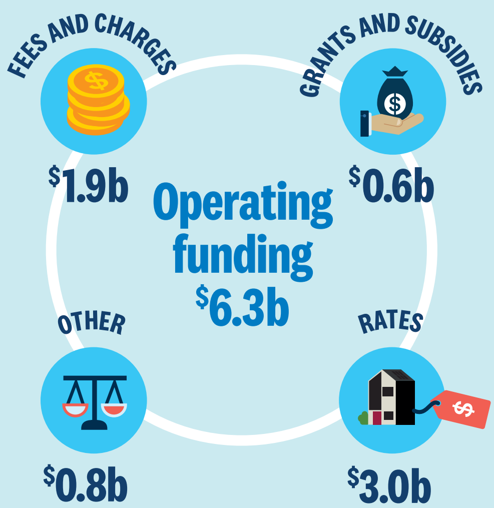
Overall rates are also affected by some changes to rates for waste, refuse and recycling and targeted rates for climate action, water quality and our natural environment.

See part five for more information

Other funding sources



*The $4.2b funds capital investments and other requirements such as adjustments to working capital. See page 38 for more information



See part four for more information

Ngā whanaketanga matua o te tau 2025/2026

Major developments for 2025/2026

Region wide

Urban regeneration
Revitalising underused council land to improve social, environmental, economic and cultural outcomes.

Land acquisitions
Acquiring land for a regional network of parks and open spaces to Aucklanders' quality of life, as well as make better use of the parks we already have.

City Rail Link (CRL)
Work to transform Auckland's public transport system continues. With the construction work now largely complete, the project is focused on the systems, control, integration, testing and commission phases.

Central Interceptor
Watercare's supersized tunnel will reduce wastewater overflows into central Auckland waterways.

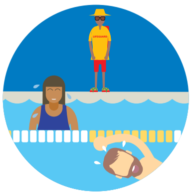
North Auckland

1 **Water and Wastewater Treatment Plant, Wellsford**
Upgrades to improve waterway quality and providing for growth

2 **East Coast Bays Community Centre refurbishment**
Interior and exterior refurbishment of the building, and remediate asbestos-containing material in the roof

3 **Rosedale Bus Station**
Starting construction for a new busway station and multi-mode access improvements to Rosedale Road

4 **Te Kori Scott Park, Hobsonville**
Develop a sustainable sport park



West Auckland

5 **Te Whau Pathway**
Design and construction of the boardwalks/bridges and concrete paths between Roberts Field and State Highway 16 (SH16)

6 **West Wave Aquatic Centre**
Renew components in the main pool, leisure pool and recreation halls, including heating and ventilation systems, lighting and changing rooms

7 **Te Hono / Avondale Community Centre replacement**
Development of an integrated library and community centre hub

Central Auckland and Gulf Islands

8 **Central Library**
Comprehensive interior building refurbishment including the renewal of mechanical services, lighting, furniture, fixtures and equipment

9 **Leys Institute – seismic strengthening and restoration**
Undertake the restoration, modernisation and seismic upgrading of the Leys Institute buildings, which include the library and community centre

10 **City Centre Programme**
Delivering on the outcomes of the City Centre Masterplan to create a vibrant, accessible and inclusive city centre that contributes significantly to the Auckland region

East Auckland

11 **Eastern Busway**
Pakūranga to Botany, including the completion of Rā Hihi (flyover)

12 **Waikaraka Park, Onehunga**
Consolidation of speedway at Waikaraka Park

13 **Michaels Avenue Reserve**
Stage two — renewal of carparks and playspace

South Auckland

14 **Nathan Homestead, Manurewa**
Seismic retrofit and upgrade to heritage community facility and café

15 **Ōpaheke Sports Park, Papakura**
Develop freshwater and wastewater system using the full Bellfield Encumbrance reserves fund

16 **Develop neighbourhood parks, Franklin**
Bremner Road Drury, Glenbrook, Patumāhoe, Clarks Beach, Ngakaroa Reserve, Ray Fausett Reserve

17 **Level crossings removals**
Works to develop road bridges and improve pedestrian crossings at some rail stations

2

Ngā hua

Outcomes

This section outlines how this plan contributes to the three outcome areas, which have been identified in the Auckland Plan as areas we will look at across everything we do.

Te Whakapakari i ngā Hua ki te Māori i Tāmaki Makaurau

2.1 Strengthening Māori Outcomes in Tāmaki Makaurau

Tāmaki Ora

Tāmaki Ora 2025–2027 is Auckland Council's refreshed Māori Outcomes Strategy and Performance Measurement Framework. It replaces Kia Ora Tāmaki Makaurau as the guiding document for how the council group contributes to realising Māori aspirations, improving outcomes, and honouring Te Tiriti o Waitangi across Tāmaki Makaurau / Auckland.

While building on the foundations laid by Kia Ora Tāmaki Makaurau, Tāmaki Ora introduces a more focused, measurable, and future-ready approach. It emphasises not just what is done, but what changes over time – and provides clearer pathways for departments, council-controlled organisations, and elected members to plan, deliver, and report on Māori outcomes.

A refreshed framework for action

Tāmaki Ora has been developed through extensive engagement by the council with mana whenua, mātāwaka and Māori communities. It responds directly to Houkura – Independent Māori Statutory Board (Houkura) key reports, He Waka Kōtuia Te Tiriti o Waitangi Audit 2024 and He Whenua Makaurau Schedule of Issues of Significance 2025 - 2030.

The refreshed framework includes:

- **Seven Ora (Ora Outcomes)** – outcome areas that reflect Māori aspirations and guide council group contribution
- **Three Tūāpapa (Foundations)** – system-level focus areas that strengthen internal capability, partnerships, and investment alignment
- **A performance measurement framework** – shared indicators, short- and long-term outcome goals, and a consistent approach to planning to achieve Māori outcomes.

Tāmaki Ora Outcomes

Iwi Ora
Iwi wellbeing

Enabling iwi to shape the future of Tāmaki Makaurau through recognised authority, strong relationships and partnership.

Te Taiao Ora
Environmental wellbeing

Honouring Māori kaitiakitanga in restoring the mauri of whenua, awa, moana and taonga species – upholding the health and vitality of the natural world.

Tuakiri Ora
Cultural identity wellbeing

Reflecting Māori heritage and identity in Tāmaki Makaurau – through te reo, iwi narratives, tikanga, and events that celebrate Māori culture.

Huatau Ora
Future wellbeing

Empowering thriving, resilient Māori communities to shape the future – through climate leadership, digital innovation, intergenerational knowledge, and the realisation of housing aspirations.

Te Hapori Ora

Whānau and community wellbeing

Whānau Māori are connected, included and thriving – with Māori-led spaces and initiatives across the city, pathways for rangatahi and support for kaumātua.

Whai Rawa Ora

Economic wellbeing

Māori businesses, landowners, and entrepreneurs drive a thriving, resilient Māori economy and grow intergenerational wealth.

Marae Ora

Marae wellbeing

Marae are vibrant, resilient centres of Māori life – anchoring whānau, hapū, and iwi, enabling papakāinga, and supporting wider community connection, care and resilience.

Tāmaki Ora Foundations

Tūāpapa Hāngai

Strengthening capability

Building strong cultural capability across the organisation to deliver on Ora Outcomes - enabling staff to work in ways that reflect and uphold te ao Māori.

Tūāpapa Hononga

Foundational partnerships

Strong foundations support Tiriti-based partnerships, strengthen Māori governance and enable shared decision-making across the council.

Tūāpapa Haumaru

Enabling Māori Outcomes

Sustained commitment drives systems change, aligns structures and provides clear pathways guided by tikanga to support Māori outcomes across the council group.

Māori Outcomes Fund: Refreshed purpose and structure

The Māori Outcomes Fund is a key mechanism for supporting Auckland Council's Te Tiriti o Waitangi commitments and delivering better Māori outcomes across the region. It provides targeted investment into kaupapa that promote Māori wellbeing, cultural identity, and economic advancement, and now aligns directly with the refreshed Tāmaki Ora framework.

In 2024, Auckland Council allocated $171 million to the fund through the Long-term Plan 2024–2034. A review was undertaken of the fund's purpose, structure, and settings followed, led by Ngā Mātārae in 2025 and supported through engagement with Māori staff, CCOs, elected members, mana whenua, mātāwaka, and central government.

The refresh confirmed the Māori Outcomes Fund's critical role in enabling shared priorities such as marae resilience, iwi-led initiatives, cultural infrastructure, Māori capability-building, and co-designed innovation. It also affirmed the fund's potential to unlock co-investment and catalyse long-term, strategic impact.

Key changes confirmed through the refresh include:

- A revised governance model with stronger political oversight through the Planning and Environment Committee (or its equivalent in the next council term).
- Clearer investment criteria and updated funding processes, including the trialling of an Expression of Interest mechanism to support relationship-led planning and co-design with iwi and Māori entities.
- A refined approach to marae investment that recognises the cultural significance and distinct needs of both mana whenua and mātāwaka marae.
- A refreshed scope for the Cultural Initiatives Fund to include innovation, energy efficiency, and community activation.
- Alignment with Tāmaki Ora, ensuring future investments are measurable and deliver meaningful outcomes across the seven Ora and three Tūāpapa.

Ngā Mātārae will continue to coordinate the fund and bring forward updated investment guidelines and a forward investment plan for 2027/2028–2030/2031 by March 2026. The key changes will start to take effect in 2025/2026.

Te tuku whakaaro ki ngā hua: Te Āhuarangi

2.2 Contributing to outcomes: Climate

Auckland's climate is changing. We are already starting to see higher temperatures, increased severity of drought, more intense rainfall events and rising sea levels. We expect to see further change in the short, medium and long-term. Climate change will impact 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.

The plan was prepared in partnership with mana whenua through the Tāmaki Makaurau Mana Whenua Forum (previously known as Mana Whenua Kaitiaki Forum), to include a te ao Māori perspective throughout its development.

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

Reducing emissions

We want to reduce regional greenhouse gas emissions by 50 per cent by 2030 and achieve 'net zero' emissions by 2050. The following pathways have been identified as ways to meet this:

- reduce Auckland's 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 (design). That also reduces the need for other additional infrastructure such as for water or stormwater.
- reduce vehicle kilometres travelled (VKT) in Auckland by 50 per cent by 2030 through improved urban design that allows more people to live closer to employment and services they need, and providing better travel options.

Our adopted commitments to resilience

These include:

- 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.
- building flexibility and adaptability into infrastructure design to ensure it is easier to modify and respond to changing needs.
- the council's approach to flexible planning and adaptation in the face of uncertainty and changing conditions follows adaptive approaches such as dynamic adaptive policy pathways (DAPP).

This annual plan does not include any new initiatives aimed at reducing climate emissions or any new adapting investments, but continues the investment outlined in the Long-term Plan 2024-2034.

Standardising emissions accounting

Auckland Council Group are continuing to work on how we measure greenhouse gas emissions in order to respond to climate-related financial risks and opportunities.

Transition planning across the Auckland Council Group

What is transition planning?

For more information refer to Annual Report Volume 4: Climate Statement 2023/2024.

Auckland Council is required to do a climate-related disclosure including disclosing aspects of our transition planning.

Transition planning is the 'so what' of climate disclosures: What are we going to do about the climate-related risks and opportunities we face as a group and how will we do that.

What are we doing as a group

We want Auckland Council Group to reach net zero and be resilient in whatever climate future awaits us.

Our 2024 climate statement committed Auckland Council to a group transition plan by mid-2025 which demonstrates actions required to manage the group climate-related risks and opportunities against our adopted group climate integrated scenarios. Actions will feed into future decision-making through asset management plans and budget processes.

Te tuku whakaaro ki ngā hua: Ngā hapori e nui katoa nei te kōpaka

2.3 Contributing to outcomes: Communities of greatest need

To make Tāmaki Makaurau a place where people continue to want to live and work, all Aucklanders must have the opportunity to succeed and to share prosperity. However, as noted in the Auckland Plan 2050, growing inequity (where some people have more support, opportunities or resources than others) is one of the biggest challenges for Tāmaki Makaurau.

We know that different communities need different things to thrive. This is why we are committed to improving the way we design and deliver support. We want to ensure we deliver our goal to achieve a thriving Tāmaki Makaurau, with communities at the centre of everything we do.

Our strategic intent to contribute to a fairer city appears across several council strategies including the Auckland Plan, the Long-Term Plan 2024-2034, Kia Ora Tāmaki Makaurau (now Tāmaki Ora), Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan and our Thriving Communities Strategy Ngā Hapori Momoho.

We have adopted several commitments to support our strategic intent. These include:

- making decisions based on 'evidence of need' and the 'voices of Aucklanders' (see Nga Hapori Momoho, Thriving Communities 2022, Investment Principles)
- investing to improve the wellbeing of 'people and the planet' (see Nga Hapori Momoho, Thriving Communities 2022, Investment Principles)
- supporting communities (whānau, hapū, iwi, people) to lead their own responses and enable them to define, deliver and monitor the things that help them to thrive. For more information, see Ngā Hapori Momoho, Thriving Communities 2022, Key Shift 3.

As well as ensuring we better understand the barriers communities face and adapting our responses to these, there are also a number of practical changes made in the long-term plan that are being delivered through this annual plan. These include:

- 'fairer funding' approach for local boards – more equitable funding of local boards to address legacy imbalances, and further empowerment of local board decision-making
- investing in greater community-led decision-making through local boards, with funding to provide advice to support decisions.

Ongoing work is needed to apply these changes and to include equity considerations into all our investment decision-making.

This annual plan begins to address the funding imbalances between the 21 local boards by allocating available funding to local boards based on an 'equitable funding level'. This is calculated according to each local board's:

- population (80 per cent)
- levels of deprivation (15 per cent)
- land area (5 per cent).

To support a transition to this new approach, an additional $35 million of operating funding and $33 million of capital funding will be allocated to local boards in 2025/2026.

3

Ngā wāhi hei haumi

Investment areas

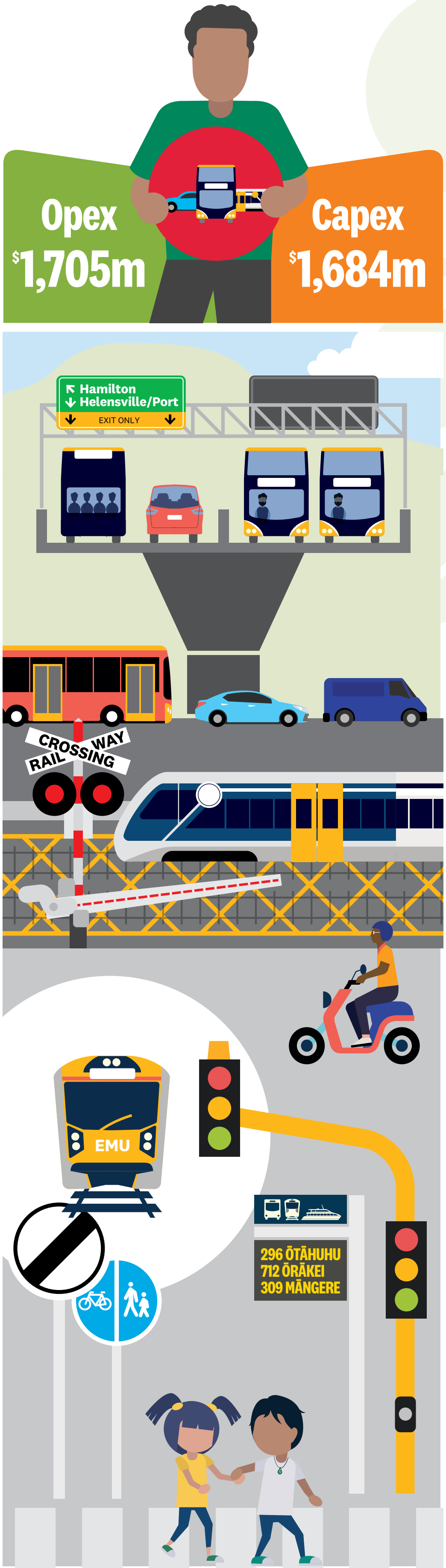
Tūnuku

3.1 Transport

Moving transport forward

Our transport investment will build on the basics:

- making better use of our 7,000km network of local roads
- maintaining our roads and footpaths
- better parking management and enforcement
- delivering extensive public transport (bus, ferry and train) services.



Our plan for 2025/2026

What we will deliver

We will continue to deliver a comprehensive programme of investments to help:

- reduce traffic congestion
- improve public transport, cycle lanes and walking tracks
- address safety issues
- improve resilience to natural events.

We are also working on a number of large public transport projects including the opening of City Rail Link, making the year ahead an exciting one for transport.

In this financial year, we will:

- work with the government to develop a 30-year Auckland Integrated Transport Plan (AITP)
- progress the Eastern Busway between Pakūranga and Botany, including the new Pakūranga bus station and completing Rā Hihi (flyover)
- support the opening of City Rail Link in 2026, including buying more trains, speeding-up the removal of level crossings and coordinating bus services with the new rail timetable to improve connections
- accelerate the programme to remove level crossings on the southern line at Glen Innes and Takanini
- install driver safety screens on approximately 1,100 buses across Auckland by 2026 and trial a real-time CCTV system on some buses
- repair 95 per cent of potholes on main arterial routes within 24 hours of notification
- complete all major flood recovery works from the storm events in 2023
- deliver key infrastructure planned in Auckland Transport's Statement of Intent including renewing some of our assets (footpaths, roads, bridges), decarbonisation of ferries and a road safety programme.

Challenges

- Loss of revenue: While more people are using our public transport, changing travel patterns from more people working from home, higher unemployment and disruptions to the rail network contribute to lower user numbers and less revenue from parking than we budgeted for. We are introducing new and improved services to encourage more people to use our public transport.
- Legislation changes: We expect major reforms to Auckland's transport legislation will be confirmed in early 2026. This will require the council, Auckland Transport and the government working together to apply reform decisions and ensure we successfully deliver our transport programme.

Capital programme

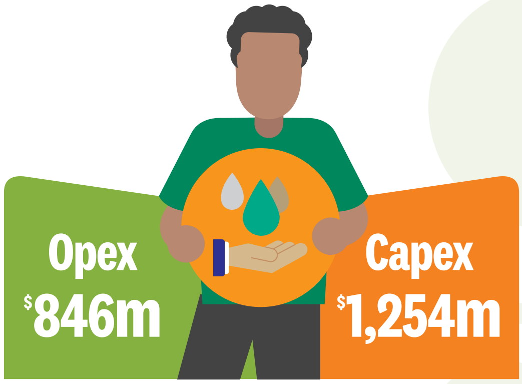
PROGRAMME/PROJECT	2025/2026 BUDGET ($MILLION)
Asset Renewals	394
Resilience/Adaptation (other)	6
Flood Response	27
Unsealed Road Improvements	10
Bus City Centre	26
Bus Projects	21
Great North Road Improvements	11
Ferry Projects	70
Rail Projects (Other)	29
EMU Rolling Stock Tranche for CRL	75
Level Crossings Removal for CRL	16
Level Crossings Removal Takanini	165
Rapid Transit Access	37
Cycleway projects	48
Cycling for Climate Action	15
Eastern Busway	244
Priority growth areas (other)	24
Carrington Road Improvements	23
Property for growth	36
Community response	28
Walking for Climate Action	9
Local Board priority	28
Network Optimisation	38
Parking and demand	7
Road Safety	39
Customer Systems	56
Auckland Transport Total	**1,482**
City Rail Link investment (AC share)	**202**
Transport total	**1,684**

Wai

3.2 Water

Future-proofing our water networks

We invest in water services for the Auckland region including drinking water, wastewater, and stormwater. These are managed by Watercare, our council-controlled organisation (CCO) for drinking water and wastewater, and the council for stormwater.



Our plan for 2025/2026

What we will deliver

Watercare's focus is on supporting the region's growing needs for drinking water and wastewater treatment while improving water quality in our environment. Our annual plan includes major works to upgrade or replace water supply and wastewater capabilities throughout the Auckland region, and to complete separation works to prevent wastewater overflows, in conjunction with Auckland Council's stormwater department.

The majority of council's stormwater investment remains focused on flood resilience and recovery work and continuing to deliver increased stormwater capacity to meet the needs of our growing region.

Key projects planned include:

- replacing the water supply in Huia and Nihotupu
- a new pump station in Waikōwhai and upgraded watermains to support Kāinga Ora's new housing development
- wastewater upgrade works in the city centre's midtown area
- completing the Snells Beach Wastewater Treatment Plant upgrade
- renewal or upgrades of critical stormwater assets including East Tamaki and Paremuka dams
- Making Space for Water projects to provide flood resilience at Te Ararata, Harania and the Wairau Valley
- the next stage of the Central Interceptor project
- programmes to improve water quality funded by the Water Quality Targeted Rate, including completing Lower Khyber Pass stormwater separation works.

The council will also complete requirements under the Local Water Done Well reform programme. This includes:

- Watercare improvement projects required by the regulator
- the completion of a Stormwater Services Delivery Plan for the region.

Challenges

- Growth occurring in areas other than those planned
- Shortage of skilled labour
- Aging infrastructure
- Addressing impacts from ongoing legislative reform.

Capital programme

PROGRAMME/PROJECT ($MILLION)	2025/2026 BUDGET ($MILLION)
Business Assets	42
Digital Assets	19
Flood Recovery Works	3
Southwest Wastewater Scheme	36
Water Collection & Treatment Assets	20
Ardmore Water Treatment Plant	13
Huia Water Supply	25
North Harbour 2 Watermain	24
Waikato Water Supply	19
Waiuku Water Supply	6
Water Network Assets	169
Projects supporting Kāinga Ora	55
Central Interceptor	120
Wastewater Network Assets	163
Ōrākei Main Sewer	1
Ōtara Wastewater Network	14
Pukekohe Wastewater Scheme	24
Queen Street Wastewater Network	54
North East Wastewater Programme (previously Warkworth WW)	35
Waitematā Water Quality Improvement	55
Whenuapai & Redhills Wastewater Scheme	30
Wastewater Treatment Plant Assets	28
Māngere Wastewater Treatment Plant	52
Rosedale Wastewater Treatment Plant	43
Watercare Total	**1,050**
Catchment and asset planning, safety and modelling	18
Enabling growth	36
Environmental improvements	27
Flooding remediation	3
Major and critical asset renewals	50
Other growth projects	3
Other renewals and upgrades	14
Making Space for Water (including Crown co-funded)	53
Stormwater total	**204**
Water total	**1,254**

Te taiao kua hangaia

3.3 Built environment

Building a better Auckland

As Auckland grows, we need to build and develop supporting infrastructure, give regulatory oversight and respond to direction from central government to:

- build new homes
- create walkable, well-connected low-carbon communities
- attract investment.

Our plan for 2025/2026

What we will deliver

In 2025/2026, we will:

- work with Kāinga Ora and the Ministry of Housing and Urban Development to progress infrastructure investment in the Auckland Housing Programme areas of Māngere, Tāmaki, and Mt Roskill
- progress city centre works including Te Hā Noa – Victoria Street to maximise the benefits of the City Rail Link opening
- progress a masterplan to develop the central wharves into a public space, and aligning cruise facilities and ferry services with Port of Auckland Limited operations
- continue to regenerate our neighbourhoods in key areas like Takapuna, Northcote, Maungawhau, Henderson, Avondale, Manukau and Pukekohe
- set up the Auckland Urban Development Office within the council to combine delivery of:
  - quality urban development in our growth priority areas
  - large-scale economic and commercial projects.

Challenges

- Rapid growth pressures on infrastructure.
- Changing central government directions.
- Adapting to natural hazards.

Capital programme

PROGRAMME/PROJECT	2025/2026 BUDGET ($MILLION)
Transform and unlock	59
Waterfront development	18
Other development	9
Commercial property renewals	5
Waterfront renewals	5
Land/property acquisition funded by Strategic Development Fund	5
City Centre Targeted Rate Programme (including Te Hā Noa Victoria Street)	17
Built environment total	**118**

Te taiao māori

3.4 Natural environment

Protecting our natural environment

Rapid growth and climate change is placing pressure on the state of our environment and the spread of pests, weeds and pathogens (like bacteria, viruses, fungi and parasites) which continue to threaten our native species.

The council sets regulatory protection and looks after Auckland's natural green spaces and unique environments, working alongside community groups to nurture, monitor and restore. We also collect Auckland's rubbish, recycling, food scraps and inorganics waste, and recycle and reuse waste to reduce the amount of waste going to landfill.

The council also leads climate response activities across Auckland.

Our plan for 2025/2026

What we will deliver

In 2025/2026, we will:

- meet the council's obligations set out in the Regional Pest Management Plan 2020-2030 and continue using the Natural Environment Targeted Rate to deliver pest, animal and pathogen control plans and activities to help restore the environment
- coordinate and implement the kauri dieback management programme to protect our kauri forests
- provide marine biosecurity education and engagement programmes
- increase surveillance and monitoring of existing and emerging marine pests, like exotic caulerpa seaweed
- increase resource recovery facilities around the region, including community recycling centres that receive, collect, repair and refurbish unwanted items from the public
- complete standardisation of the kerbside rubbish collection service by introducing rates-funded rubbish collections to Franklin and Rodney.

Challenges

- Rapid growth is putting pressure on the environment with fewer plants and trees to help control water flow and prevent flooding.
- Rising temperatures from climate change are putting pressure on native plants and animals and helping pests spread in forests, parks and waterways.

Capital programme

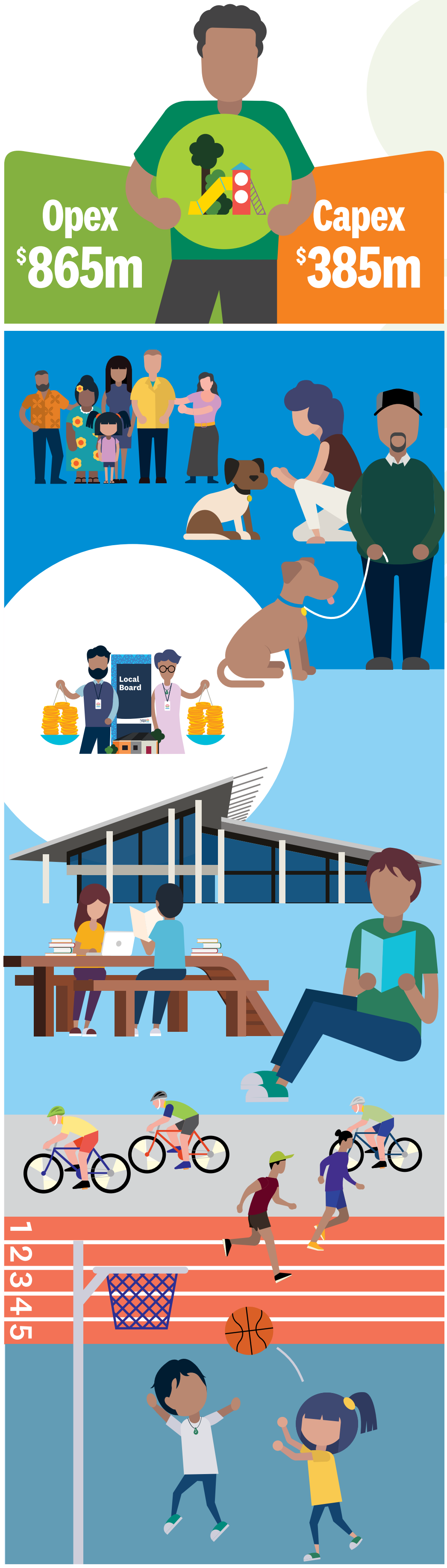
PROGRAMME/PROJECT	2025/2026 BUDGET ($MILLION)
Depots and animal shelter renewals	6
Material Recycling Facility (MRF)	3
Resource Recovery Network (RRN)	22
Response to natural and coastal hazards	16
Three Bins purchases & Renewals (Refuse, Recycling & Food scrap Bins)	8
Transfer Stations (Recycling & Refuse)	1
Closed landfill and coastal landfill remediation	11
Natural environment total	**67**

Te hapori

3.5 Community

Helping communities thrive

Our communities are diverse and changing, so we need to adapt and provide fit-for-purpose assets and services that are accessible and support the wellbeing of communities.



Our plan for 2025/2026

What we will deliver

In 2025/2026, we will:

- implement a 'fairer funding' approach for local boards so they can better respond to the needs of their communities
- increase the Sports and Recreation Facilities Investment Fund to address a lack of sports facilities in some areas in Auckland
- deliver differently by transitioning the Parks and Community Asset portfolio to a lesser dependence on assets and more innovative ways of delivering council services
- increase physical and digital offerings at Auckland libraries, including more e-books and e-magazines, to meet a growing digital demand
- progress urgent renewals of community assets to protect our facilities from asset failure and support high-priority growth projects
- improve animal control services with more resources and increased capacity at our animal shelters
- improve community safety by providing safety hubs in the city centre and compliance wardens to increase safety across the city.

Challenges

- Increasing costs to maintain our network of community facilities and assets – many of the council's community facilities and assets are ageing and changing use. It is not financially sustainable to maintain the full network.
- Changing community needs – our communities are growing, becoming more diverse and their needs are changing from when we designed our services and facilities
- Inflation and increased living costs make it challenging for some people in our communities to thrive.

Capital programme

PROGRAMME/PROJECT	2025/2026 BUDGET ($MILLION)
Renewals - Multi-year including seismic, sustainability and climate	22
Renewals - regional parks, wintergardens, Botanic Gardens, cemeteries and crematoria, residential and commercial leases	19
Co-Governance - Tūpuna Maunga Authority, Te Poari o Kaipātiki, Ngāti Whātua Ōrākei	17
Land Acquisition - Growth & Cemeteries	48
Library - Collection, Technology, Digital & Mobile renewals and development	22
Multi-year - Development including LTP Climate - Urban Ngahere	4
Public Art and Culture - renewals and development	3
Development including regional parks, cemeteries and crematoria, and slip prevention	15
Regional community services total	**150**
Development - specific developments and funds including Albany Library, Te Hono Community Centre, Purchas Hill, Lowtherhurst, Ponsonby Park and Te Whau Pathway	52
Discrete Local Projects	27
Renewals including Jubilee Bridge	128
Franklin paths programme	4
Growth - Local Parks and Sportsfield Development	24
Local community services total	**235**
Community total	**385**

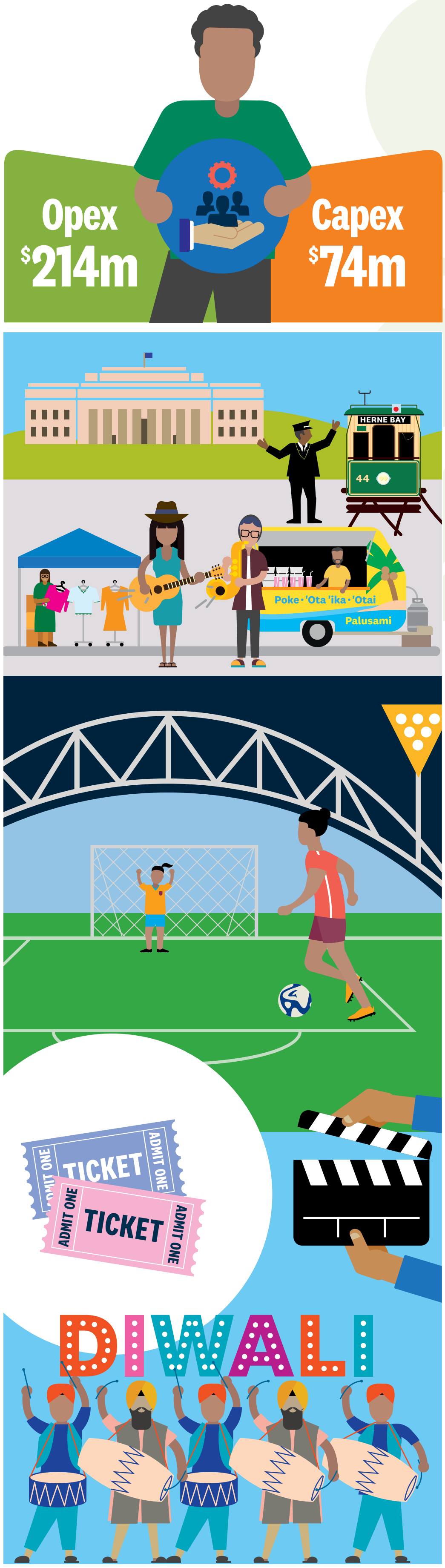
Te whanaketanga ā-ōhanga, ā-ahurea hoki

3.6 Economic and cultural development

Supporting economic and cultural growth

Economic development and initiatives to promote Auckland, including destination marketing and major events such as the Diwali festival, are vital to Auckland.

Arts, sports, live performances and events enrich the lives of Aucklanders and visitors. We promote Auckland as a place to live, work, invest, study and visit. We provide leisure, sport and entertainment venues like the art gallery and Auckland Zoo. We support opportunities to create well-paid and meaningful jobs for all Aucklanders.



Our plan for 2025/2026

What we will deliver

In 2025/2026, we will:

- continue advocating for a 'bed night visitor levy' to fund major events and destination marketing
- continue to hold iconic cultural events such as Pasifika, Diwali and the Lantern Festival
- continue to provide experiences for visitors to Auckland Zoo, Auckland Art Gallery, and New Zealand Maritime Museum
- support international and domestic events including musicals, concerts and exhibitions
- develop a 'Stadium Investment Plan' to help guide investment decisions for the regional stadium network
- continue maintenance and base renewal of our portfolio of assets with a focus on de-carbonisation initiatives, including our heritage assets.

Challenges

- Ongoing funding to support the council's work: The council invests in economic development activities for the benefit of Auckland. However, work in this area results in benefits through economic growth that does not necessarily directly create a return to the council.
- Disruption: In recent years COVID-19, border restrictions, inflation, changing working patterns and the extreme weather events of 2023 have all created change for business and workers.
- Ageing infrastructure: A number of regional facilities require significant investment to ensure they are fit-for-purpose and meet health and safety requirements.

Capital programme

PROGRAMME/PROJECT	2025/2026 BUDGET ($MILLION)
Adaptation and Resilience	1
Auckland Town Hall (managed on behalf of council)	1
Critical infrastructure	9
Venue Renewals	21
Zoo masterplan progression	19
Event Operations	1
Security Infrastructure	5
Auckland Art Gallery Heritage Restoration Project	11
Digital	4
Strategic Initiatives	1
TAU +	1
Economic and cultural development total	**74**

Te tuku pūtea ki te whakatairanga ūnga me ngā taiopenga matua
Funding destination marketing and major events

Funding destination marketing and major events is widely practiced in New Zealand and internationally. Investment by Tātaki Auckland Unlimited (TAU) in destination marketing and major events produces economic, social and cultural benefits. An independent evaluation of the 2023/2024 major event portfolio showed that the key outcomes of the portfolio for the financial year were an increase of 5 per cent (354,680) in visitor nights in Auckland with a corresponding increase of 0.1 per cent ($114.1 million) of regional GDP in that period.

The benefit is more than just tourist dollars though, it is the experience, vibrancy and cultural events this brings.

In the Long-term Plan 2024-2034 (LTP), we budgeted $16.5 million for destination management and major events in 2025/2026, based on the assumption that this would be partially funded through a bed night visitor levy. Without the levy in place, there is a $7 million funding shortfall, which would put the delivery of the planned programme at risk. Despite the advocacy of the tourism industry and the council, we do not have a levy in place for this plan. Our plan now includes the Mayoral Tourism Forum, with representatives from the hospitality, tourism and accommodation sectors, that will lead ongoing joint-advocacy with central government on the longer-term issue of sustainable and appropriate funding mechanisms.

This industry group will also work with TAU to trial a commission-based model for alternative short-term funding that would target key events that have broad support and clear benefit to Auckland and industry. This approach could include the establishment of an Auckland Major Events fund that would help to fund events that provide benefit to the tourism industry as well as Auckland. The Mayoral Tourism Forum will also be responsible for advising the council on how we best use our regulatory tools to allow hospitality to grow.

Meanwhile, this plan includes the following to close the $7 million gap without increasing the rates burden, while we continue to advocate for Auckland's preferred bed night visitor levy solution for long-term funding:

- Use reserves from the City Centre Targeted Rate to help close the gap ($2.5 million).
- Use $500,000 from the Mayoral Office budget (underspend from this year's budget).
- ongoing work with the industry to identify opportunities for incentivised voluntary contributions to fund specific events and/or contribute to a Major Events Fund.
- Tātaki Auckland Unlimited using reserves to bridge the remaining gap while work continues with industry.

Te kaunihera kua pai te whakahaeretia

3.7 Well-managed local government

Effective local government

We need investment to support Auckland Council to deliver services and elected representatives to make decisions. Well-managed local government also invests in emergency management for the region and grants for large regional amenities, such as the Auckland War Memorial Museum, the Museum of Transport and Technology (MOTAT) and specified amenities named in the Auckland Regional Amenities Funding Act 2008.

Our plan for 2025/2026

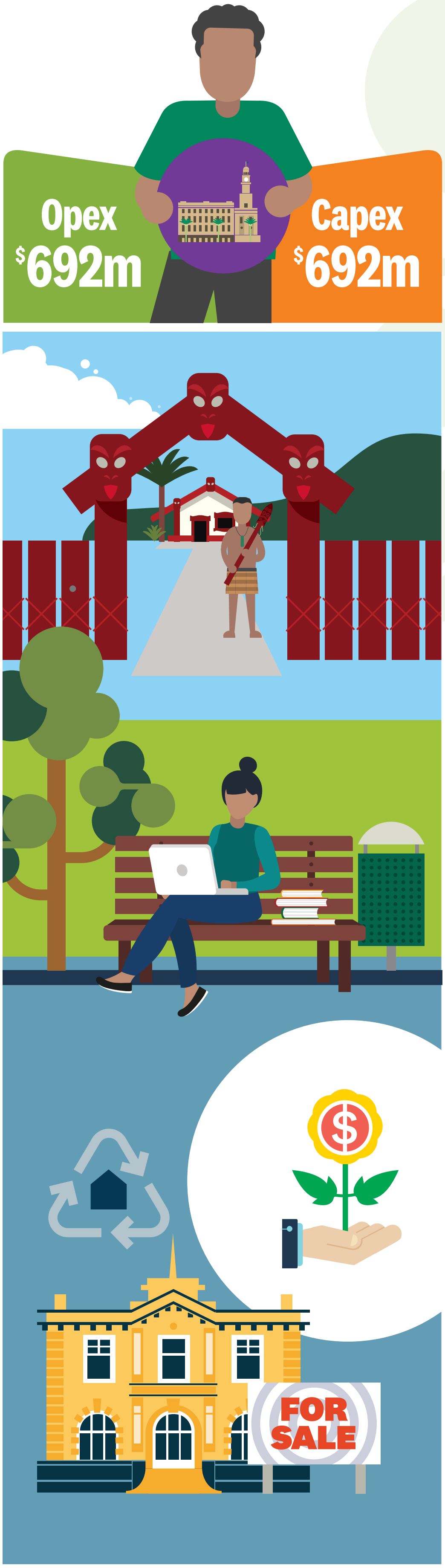
What we will deliver

In 2025/2026, we will:

- support the Auckland Future Fund Trustee Limited board to achieve long-term average annual returns of 7.24 per cent after management fees with 5.24 per cent distributed annually to the council, and the remaining reinvested to grow the fund over time
- support and coordinate investment across seven Ora outcomes areas that reflect Māori aspirations. This includes the ongoing Marae Infrastructure Programme and grants to improve the capacity of mana whenua and mataawaka to engage in Auckland Council decision-making processes
- progress towards Auckland Council's savings and efficiency targets, aiming for an additional $47 million of operating expenditure savings (bringing the total savings for 2025/2026 to $86 million)
- continue investing into fit-for-purpose technology to deliver better and more efficient services
- continue acceleration of group shared services and consolidation of service functions to reduce duplication amongst council organisations
- progress towards achieving the asset recycling target of $300 million set in the LTP.

Challenges

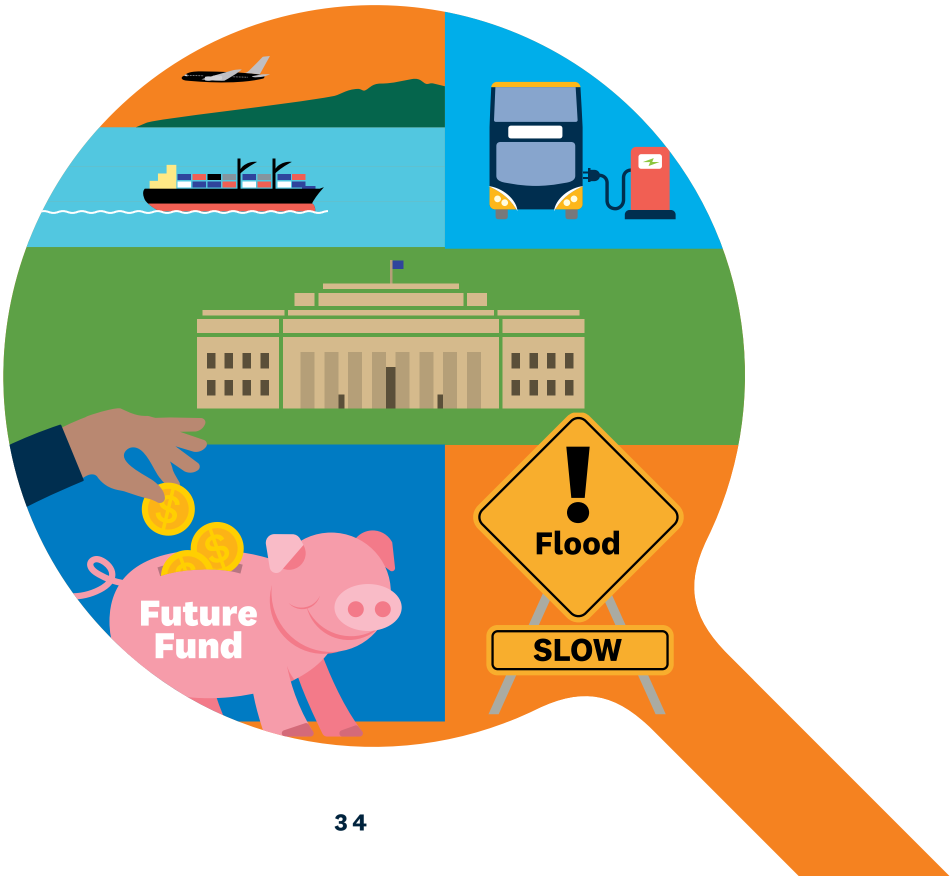
- Operating environment: Volatile global markets, with new tariffs likely to hinder economic growth and increased uncertainty across key economic indicators, potentially adding risks to our revenue and costs.
- Rising demand for investment due to rapid growth, changing community needs and expectations, ageing assets, a need to support recovery from recent storm events and mitigate and adapt to climate change.



- Complexity: The council's group structure, governance arrangements, and the necessary supporting structures can create cost and complexity. Optimising for good governance, devolved decision-making, achieving efficiencies of scale, and maintaining agility and adaptability is an ongoing challenge.

Capital programme

PROGRAMME/PROJECT	2025/2026 BUDGET ($MILLION)
Alternate Emergency Coordination Centre	1
Storm-related property buy-outs	452
Business Change Fund	4
Corporate property renewals	17
Information and communications technology	16
Other corporate support	14
Vehicle renewals and decarbonisation	7
WorkSmart programme	10
Fix and Finish Fund	20
Time of expenditure	(14)
Council corporate support total	**527**
Building, Infrastructure and Utilities Improvements	29
Plant Machinery and Software improvements	4
Building, Infrastructure and Utilities growth	79
Building, Infrastructure and Utilities upgrades	9
Plant Machinery and Software renewals/replacement	44
Port of Auckland total	**165**
Well-managed local government total	**692**



Te Whakapai Haere i ngā CCO
CCO Reform

We are reforming our council-controlled organisations (CCOs) to improve how we deliver our services to Aucklanders.

A CCO is an organisation:

- that provides services to Aucklanders, and
- that is at least 50 per cent owned by Auckland Council, or for which Auckland Council is responsible for appointing 50 per cent or more of its directors.

We have made decisions and are progressing changes to three of our CCOs to improve how we deliver our services. These CCOs are:

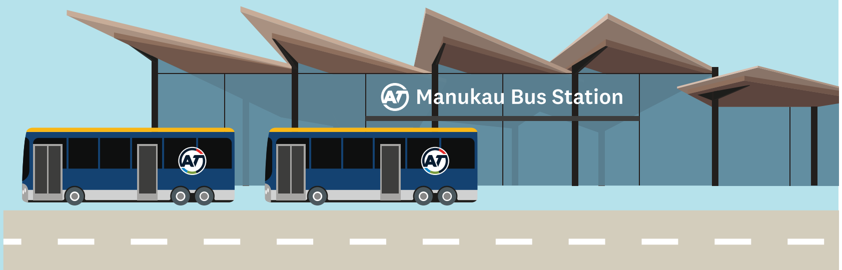
- Eke Panuku Development Auckland
- Tātaki Auckland Unlimited (TAU)
- Auckland Transport.

The proposed reforms do not include any cuts to funding or services. They involve changes that give elected council members more involvement in CCO decision-making, so that council services can be more responsive to Aucklanders.

The reforms have included the creation of an Auckland Urban Development Office and a standalone Property Department within the council's Resilience and Infrastructure directorate and the creation of an Economic Development Office within the council's Group Strategy directorate.

There is a significant programme of work to support our decisions on the future shape of Auckland Transport, shifting its focus to the delivery of key services, in particular operating public transport.

We will also continue to build our 'shared services' model to improve efficiency across the council group. This involves Auckland Council and CCOs sharing resources and internal services.



4

Ō mātou tahua pūtea

Our finances

Te tirohanga whānui ki te pūtea

4.1 Financial overview

Introduction

Auckland Council's financial strategy, as set out in our Long-term Plan 2024-2034 (LTP), seeks to ensure long-term financial sustainability, enable investment to strengthen physical resilience and support growth, and maintain public trust through transparency and accountability. This enables the affordable delivery of core services and infrastructure necessary for Aucklanders to thrive.

The global economy and broader geopolitical landscape continue to pose uncertainty and challenges for New Zealand. The Annual Plan 2025/2026 is being developed amid a shifting environment, with a rise in global trade barriers. While the full impacts of the tariffs are yet to be seen, in New Zealand inflation has started to stabilise while interest rates are continuing to reduce. As a result, the council has been able to maintain investment levels and funding setting predominantly in-line with the LTP.

This should be read in conjunction with the prospective financial statements in section 4.2. All financial projections are informed by the significant forecasting assumptions included as notes to the financial statements.

Detail of how we fund our activities is set out in our prospective funding impact statement found in section 5.3.

Our budget for 2025/2026

Key financial projections

$ MILLION	LONG TERM PLAN 2024/2025	LONG TERM PLAN 2025/2026	ANNUAL PLAN 2025/2026
Total capital investment	4,306	4,191	**4,274**
Total operating expenditure	6,140	6,541	**6,654**
Average residential general rates increase	6.80%	5.80%	**5.80%**
Rates revenue	2,782	3,008	**3,035**
Total operating funding sources	5,808	6,255	**6,258**
Total assets	77,613	82,569	**82,181**
Total borrowing	14,057	15,604	**15,707**
Total equity	57,683	60,843	**60,462**
Debt to revenue ratio	250%	213%	**224%**

Capital investment and prudent debt management

Capital expenditure is for purchasing, building, replacing or developing the city's assets (for example roads, libraries, parks and sports fields). Our total capital expenditure programme for 2025/2026 is $4.3 billion, $83 million higher than projected in the LTP, with higher than expected Category 3 buy-outs and acceleration of the level crossing removal programme.

DELIVERED BY:	$ MILLION
Auckland Council	1,302
Auckland Transport	1,482
Watercare	1,050
Auckland Unlimited	74
Port of Auckland Limited	164
Total capital expenditure	**4,072**
Investment in City Rail Link Limited	202
Total capital investment	**4,274**

Funding our capital investment

The following table shows how we plan to fund our capital expenditure and other capital outflows in 2025/2026, and aligns with the prospective funding impact statement included in section 5.3.

CAPITAL EXPENDITURE AND OTHER OUTFLOWS $ MILLION	ANNUAL PLAN 2025/2026
Growth	1,126
Service level improvement	1,545
Renewals	1,402
Weathertightness claims	39
Investment in City Rail Link Limited	202
Other	-98
Total	**4,215**

CAPITAL FUNDING SOURCES $ MILLION	ANNUAL PLAN 2025/2026
Capital subsidies	950
Development contributions	175
Asset sales	223
Operating cash surplus	1,126
Borrowings	1,712
Other	30
Total	**4,215**

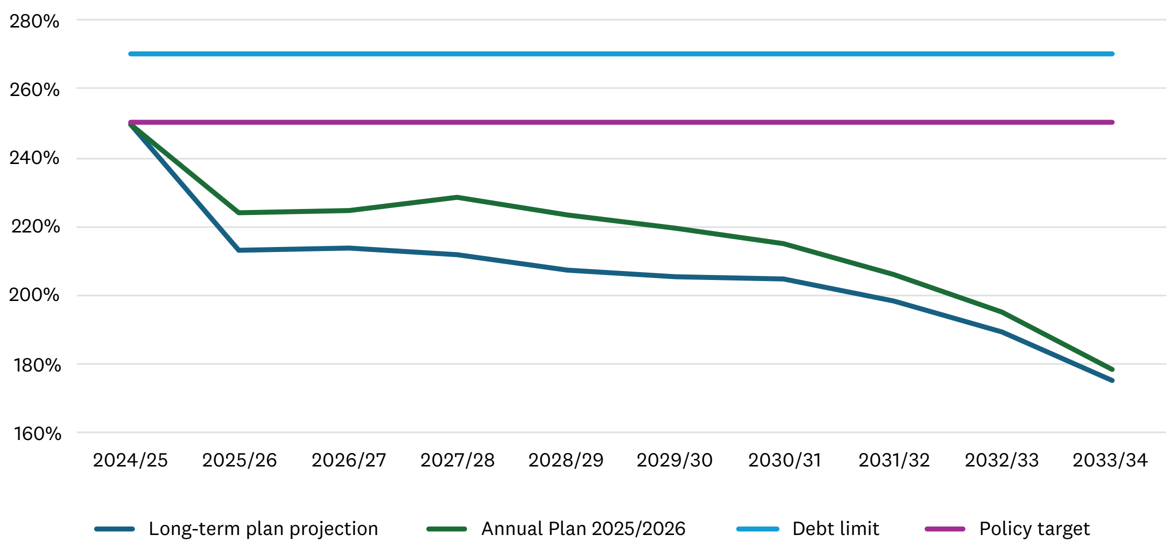
Prudent debt

We use debt to spread the cost of assets over the generations that will benefit from them. During the year, group net debt is forecast to increase to $15.6 billion, mainly driven by funding for the $4.3 billion of capital investment over that period. Total group assets are forecast to rise to $82.2 billion.

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 debt servicing costs. Excessive borrowing now may put greater pressure on future ratepayers.

Auckland Council sets a limit based on the relationship between debt and revenue. This limit is an indicator of the ability of the council to cover its borrowing costs from its different revenue sources. The council set a prudential limit of group debt being less than 270 per cent of group revenue, but to maintain headroom to deal with future shocks we aim to keep debt below 250 per cent of revenue.

Debt to revenue ratio



When assessing our debt to revenue ratio against this limit, some adjustments are made which are consistent with S&P Global's approach when they undertake their credit rating assessment. Watercare's financial separation will reduce our debt-to-revenue ratio from 2025/2026 onwards.

Operating expenditure and sustainable financial management

The Auckland Council group is forecast to spend $6.7 billion in operating expenditure in 2025/2026. 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 forecast spend for 2025/2026 is slightly higher than projected in the LTP from items which have been covered through increased revenue or other funding sources such as additional waste expenditure (covered from targeted rate revenue). Overall, however, operating expenditure and funding requirements have predominately remained in-line with the long-term plan and the council's operating revenues will be sufficient to meet its operating expenditure.

The table below shows the operating funding the council forecasts to receive in 2025/2026, how this is applied to operating expenditure, and aligns with the prospective funding impact statement included in section 5.3.

OPERATING EXPENDITURE $ MILLION	ANNUAL PLAN 2025/2026
Staff	1,331
Interest	673
Other	3,129
Sub-total	**5,133**
Depreciation and amortisation	1,521
Total	**6,654**

OPERATING FUNDING SOURCES $ MILLION	ANNUAL PLAN 2025/2026
Rates	3,035
Fees and user charges	1,898
Subsidies and grants	567
Other	757
Total	**6,258**

The $6.3 billion of operating revenue funds $5.1 billion of cash operating expenditure, generating a $1.1 billion cash surplus to help fund capital expenditure.

However, total operating expenditure also includes non-cash items like depreciation. Because the group is still moving towards fully funding depreciation on its assets by 2028, and because the renewal of some assets are likely to be covered by future external funding (e.g. NZTA subsidies), operating revenues to fund depreciation are less than depreciation expense. This results in operating funding being lower than total operating expenditure.

The council will continue to prioritise its savings and efficiency targets - aiming for an extra $47 million in 2025/2026, bringing the total savings for 2025/2026 to $86 million.

Risks and looking ahead

While the overall group budget position for 2025/2026 has not materially changed, there are several identified risks that may materialise and impact this position including:

- An uncertain global economic environment
- Legislative changes from government reform work
- Lower public transport patronage, parking and enforcement, and ports revenue than currently anticipated
- Increasing frequency of severe weather events
- The achievement of efficiency and asset sales targets.

These risks continue to present challenges to maintaining long-term financial sustainability, so we need to ensure we're able to respond effectively by having sufficient flexibility in our budget. Maintaining sufficient debt headroom and balanced budgets will allow us to address unexpected events.

Ngā matapae ā-pūtea

4.2 Prospective financial statements

Prospective statement of comprehensive revenue and expenditure

Auckland Council group consolidated

$000 FINANCIAL YEAR ENDING 30 JUNE	LTP 2024/25	LTP 2025/26	ANNUAL PLAN 2025/2026	VARIANCE FROM LTP 2025/2026	NOTES
Revenue					
Rates	2,781,626	3,007,611	3,035,235	27,623	1
Fees and user charges	1,787,384	1,910,033	1,898,466	(11,567)	2
Grants and subsidies	1,730,435	1,499,005	1,517,221	18,216	3
Development and financial contributions	230,000	240,000	175,000	(65,000)	4
Other revenue	696,501	718,337	767,284	48,948	5
Vested assets	671,571	3,109,456	3,110,315	859	
Finance revenue measured using effective interest method	8,526	6,132	7,149	1,018	
Other finance revenue	4,346	4,626	4,639	13	
Total revenue	**7,910,390**	**10,495,199**	**10,515,308**	**20,109**	
Expenditure					
Employee benefits	1,267,098	1,290,147	1,330,588	40,442	6
Depreciation and amortisation	1,410,421	1,472,569	1,521,044	48,475	7
Grants, contributions and sponsorship	170,379	176,512	198,538	22,026	6
Other operating expenses	2,673,434	2,899,300	2,930,863	31,563	6
Finance costs	618,765	702,101	673,047	(29,053)	8
Total expenditure	**6,140,096**	**6,540,628**	**6,654,081**	**113,452**	
Operating surplus/(deficit) before gains and losses	**1,770,294**	**3,954,571**	**3,861,228**	**(93,343)**	
Net other gains and losses	344	13,621	13,407	(214)	
Share of surplus/(deficit) in associates and joint ventures	(129,927)	(1,875,423)	(1,875,741)	(317)	
Surplus/(deficit) before income tax	**1,640,712**	**2,092,769**	**1,998,894**	**(93,875)**	
Income tax expense	55,422	62,871	23,070	(39,801)	9
Surplus/(deficit) after income tax	**1,585,290**	**2,029,898**	**1,975,824**	**(54,074)**	
Surplus after income tax is attributable to:					
Ratepayers of Auckland Council	1,585,290	2,029,898	1,975,824	(54,074)	
Other comprehensive revenue/ (expenditure)					
Fair value movement on revaluation of financial assets held at fair value through other comprehensive revenue and expenditure	12,879	26,016	0	(26,016)	10
Net gain on revaluation of property, plant and equipment	70,619	1,472,085	1,472,085	0	
Tax on revaluation of property, plant and equipment	0	(368,561)	(368,561)	0	
Total other comprehensive revenue	**83,499**	**1,129,540**	**1,103,523**	**(26,016)**	
Total comprehensive revenue/(expenditure)	**1,668,789**	**3,159,438**	**3,079,347**	**(80,091)**	

1. The increase from rates revenue is primarily from the implementation of targeted rates-funded rubbish collection services for Rodney and Franklin, along with changes to the size and mix of the rating base.
2. The decrease in fees and user charges is primarily due to lower patronage recovery across public transport services.
3. The increase of grants and subsidies is primarily due to change in timing of government funding for storm response which is partly offset by lower National Land Transport Programme co-funding for Auckland Transport.
4. The decrease in development and financial contributions revenue reflects changes to policy resulting in lower revenue in 2025/2026 offset by higher revenue in future years and a lower number of dwelling completions than forecasted.
5. The increase in other revenue is mainly driven by accounting treatment changes to the Auckland Future Fund investment returns and timing change of storm-related insurance recoveries.
6. The increase in other operating expenditure, primarily from Auckland Council, is driven by repairs and maintenance, energy and IT & software renewal costs rising faster than inflation (which has been offset by interest reductions), the reclassification between capital and operational expenditures, and higher rubbish collection costs funded by the Waste Management Targeted Rate.
   The increase in other operating expenditure has been partially offset by reclassifications of previously budgeted expenditure into employee benefits and grants, contributions and sponsorship across the group.
   Employee benefits, grants, contributions and sponsorship, and other expenditure have also increased due to changes in the timing of expenditure from previous years into 2025/2026. The increase in employee benefits also relates to the reclassification of expenditure from Watercare and Tātaki Auckland Unlimited, resulting in higher contract labour costs, changes in staffing levels, and increased resourcing for shared services programmes.
7. The increase in depreciation and amortisation is mainly due to higher-than-expected vested assets and changes in mix and timing of the capital programme. These changes primarily relate to transport assets.
8. The reduction in the finance costs is primarily due to favourable movements in interest rates.
9. The decrease in income tax expense is due to revised Watercare revenue projections.
10. The decrease in the fair value movement is mainly driven by accounting treatment changes to the Auckland Future Fund investment returns.

Prospective statement of financial position

Auckland Council group consolidated

$000 AS AT 30 JUNE	LTP 2024/2025	LTP 2025/2026	ANNUAL PLAN 2025/2026	VARIANCE FROM LTP 2025/2026	NOTES
Assets					
Current assets					
Cash and cash equivalents	100,000	100,000	100,000	-	
Receivables and prepayments	874,573	891,859	891,313	(546)	
Derivative financial instruments	110,147	110,147	12,937	(97,210)	1
Other financial assets	109,675	109,675	138,671	28,996	1
Inventories	41,681	42,806	43,521	715	
Income tax receivable	0	0	0	0	
Non-current assets held-for-sale	254,067	98,423	169,096	70,673	2
Total current assets	**1,490,143**	**1,352,910**	**1,355,539**	**2,628**	
Non-current assets					
Receivables and prepayments	104,217	66,516	66,180	(336)	
Derivative financial instruments	625,667	625,667	550,941	(74,726)	1
Other financial assets	1,464,261	1,492,592	1,476,665	(15,927)	1
Property, plant and equipment	70,817,394	77,602,240	77,295,282	(306,958)	3
Intangible assets	504,603	554,099	550,791	(3,308)	
Investment property	681,053	694,674	683,758	(10,916)	
Investments in associates and joint ventures	1,914,745	167,960	191,207	23,247	4
Other non-current assets	11,119	11,992	10,590	(1,402)	
Total non-current assets	**76,123,059**	**81,215,740**	**80,825,413**	**(390,327)**	
Total assets	**77,613,201**	**82,568,650**	**82,180,952**	**(387,698)**	

$000 AS 30 JUNE	LTP 2024/2025	LTP 2025/2026	ANNUAL PLAN 2025/2026	VARIANCE FROM LTP 2025/2026	NOTES
Liabilities					
Current liabilities					
Payables and accruals	1,703,268	1,758,758	1,571,684	(187,075)	1
Employee entitlements	136,314	138,794	140,985	2,191	
Borrowings	2,706,745	3,000,687	1,677,773	(1,322,915)	5
Derivative financial instruments	1,546	1,546	6,578	5,032	
Provisions	351,557	102,293	(202,653)	(304,946)	6
Total current liabilities	**4,899,431**	**5,002,079**	**3,194,367**	**(1,807,712)**	
Non-current liabilities					
Payables and accruals	316,760	340,945	250,173	(90,772)	1
Employee entitlements	5,188	5,282	5,238	(45)	
Borrowings	11,350,471	12,603,593	14,028,928	1,425,335	5
Derivative financial instruments	567,459	567,459	568,926	1,467	
Provisions	143,636	128,167	654,989	526,823	6
Deferred tax liabilities	2,647,126	3,078,558	3,016,666	(61,892)	7
Total non-current liabilities	**15,030,640**	**16,724,003**	**18,524,920**	**1,800,917**	
Total liabilities	**19,930,071**	**21,726,082**	**21,719,287**	**(6,795)**	
Net assets	**57,683,130**	**60,842,568**	**60,461,665**	**(380,904)**	
Equity					
Contributed equity	26,693,179	26,693,179	26,693,179	-	
Accumulated funds	9,417,990	11,610,507	11,760,162	149,654	1
Reserves	21,571,961	22,538,882	22,008,324	(530,558)	1
Total equity	**57,683,130**	**60,842,568**	**60,461,665**	**(380,904)**	

1. Variances are mainly due to the updating of opening balances to reflect balances in the audited Annual Report 2023/2024.
2. The increase of non-current assets held-for-sale is primarily attributable to timing change of the asset sale schedule.
3. The decrease in property, plant and equipment reflects the updating of opening balances to reflect balances in the audited Annual Report 2023/2024.
4. The increase in investments in associates and joint ventures is primarily due to the revised timing for the CRL project and the updating of opening balances to reflect balances in the audited Annual Report 2023/2024.
5. A significant reclassification between current and non-current borrowing is primarily due to the updating of opening balances to reflect balances in the audited Annual Report 2023/2024. The overall increase in debt of $103 million is primarily due to increased Category 3 capital expenditure, alongside reductions in NZTA subsidies related to changes in expected National Land Transport Programme (NLTP) funding levels, partially offset by a reduction in Watercare investment.
6. A significant reclassification between current and non-current provisions is primarily due to the updating of opening balances to reflect balances in the audited Annual Report 2023/2024. The overall increase is also impacted by refinements for Category 3 property buy-outs forecast.
7. The reduction in the deferred tax liabilities is primarily due to the updating of opening balances to reflect balances in the audited Annual Report 2023/2024, alongside a decrease in Watercare's income tax obligation.

Prospective statement of changes in equity

Auckland Council group consolidated

$000 FINANCIAL YEAR ENDING 30 JUNE	LTP 2024/2025	LTP 2025/2026	ANNUAL PLAN 2025/2026	VARIANCE FROM LTP 2025/2026	NOTE
Contributed equity					
Opening balance	**26,693,179**	**26,693,179**	**26,693,179**	**(0)**	
Surplus after income tax	0	0	0	0	
Other comprehensive revenue	0	0	0	0	
Total comprehensive revenue	**0**	**0**	**0**	**0**	
Transfer to/ (from) reserves	0	0	0	0	
Balance as at 30 June	**26,693,179**	**26,693,179**	**26,693,179**	**(0)**	
Accumulated funds					
Opening balance	**7,372,800**	**9,417,990**	**9,620,188**	**202,198**	
Surplus/ (deficit) after income tax	1,585,290	2,029,898	1,975,824	(54,074)	1
Other comprehensive revenue	0	0	0	0	
Total comprehensive revenue	**1,585,290**	**2,029,898**	**1,975,824**	**(54,074)**	
Transfer to/ (from) reserves	459,900	162,619	164,150	1,153	
Balance as at 30 June	**9,417,990**	**11,610,507**	**11,760,162**	**149,654**	
Reserves					
Opening balance	**21,948,362**	**21,571,961**	**21,068,950**	**(503,011)**	
Surplus after income tax	0	0	0	0	
Other comprehensive revenue	83,499	1,129,540	1,103,523	(26,016)	1
Total comprehensive revenue	**83,499**	**1,129,540**	**1,103,523**	**(26,016)**	
Transfer to/ (from) reserves	(459,900)	(162,619)	(164,150)	(1,531)	
Balance as at 30 June	**21,571,961**	**22,538,882**	**22,008,324**	**(530,558)**	
Total equity					
Opening balance	**56,014,342**	**57,683,130**	**57,382,317**	**(300,813)**	
Surplus after income tax	1,585,290	2,029,898	1,975,824	(54,074)	
Other comprehensive revenue	83,499	1,129,540	1,103,523	(26,016)	
Total comprehensive revenue	**1,668,789**	**3,159,438**	**3,079,347**	**(80,091)**	
Transfer to/ (from) reserves	0	0	0	0	
Balance as at 30 June	**57,683,130**	**60,842,568**	**60,461,665**	**(380,904)**	

1. Refer to the notes in Prospective Statement of comprehensive revenue and expenditure for detail.

Prospective statement of cash flows

Auckland Council group consolidated

$000 FINANCIAL YEAR ENDING 30 JUNE	LTP 2024/2025	LTP 2025/2026	ANNUAL PLAN 2025/2026	VARIANCE FROM LTP 2025/2026	NOTE
Cash flows from operating activities					
Receipts from rates revenue	2,781,626	3,007,611	3,035,235	27,623	
Receipts from grants and other services	4,295,801	4,287,314	4,240,417	(46,897)	
Interest received	12,872	10,757	11,788	1,031	
Dividends received	56,284	82,995	109,636	26,642	
Payments to suppliers and employees	(3,984,426)	(4,378,771)	(4,459,555)	(80,784)	
Income tax refund/(paid)	0	0	0	0	
Interest paid	(618,395)	(701,882)	(672,514)	29,368	
Net cash inflow from operating activities	**2,543,763**	**2,308,024**	**2,265,007**	**(43,017)**	1
Cash flows from investing activities					
Sale of property, plant and equipment, investment property and intangible assets	63,713	254,067	222,534	(31,533)	2
Purchase of property, plant and equipment, investment property and intangible assets	(3,837,219)	(4,009,301)	(4,018,913)	(9,613)	
Acquisition of other financial assets	(1,299,601)	(4,086)	(31,313)	(27,227)	3
Proceeds from Sale of other financial assets	1,287,945	0	0	0	
Investment in associates and joint ventures	(258,000)	(136,530)	(189,530)	(53,000)	4
Advances to external parties	0	0	0	0	
Proceeds from community loan repayments	2,075	1,771	1,667	(104)	
Net cash outflow from investing activities	**(4,041,087)**	**(3,894,078)**	**(4,015,555)**	**(121,478)**	
Cash flows from financing activities					
Proceeds from borrowings	3,919,578	4,253,809	3,201,060	(1,052,749)	5
Repayment of borrowings	(2,422,254)	(2,706,745)	(1,489,501)	1,217,244	5
Payments of finance lease principal	0	38,990	38,990	0	
Net cash inflow from financing activities	**1,497,324**	**1,586,054**	**1,750,549**	**164,495**	
Net increase/(decrease) in cash and cash equivalents and bank overdrafts	0	0	0	0	
Opening cash and cash equivalents and bank overdrafts	100,000	100,000	100,000	0	
Closing cash and cash equivalents and bank overdrafts	**100,000**	**100,000**	**100,000**	**0**	

1. Refer to the notes in Prospective Statement of comprehensive revenue and expenditure for detail.
2. The reduction in the sale of property, plant and equipment, investment property and intangible assets is to reflect updated projections for asset sales.
3. The change in acquisition of other financial assets is from a change in accounting treatment of the Auckland Future Fund.
4. The movement in the investment in joint associates and ventures is due to updating the timing projections for the CRL project.
5. The movement is primarily due to increased 2024/2025 Category 3 capital expenditure, alongside reductions in NZTA subsidies related to changes in expected National Land Transport Programme (NLTP) funding levels, partially offset by reduction in Watercare investment.

Notes to the prospective financial statements

Note 1: Statement of significant accounting policies

Basis of reporting

Auckland Council is a local authority domiciled in New Zealand and governed by the following legislation:

- Local Government Act 2002 (LGA 2002);
- Local Government (Auckland Council) Act 2009 (LGACA 2009); and
- Local Government (Rating) Act 2002.

Auckland Council is a Financial Markets Conduct Reporting Entity under the Financial Markets Conduct Act 2013 (FMCA 2013). Auckland Council's principal address is 135 Albert Street, Auckland Central, New Zealand.

The Auckland Council Group (the group) consists of Auckland Council (the council), its subsidiaries, associates and joint ventures. A list of significant subsidiaries 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 public 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 ending 30 June 2026. 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.

Basis of preparation

These consolidated prospective financial statements are prepared:

- 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 thousand dollars, unless otherwise stated.

They comply with PBE FRS 42 Prospective financial statements.

They were adopted by the Governing Body of Auckland Council on 26 June 2025.

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
- Investment in other entities

Refer to note 2 for significant forecasting assumptions.

Comparative information

The Long-term Plan 2024-2034 adopted by the council on 27 June 2024 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. To establish control, the controlling entity has either exercisable power to govern decision-making to be able to benefit from, or predetermined rights to direct the relevant 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 and subsidiaries 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*
Port of Auckland Limited	Owns and operates Auckland's port which provides container bulk cargo handling, freight hubs, cruise industry facilities, and other services. Although Auckland Council owns 100 per cent of POAL, it is governed under the Port Companies Act 1988 and is not a council-controlled organisation (CCO).	No	100	100
Tātaki Auckland Unlimited Limited	Manages projects for economic development, tourism and events promotion in the Auckland region.	Yes	100	100
Tātaki Auckland Unlimited Trust	Supports and promotes the arts, culture, heritage, leisure, sports and entertainment, and owns and manages the venues for these activities. **Tātaki Auckland Unlimited Trust is a charitable trust of which Tātaki 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
Auckland Future Fund	To protect the real value of council's intergenerational assets that are put into the Fund so they can continue to benefit future generations, and to provide an enhanced return to the council to fund services and infrastructure. **Auckland Future Fund comprises Auckland Future Fund Trustee Limited (incorporated on 24th September 2024), and Auckland Future Fund (a trust, formed on 27th September 2024).*	Yes	100*	100*

Significant restrictions

Despite Auckland Council's ability to control its subsidiaries, there are significant restrictions on accessing the assets of the Auckland Future Fund Trust, Tātaki Auckland Unlimited Trust and Watercare Services Limited.

Auckland Future Fund Trust is a non-charitable trust with additional legislation to further protect the fund, and as a result Auckland Council is unable to access its assets.

Tātaki Auckland Unlimited Trust is a charitable trust, and as a result, Auckland Council is unable to access its assets.

In accordance with the Local Government (Auckland Council) Act 2009 section 56A, Auckland Council may not receive any equity return, and may not lend money or provide credit thereby generating a return on borrowings 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.

2024 Omnibus Amendments to PBE Standards

The 2024 Omnibus Amendments issued in October 2024 include updates to PBE IPSAS 1 Presentation of Financial Reports to clarify the principles for classifying liabilities as current or non-current. The amendments are effective from reporting periods beginning on or after 1 January 2026 with early adoption permitted. The group has not assessed the effect of the amendments in detail.

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
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 and other government agencies for no or nominal consideration. 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 income earned on financial assets. Interest income from financial instruments measured at amortised cost is calculated using the effective interest method. Interest income from assets measured at fair value are disclosed separately under Finance revenue from financial assets at fair value through surplus or deficit.
Dividend revenue	Dividend revenue is recognised when the group and/or the council's right to receive payment has been 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.
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.

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, contributions and sponsorship	Discretionary grants, contributions and sponsorship 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 gains and losses on the early close-out of derivatives and the early redemption of bonds, 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. 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. The carrying value of cash on hand, on demand bank deposits and short-term deposits with original maturities of less than three months approximates the 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 (ECL) 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 customer information. 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 ECLs, 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 customers 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 recognised in surplus or deficit. 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.

Other financial assets	The group's and 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 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). **Fair value and classification of financial instruments** For those financial instruments recognised at fair value in the statement of financial position, fair values are 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 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:

CATEGORIES	SUBSEQUENT MEASUREMENT	TREATMENT OF GAINS AND LOSSES
Fair value through surplus or deficit	Fair value	Surplus or deficit
Fair value through other comprehensive revenue and expenditure	Fair value	Other comprehensive revenue and expenditure
Financial assets at amortised cost	Amortised cost less provision for impairment	Surplus or deficit
Financial liabilities at amortised cost	Amortised cost	Surplus or deficit

	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. All financial assets and liabilities at fair value through surplus or deficit are mandatorily measured at fair value through surplus or deficit. The fair values for financial assets and financial liabilities at amortised cost have been calculated as the net present value of future cashflows using discount rates from appropriate interest rate curves unless the carrying value approximates the fair value. The valuation for foreign debt instruments is based on market data from Bloomberg. 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.
Non-current assets held for sale	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. Fair value movements are recognised in surplus or deficit.

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, certain assets in 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	Public transport facilities	9 - 100
Roads	5 - 100	Marinas	9 - 45
Water and wastewater	5 - 200	Rolling stock	10 - 35
Machinery	5 - 200	Wharves	10 - 100
Stormwater	12 - 132	Works of art	13 to Indefinite
Other infrastructure	10 - 69	Other operational assets	1 - 50
		Other operational assets (Risk Category 3 properties buy-out)	Indefinite
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.

Damaged assets

Damaged assets are impaired to their recoverable service amount based on their value in use, using the restoration cost approach. This is determined by reference to the depreciated replacement cost of the assets less the costs to repair the damage.

ASSET TYPE	WHERE IMPAIRMENT LOSS IS RECOGNISED
Assets held at cost	Net other gains or losses, in surplus or deficit.
Property, plant and equipment held at revalued amount	Other comprehensive revenue to the extent that it does not exceed the amount in the revaluation surplus for the class of asset. Any excess is recognised in Net other gains or losses, in surplus or deficit.

	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 for the amount by which the carrying amount of property, plant and equipment exceeds its recoverable amount. Any impairment loss is recognised immediately in surplus or deficit unless the asset is revalued, in which case any impairment loss is treated as a revaluation decrease. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. When previously recognised impairment indicator no longer exists, the recoverable amount is re-assessed and impairment loss is reversed. 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 under roads), restricted assets (except improvements and specified cultural and heritage assets) and operational assets (except other operational assets) undergo a full revaluation 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	5 - 35
Computer software	1 - 15
Intellectual property	5 - 35
Other intangible assets	1 - 85

Disposals

Gains and losses from the disposal of intangible assets are recognised in surplus or deficit.

Impairment

Intangible assets are assesed 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.

	Intellectual property Intellectual property comprises integrated catchment data and network models that provide local information about the stormwater, water and wastewater network performance in relation to capacity and interaction with the environment. The models are used for long-term management of the network. **Other intangible assets** Other intangible assets of the group include the following: - Access rights primarily involve long-term rail land leases with KiwiRail, permitting Auckland Transport to utilise assets through agreements, and also encompass licenses for access to Gulf Harbour Ferry Terminal - Resource consents. **Restrictions to title and security over intangible assets** There are no restrictions over the title of intangible assets of the group and the council, nor are any intangible assets pledged as security for liabilities.
Investment property	Investment property includes land and commercial buildings 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 entitlements for salaries and wages, annual leave, long service leave and other similar benefits are recognised as expenditure and liabilities when they accrue to employees.
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. Borrowings are classified as current liabilities unless the Council or the group has an unconditional right to defer settlement of the liability for at least 12 months after balance date. Current borrowings are debts expected to be repaid within a year, short term loans and other similar obligations. Non-current borrowings refer to debts not due for repayment within a year.
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	Ratepayer equity is the Auckland community's interest in the Group. Ratepayer equity has been classified into various components to identify those portions of equity held for specific purposes. Contributed equity is the net asset and liability position excluding restricted reserves at the time the council was formed.

Note 2: Significant forecasting assumptions

The budget forecasts and projections that underpin these prospective financial statements rely on a number of key forecasting assumptions. The significant forecasting assumptions for this annual budget are based on the assumptions published in the Long-term Plan 2024-2034 and only those that have been adjusted for this budget are listed below.

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.

Assumptions updated for Annual Plan 2025/2026

ASSUMPTION	ASSUMPTION DATA FOR ANNUAL BUDGET 2025/2026 AND SOURCE	RISKS AND IMPACTS
Auckland Future Fund (AFF)	AFF will use the $1.3 billion Auckland International Airport Limited (AIAL) share sale proceeds to diversify the council's major financial investments across different sectors and geographic regions, with expected stronger annual returns to the council to help fund services and infrastructure. The council is assuming average annual returns of 7.24% per annum from the AFF can be achieved over the long term, after allowing for management costs associated with administering a fund. This assumption was provided by advisors Russell Investments and is 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** - That fund returns differ 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 5.24%) 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.
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 has adopted a new development contributions (DC) policy in May 2025. Due to this policy changes, DC revenue is expected to be lower in the early years of the LTP period (offset by higher revenue in later years). Furthermore, the pace of development seen in 2024/2025 has been significantly lower than forecast. As a result, the budget assumes revenue of $175 million for 2025/2026, a reduction of $65 million on the Long-term Plan 2024-2034 assumption.	**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. The capital programme may need 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.

ASSUMPTION	ASSUMPTION DATA FOR ANNUAL BUDGET 2025/2026 AND SOURCE	RISKS AND IMPACTS
Inflation	There is no single "council inflation figure" that is automatically applied to all budgets. However, to ensure a consistent view of overall economic trends Auckland Council uses a number of information sources (both internal and external) to inform projections of inflationary impacts on its costs and revenues. Statistics NZ reported an annual Consumer Price Index (CPI) increase of 2.2 per cent for the year ending December 2024, which was 0.5 per cent lower than the Long-term Plan 2024-2034 assumption of 2.7 per cent for the same period. The inflationary pressures faced by the council group are different to those faced by household consumers and are also very different for different types of activities across the council group. When operational staff assess their budgets, they consider business specific inflationary pressures, contractual arrangements, and supply chain pressures.	**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. An additional 1 per cent of inflation could add around $20 million of net operating pressure, depending on how it flows through to specific cost and revenue lines.
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. For the 2025/2026 year the forecast average interest rate on council borrowing is 4.55 per cent.	**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.
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 also receives direct Crown funding for transport outside of the NLTF. Due to reduced co-funding from the National Land Transport Programme (NLTP), confirmed in September 2024, Auckland Transport has scaled back its transport programme by $204 million. The government funding assumption was also updated for other agreed changes in the transport capital funding, such as level crossing acceleration. In total for the 2025/2026 year, the council is assuming $537 million operating funding and $652 million capital funding.	**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. 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.
Growth in the rating base	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 adjustments for prudence and timing lags. This is used, alongside the agreed average rates increase to existing ratepayers, to project the total rates revenue. The council projects a growth in its rating base for 2025/2026 of 1.70 per cent, which is largely in line with the long-term plan assumption.	**Risk** – Growth differs significantly from forecasted. **Level of uncertainty** – High **Impacts** – 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 around $2.5 million.

ASSUMPTION	ASSUMPTION DATA FOR ANNUAL BUDGET 2025/2026 AND SOURCE	RISKS AND IMPACTS
Weather-tightness 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 December 2024, the council is forecasting claim payments of $39 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 burdening current ratepayers with the full impact of these settlements, it is assumed they will be funded from borrowings and the repayment of these borrowings spread over 30 years.	**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.
Asset recycling	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. This budget includes an asset recycling target of $42.6 million for 2025/2026. On top of the general asset recycling target, the budget also includes $180 million of other asset sales proceeds. This includes $122 million from the sale of the downtown carpark with the proceeds expected in 2025/2026, after the sale was agreed in a prior year. The remainder of the proceeds are from Transform & Unlock, Strategic Development Fund and other specific programmes.	**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.
Category 3 buy-outs	The expected number of risk Category 3 property buy-outs has increased from 900 to 1,215, with an average purchase price of $1.014 million. This results in an estimated additional cost of $126 million to the council over 2025/2026. The council's funding will be reallocated from Category 2 to Category 3, along with anticipated proceeds from the future sale of acquired properties. Additional council borrowing will be required in the short-term, as Category 2 budgets are phased over a 10-year period and property sales will occur gradually over several years.	**Risk** – The actual costs for the Category 3 buy-outs programme differs significantly than the forecast **Level of uncertainty** – Moderate **Impacts** – If actual costs are higher or lower than forecast, the council may need to change it's borrowing levels, with corresponding increases or decreases in borrowing costs, or dispose of more land through the future land use programme. An increase in available Crown funding would reduce the amount of council funding required.
City Rail Link (CRL) accounting treatment	Upon completion assets are expected to be vested, primarily, in KiwiRail and Auckland Transport. Formal decisions on ownership of specific associated assets upon completion are yet to be made. It is expected that these decisions will be made in the same year as the assets are vested in the owning entities. For this plan the council has made assumptions around the distribution of assets based on existing metro rail ownership and operating model and early, indicative valuations. The council has assumed that: • if the asset/system would be used primarily for trains then it would be a KiwiRail asset (e.g. tracks and tunnels) • if the asset/system would be primarily for people then it would be an Auckland Transport asset (i.e. stations and urban realm assets). The council has assumed Auckland Transport will receive vested assets worth around $2.6 billion from CRLL in the 2025/2026 year. This distribution of assets is not related to the even split of capital investment. Accounting treatment is equity accounting for CRLL at all times, but the amounts will reduce substantially in the year assets are transferred. Once asset splits are decided and vested, AC group will account for the assets on its balance sheet. In the year of transfer, investments in associate will reduce substantially, a significant amount of vested asset revenue will be recognised and AC group PPE will increase substantially.	**Risk** – The distribution of assets differs significantly from the assumption. The timing of decisions and asset transfers differ from the assumption. **Level of uncertainty** – Moderate **Impacts** – If more assets are vested in Auckland Transport than assumed then depreciation and maintenance costs will be higher than projected, but track access costs from KiwiRail may be lower than projected. There is not expected to be a material impact on overall costs. If there is a material period of time between asset split decisions being formally agreed and the transfer dates, then joint operations accounting treatment would need to be applied for the intervening period. The nature of the impacts on the forecast financial statements would be a reduction in our investment in associates and an increase in assets and liabilities to the value of the agreed share of CRLL assets and liabilities.

Note 3: Reconciliation between Prospective Statement of comprehensive revenue and expenditure and Prospective funding impact statement

This plan is prepared on a group basis. Under section 4(2) of the Local Government (Financial Reporting) Regulations, 2011 the council is required to provide information outlining differences between its statement of comprehensive revenue and funding impact statement. To meet this requirement this statement should be read in conjunction with the Prospective Funding Impact Statement (group consolidated).

$000 FINANCIAL YEAR ENDING 30 JUNE	LTP 2024/2025	LTP 2025/2026	ANNUAL PLAN 2025/2026	VARIANCE FROM LTP 2025/2026
Operating surplus/ (deficit) after income tax per Prospective Statement of comprehensive revenue	**1,585,290**	**2,029,898**	**1,975,824**	**(54,074)**
Items recognised as income in Statement of comprehensive revenue and as capital expenditure funding sources in Funding Impact Statement:				
Capital subsidies	(1,179,400)	(899,421)	(949,880)	(50,459)
Insurance recovery revenue funding capital projects	(30,000)	0	(30,000)	(30,000)
Development contributions	(230,000)	(240,000)	(175,000)	65,000
Non-cash items recognised in Statement of comprehensive revenue and not included in Funding Impact Statement:				
Depreciation	1,410,421	1,472,569	1,521,044	48,475
Depreciation of make good provision added back in funding impact statement	(315)	(315)	0	315
Discounting of provisions	684	534	534	0
Recognition of revenue from vested assets	(671,571)	(3,109,456)	(3,110,315)	(859)
Un-realised fair value gains and losses	(858)	(873)	(873)	0
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	2,378	2,006	1,843	(164)
Retro-fit your home targeted rate interest component recognised as revenue in the statement of comprehensive income	(303)	(235)	(176)	59
Share of equity accounted (surplus) /deficit from associates not distributed by way of dividends to Auckland Council	137,240	1,883,315	1,883,298	(17)
Income tax recognised in statement of comprehensive revenue not included in the funding impact statement	55,422	62,871	23,070	(39,801)
Net other gains recognised in statement of comprehensive revenue not included in the funding impact statement	(344)	(13,621)	(13,407)	214
Operating funding surplus/ (deficit) per Prospective Funding Impact Statement	**1,078,644**	**1,187,272**	**1,125,961**	**(61,311)**

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
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
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
Franklin Local Board Paths Targeted Rate	A targeted rate 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.	Roads and footpaths and Local community services
Electricity network resilience targeted rate	Targeted rate collected to fund management of Auckland Council-owned trees under or near Vector's power lines to improve public safety around power lines, reduces power outages, and improves the resilience of public trees.	Regional community services
Climate change targeted rate reserve	Targeted rate collected to fund the acceleration of regional climate action by extending the regional networks for public transport, active transport and urban ngahere to reduce Auckland's greenhouse gas emissions.	Public transport and travel demand management

The funding flows for these reserves are:

$000	ANNUAL REPORT 30 JUNE 2024	DEPOSITS	WITH-DRAWALS	BUDGET AT 30 JUNE 2025	DEPOSITS	WITH-DRAWALS	ANNUAL PLAN 2025/2026
Cash flow hedge reserve	0	0	0	0	0	0	0
Available-for-sale investment revaluation reserve	270,656	0	0	270,656	0	0	270,656
Share of associates' reserves	0	0	0	0	0	0	0
Asset revaluation reserve	20,457,162	0	(185,654)	20,271,508	1,103,523	0	21,375,031
RESTRICTED EQUITY RESERVES							
Statutory funds	3,719	0	0	3,719	0	(1,010)	2,709
Trust and bequests	1,610	122	(255)	1,477	66	(55)	1,488
Regional fuel tax reserve	430,854	0	(125,000)	305,854	0	(130,000)	175,854
Other restricted equity	48,646	1,570	(1,130)	49,086	1,759	(5,362)	45,483
Total restricted equity	**484,829**	**1,691**	**(126,385)**	**360,135**	**1,825**	**(136,427)**	**225,533**
TARGETED RATES RESERVES							
Central City targeted rate reserve	78,380	31,324	(30,371)	79,333	33,907	(36,752)	76,488
Riverhaven Drive targeted rate reserve	(243)	15	(15)	(243)	15	(13)	(241)
Open space/ Volcanic cones	2,683	98	(150)	2,631	96	(150)	2,577
Water quality targeted rate reserve	21,799	6,011	(8,509)	19,301	5,414	(8,735)	15,979
Natural environment targeted rate reserve	(595)	32,608	(30,044)	1,969	34,291	(32,487)	3,773
Rodney Local Board transport targeted rate reserve	(3,110)	4,880	(2,980)	(1,210)	5,006	(7,383)	(3,587)
Franklin Local Board paths targeted rate reserve	0	1,682	0	1,682	1,790	(3,720)	(248)
Electricity network resilience targeted rate	420	12,166	(12,393)	193	11,888	(12,128)	(47)
Climate action targeted rate reserve	50,962	50,047	(41,900)	59,109	52,657	(73,243)	38,523
North Shore Holdings Reserve Fund	3,885	0	0	3,885	0	0	3,885
Total targeted rates reserves	**154,181**	**138,832**	**(126,362)**	**166,650**	**145,063**	**(174,611)**	**137,102**
TOTAL RESERVES	**21,366,828**	**140,523**	**(438,401)**	**21,068,949**	**1,250,411**	**(311,038)**	**22,008,323**

Note 5: Auckland Council (parent) financial statements

Prospective statement of comprehensive revenue and expenditure

Auckland Council parent

$000 FINANCIAL YEAR ENDING 30 JUNE	LTP 2024/2025	LTP 2025/2026	ANNUAL PLAN 2025/2026	VARIANCE FROM LTP 2025/2026	NOTE
Revenue					
Rates	2,793,549	3,019,838	3,048,776	28,938	1
Fees and user charges	351,167	350,661	358,737	8,076	2
Grants and subsidies	364,115	130,509	290,727	160,218	3
Development and financial contributions	230,000	240,000	175,000	(65,000)	4
Other revenue	218,387	221,146	268,601	47,455	5
Vested assets	330,157	2,768,815	2,768,815	0	
Finance revenue measured using effective interest method	26,417	23,939	23,380	(559)	
Other finance revenue	196,949	241,941	208,027	(33,913)	6
Total revenue	**4,510,740**	**6,996,848**	**7,142,063**	**145,215**	
Expenditure					
Employee benefits	709,720	721,598	775,486	53,888	7
Depreciation and amortisation	366,831	384,145	384,406	261	
Grants, contributions and sponsorship	1,554,631	1,683,808	1,735,525	51,717	8
Other operating expenses	955,049	1,052,640	1,146,846	94,206	9
Finance costs	605,960	669,765	628,642	(41,122)	10
Total expenses	**4,192,191**	**4,511,955**	**4,670,904**	**158,950**	
Operating surplus/ (deficit)	**318,549**	**2,484,894**	**2,471,159**	**(13,735)**	
Net other gains and losses	(2,406)	10,816	10,520	(296)	
Share of surplus/ (loss) in associates and joint ventures	(132,723)	(1,878,842)	(1,879,159)	(317)	
Operating surplus/ (deficit) before income tax	**183,420**	**616,867**	**602,519**	**(14,349)**	
Income tax expense	0	0	0	0	
Surplus/ (deficit) after income tax	**183,420**	**616,867**	**602,519**	**(14,349)**	
Other comprehensive revenue					
Fair value movement on revaluation of financial assets held at fair value through other comprehensive revenue and expenditure	0	0	0	0	
Net gain on revaluation of property, plant and equipment	0	51,282	51,282	0	
Total other comprehensive revenue	**0**	**51,282**	**51,282**	**0**	
Total comprehensive revenue/ (expenditure)	**183,420**	**668,150**	**653,801**	**(14,349)**	

1. The increase from rates revenue is primarily from the implementation of targeted rates-funded rubbish collection. services for Rodney and Franklin, along with changes to the size and mix of the rating base.
2. The increase in fees and user charges is primarily driven by increased revenue for resource consents, building consents and Land Information Memorandum (LIM) requests.
3. The increase of grant and subsidies is primarily due to change in timing of government funding for storm response.
4. The decrease in development and financial contributions revenue reflects changes to policy resulting in lower revenue in 2025/2026 offset by higher revenue in future years and a lower number of dwelling completions than forecasted.
5. The increase in other revenue mainly is driven by the timing change of the storm-related insurance recoveries.
6. The decrease in finance revenue is primarily due to reduced internal borrowings to Watercare and lower interest rates.

7. The increase in employee benefits is mainly due to the transfer of staff costs from Eke Panuku and Tātaki Auckland Unlimited to Auckland Council. It also reflects timing changes to committed programmes.
8. The increase in grants and contributions is primarily due to additional funding for Auckland Transport related to the level crossings removal programme. It also reflects timing changes to committed programmes.
9. The increase in other operating expenditure, primarily from Auckland Council, is driven by increases in forecast expenditure (which has been offset by interest reductions), the reclassification of capital and operational expenditures, and higher rubbish collection costs funded by the Waste Targeted Rate. It also reflects transfer of expenditure from Eke Panuku and Tātaki Auckland Unlimited to Auckland Council.
10. The reduction in the finance costs is primarily due to favorable movements in interest rates.

Prospective statement of financial position

Auckland Council parent

$000 AS AT 30 JUNE	LTP 2024/2025	LTP 2025/2026	ANNUAL PLAN 2025/2026	VARIANCE FROM LTP 2025/2026	NOTE
Assets					
Current assets					
Cash and cash equivalents	80,000	80,000	80,000	0	
Receivables and prepayments	218,954	64,436	494,947	430,511	1
Derivative financial instruments	110,160	110,160	17,827	(92,333)	2
Other financial assets	116,742	116,742	148,186	31,444	2
Inventories	331	340	321	(19)	
Income tax receivable	0	0	0	0	
Non-current assets held for sale	132,183	98,423	169,096	70,673	3
Total current assets	**658,370**	**470,101**	**910,377**	**440,276**	
Non-current assets					
Receivables and prepayments	83,525	44,475	51,844	7,369	
Derivative financial instruments	625,976	625,976	551,510	(74,466)	2
Other financial assets	4,836,839	4,392,509	4,927,778	535,269	2
Property, plant and equipment	21,259,925	21,782,282	21,868,397	86,115	4
Intangible assets	224,331	231,940	231,395	(545)	
Investment property	540,777	551,593	536,504	(15,088)	2
Investments in subsidiaries	21,417,023	24,064,633	23,638,761	(425,872)	2
Investments in associates and joint ventures	1,906,368	156,164	180,755	24,591	5
Other non-current assets	4,166	5,039	3,644	(1,395)	
Total non-current assets	**50,898,931**	**51,854,610**	**51,990,587**	**135,977**	
Total assets	**51,557,301**	**52,324,711**	**52,900,965**	**576,253**	

$000 AS AT 30 JUNE	LTP 2024/2025	LTP 2025/2026	ANNUAL PLAN 2025/2026	VARIANCE FROM LTP 2025/2026	NOTE
Liabilities					
Current liabilities					
Payables and accruals	1,399,464	1,417,132	2,063,141	646,009	2
Employee entitlements	68,838	69,990	77,562	7,572	
Borrowings	2,715,045	2,781,861	1,550,513	(1,231,347)	6
Derivative financial instruments	2,060	2,060	6,581	4,521	
Provisions	329,298	80,034	(210,705)	(290,739)	7
Total current liabilities	**4,514,705**	**4,351,077**	**3,487,093**	**(863,984)**	
Non-current liabilities					
Payables and accruals	244,089	247,171	298,113	50,943	2
Employee entitlements	1,122	1,141	989	(152)	
Borrowings	11,172,171	11,447,113	12,877,369	1,430,256	6
Derivative financial instruments	567,831	567,831	568,926	1,095	
Provisions	132,884	117,730	644,964	527,235	7
Total non-current liabilities	**12,118,097**	**12,380,986**	**14,390,362**	**2,009,376**	
Total liabilities	**16,632,802**	**16,732,063**	**17,877,455**	**1,145,392**	
Net assets	**34,924,498**	**35,592,648**	**35,023,509**	**(569,139)**	
Equity					
Contributed equity	26,538,778	26,538,778	26,073,943	(464,835)	
Accumulated funds	516,823	1,296,309	1,837,106	540,797	
Reserves	7,868,898	7,757,561	7,112,460	(645,101)	
Total ratepayers equity	**34,924,498**	**35,592,648**	**35,023,509**	**(569,139)**	2
Minority interests	0	0	0	0	
Total equity	**34,924,498**	**35,592,648**	**35,023,509**	**(569,139)**	

1. The movement in receivables and prepayments and other financial assets is primarily due to the reforecasting of working capital assumptions.
2. Variances are mainly due to the updating of opening balances to reflect balances in the audited Annual Report 2023/2024.
3. The increase of non-current assets held-for-sale is primarily attributable to timing change on the asset sale schedule.
4. The increase in property, plant and equipment is primarily due to increase of the purchase for Category 3 property buy-outs and reduction in the asset sale due to the timing change, partially offset with the updating of opening balances to reflect balances in the audited Annual Report 2023/2024.
5. The increase in investments in associates and joint ventures is primarily due to the revised timing for CRL project and the updating of opening balances to reflect balances in the audited Annual Report 2023/2024.
6. A significant reclassification between current and non-current borrowing is primarily due to the updating of opening balances to reflect balances in the audited Annual Report 2023/2024. The overall increase in debt is primarily due to increased Category 3 capital expenditure.
7. A significant reclassification between current and non-current provisions is primarily due to the updating of opening balances to reflect balances in the audited Annual Report 2023/2024.

Prospective statement of movement in equity

Auckland Council parent

$000 FINANCIAL YEAR ENDING 30 JUNE	LTP 2024/2025	LTP 2025/2026	ANNUAL PLAN 2025/2026	VARIANCE FROM LTP 2025/2026	NOTE
Contributed equity					
Opening balance	**26,538,778**	**26,538,778**	**26,073,943**	**(464,835)**	
Surplus after income tax	0	0	0	0	
Other comprehensive revenue	0	0	0	0	
Total comprehensive revenue	0	0	0	0	
Transfer to/ (from) reserves	0	0	0	0	
Balance as at 30 June	**26,538,778**	**26,538,778**	**26,073,943**	**(464,835)**	
Accumulated funds					
Opening balance	**(126,496)**	**516,823**	**1,070,438**	**553,615**	
Surplus/ (deficit) after income tax	183,420	616,867	602,519	(14,349)	1
Other comprehensive revenue	0	0	0	0	
Total comprehensive revenue	**183,420**	**616,867**	**602,519**	**(14,349)**	
Transfer to/ (from) reserves	459,900	162,619	164,150	1,531	
Balance as at 30 June	**516,823**	**1,296,309**	**1,837,106**	**540,797**	
Reserves					
Opening balance	**8,328,797**	**7,868,898**	**7,225,327**	**(643,570)**	
Surplus after income tax	0	0	0	0	
Other comprehensive revenue	0	51,282	51,282	0	
Total comprehensive revenue	**0**	**51,282**	**51,282**	**0**	
Transfer to/ (from) reserves	(459,900)	(162,619)	(164,150)	(1,531)	
Balance as at 30 June	**7,868,898**	**7,757,561**	**7,112,460**	**(645,101)**	
Total equity					
Opening balance	**34,741,079**	**34,924,498**	**34,369,708**	**(554,790)**	
Surplus after income tax	183,420	616,867	602,519	(14,349)	
Other comprehensive revenue	0	51,282	51,282	0	
Total comprehensive revenue	**183,420**	**668,150**	**653,801**	**(14,349)**	
Transfer to/ (from) reserves	0	0	0	0	
Balance as at 30 June	**34,924,498**	**35,592,648**	**35,023,509**	**(569,139)**	

1. Refer to the notes in Prospective Statement of comprehensive revenue and expenditure for detail.

Prospective statement of cash flows

Auckland Council parent

$000 FINANCIAL YEAR ENDING 30 JUNE	LTP 2024/2025	LTP 2025/2026	ANNUAL PLAN 2025/2026	VARIANCE FROM LTP 2025/2026	NOTE
Cash flows from operating activities					
Receipts from rates revenue	2,793,549	3,019,838	3,048,776	28,938	
Receipts from grants and other services	1,068,875	893,178	953,570	60,391	
Interest received	223,366	265,880	231,408	(34,472)	
Dividends and distributions received	56,164	56,797	123,267	66,470	
Payments to suppliers and employees	(2,981,339)	(3,328,828)	(3,403,153)	(74,325)	
Interest paid	(605,276)	(669,231)	(628,109)	41,122	
Net cash from operating activities	**555,338**	**237,634**	**325,759**	**88,125**	1
Cash flows from investing activities					
Proceeds from Sale of other financial assets	1,287,945	0	0	0	
Acquisition of other financial assets	(11,656)	(4,086)	(5,926)	(1,841)	
Advances of loans to related parties	(638,234)	446,644	427,656	(18,988)	2
Sale of property, plant and equipment, investment property and intangible assets	63,713	132,183	100,650	(31,533)	3
Purchase of property, plant and equipment, investment property and intangible assets	(1,210,561)	(1,058,365)	(1,302,005)	(243,640)	4
Proceeds from community loan repayments	2,075	1,771	1,667	(104)	
Investment in associates and joint ventures	(258,000)	(136,530)	(189,530)	(53,000)	5
Investments in subsidiaries	(1,287,945)	0	0	0	
Advances to external parties	0	0	0	0	
Net cash from investing activities	**(2,052,663)**	**(618,382)**	**(967,488)**	**(349,106)**	
Cash flows from financing activities					
Proceeds from borrowings	3,919,632	3,056,803	2,088,479	(968,325)	
Repayment of borrowings	(2,422,308)	(2,715,045)	(1,485,739)	1,229,305	
Payments of finance lease principal	0	38,990	38,990	0	
Net cash from financing activities	**1,497,324**	**380,748**	**641,729**	**260,981**	
Net increase/(decrease) in cash and cash equivalents and bank overdraft	0	0	0	0	
Opening cash and cash equivalents and bank overdrafts	80,000	80,000	80,000	0	
Closing cash and cash equivalents and bank overdrafts	**80,000**	**80,000**	**80,000**	**0**	

1. Refer to the notes in Prospective Statement of comprehensive revenue and expenditure for detail.
2. The reduction in advances of loans to related parties is primarily due to a decrease in loans to Watercare with changes in their capital programme forecast.
3. The reduction in the sale of property, plant and equipment, investment property and intangible assets is to reflect updated projection of the asset sale.
4. The increase in purchase of property, plant and equipment, investment property and intangible assets is primarily driven by increased Category 3 capital expenditure and the carryforward of capital expenditure carry-forward from the 2024/2025 to the 2025/2026 for alignment with expected delivery timing.
5. The movement in the investment in joint associates and ventures is due to updating of timing projections for the CRL project.

Note 6: Depreciation and amortisation by group of activity

$000 FINANCIAL YEAR ENDING 30 JUNE	LTP 2024/2025	LTP 2025/2026	ANNUAL PLAN 2025/2026	VARIANCE FROM LTP 2025/2026
Roads and Footpaths	451,076	469,970	479,596	9,626
Public Transport and travel demand management	98,709	103,808	124,101	20,293
Wastewater	213,541	226,986	235,843	8,857
Water supply	178,489	182,981	192,962	9,982
Stormwater	99,076	99,940	103,554	3,614
Local Council Services	3,661	3,457	3,342	(116)
Regionally delivered council services	284,036	300,764	294,104	(6,660)
Council controlled services	81,518	84,348	87,542	3,194
	1,410,106	**1,472,254**	**1,521,044**	**48,790**

Te pūrongo ahumoni me ngā paerewa ngārahu

4.3 Financial reporting and prudence benchmarks

Long-term plan disclosure statement for the year ending 30 June 2026

What is the purpose of this statement?

The purpose of this statement is to disclose the group's planned financial performance against various benchmarks to enable an assessment of whether the group is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The group is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

BENCHMARK	LIMIT	PLANNED	MET
Rates affordability benchmark			
• increases	4.20%	5.80%	No
Debt affordability benchmark			
• group debt as a percentage of group revenue	270%	224%	Yes
Balanced budget benchmark	100%	108%	Yes
Essential services benchmark	100%	180%	Yes
Debt servicing benchmark	15%	9%	Yes

Notes

1. Rates affordability benchmark

For this benchmark the group's planned rates increases for the year are compared with a quantified limit on rates increases for the year contained in the financial strategy included in the group's long-term plan.

The group meets the rates affordability benchmark if its planned rates increases for the year equal or are less than each quantified limit on rates increases.

Following an amendment to the Local Government Act 2002 in 2019, the council has not included a quantified limit on rates income in its financial strategy in the long-term plan.

Note: In 2025/2026, despite long-term policy constraints of keeping rates increases within 1.5 per cent of CPI, an average rates increase of 5.8 per cent is planned as the council moves to fairer funding for local boards.

2. Debt affordability benchmark

For this benchmark, the group's planned borrowing is compared with the quantified limit on borrowing contained in the financial strategy included in the group's long-term plan and treasury management policy.

The group meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

3. Balanced budget benchmark

For this benchmark, the group's total planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, revaluation of property, plant, or equipment, and share of profit/loss for associate) is presented as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

The group meets the benchmark if its planned revenue equals or is greater than its planned operating expenses.

4. Essential services benchmark

For this benchmark, the group's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services. The group meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

5. Debt servicing benchmark

For this benchmark, the group's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluation of property, plant, or equipment).

Because Statistics New Zealand projects the council’s population will grow faster than the national population is projected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 15 per cent of its planned revenue.

Additional information

The group's planned revenue includes net other gains, finance income, and net share of surpluses in associates and jointly controlled entities.

The group’s planned operating expenditure includes net other losses, and net share of deficits in associates and jointly controlled entities.

Net debt refers to the group's financial liabilities less financial assets (excluding trade and other receivables).

Borrowing cost includes interest expense and losses on early close out of interest rate swaps and excludes adjustments for time value of money.

Network infrastructure refers to infrastructure related to water supply, sewerage treatment and disposal, stormwater drainage, flood protection and control, roads and footpaths.

5

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Your rates

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5.1 Your rates

Overview

Our Annual Plan 2025/2026 includes an overall rates increase of 5.80 per cent for the average value residential property for 2025/2026, or around $223 a year ($4.29 a week). This is in line with what we said in the LTP. The rates increase includes:

- an average general rates increase of 6.54 per cent for existing ratepayers.
- an average increase of 3.5 per cent to the Natural Environment Targeted Rate (NETR) and Climate Action Transport Targeted Rate (CATTR) for existing ratepayers, as set out in the LTP.
- an average increase of $2.04 in the Water Quality Targeted Rate (WQTR) to cover the operating and interest costs for the programme, as set out in the LTP.
- a 3 per cent increase to the overall Waste Management Targeted Rate for standard refuse, recycling and food scraps services (excluding changes to the refuse component as part of the rollout of rates funded refuse), below the 4.93 per cent forecast in the LTP.

The LTP provided for 31 per cent of general rates and the WQTR, NETR, and CATTR to be collected from business properties. The growth in the value of business properties has been lower than growth for non-business properties. To maintain business properties 31 per cent share of these rates, there will be an additional increase to business rates for 2025/2026. The rates increase for the average-value business property will be 7.17 per cent for 2025/2026 (as opposed to 5.9 per cent forecast in the LTP).

Revaluation

We have completed our three-yearly revaluation of properties. We are required by law to undertake the revaluation every three years. This ensures that properties of similar values pay similar rates as property values move over time. Rates for the 2025/2026 rating year will be set and assessed based on these new values. Increases in property values do not lead to an increase in the rates paid by individual ratepayers.

Decreases in property values also do not automatically mean decreases in rates. Property values are used to share the rates requirement amongst ratepayers.

The rates increases for individual properties from the last rating year will depend on how the value of each property has moved in relation to the overall movement in value for properties and are likely to be different from the average figures discussed in the previous paragraphs. For example, if a residential property's value decreases by the average for the region (9.1 per cent), then their rates will increase by a percentage similar to 5.8 per cent. A residential property with a smaller decrease in its capital value will have a rates increase above the average 5.8 per cent. Similarly, a residential property with a value decrease greater than 9.1 per cent will have a lower rates increase or even a decrease.

The above excludes the impact of the rollout of the refuse collection targeted rate to certain areas of Auckland.

You can find more information about revaluation at **https://www.aucklandcouncil.govt.nz/property-rates-valuations/our-valuation-of-your-property/Pages/general-property-revaluation.aspx**

Total rates change for 2025/2026

We calculate rates increases for average-value properties in the residential and business categories as set out in the following table.

Rates changes for residential and business property	Residential $	Business $
Average old capital value	**1,416,500**	**3,795,500**
Average new capital value	**1,287,500**	**3,864,500**
Total rates 2024/2025	**3,846.06**	**20,810.80**
Total rates 2025/2026	**4,069.08**	**22,303.56**
$ Annual change	223.02	1,492.76
$ Weekly change	4.29	28.71
Annual change per cent	5.80%	7.17%
Breakdown of changes to 2024/2025 rates		
General rates	204.85	1,457.02
Water Quality Targeted Rate	2.04	13.53
Natural Environment Targeted Rate	1.05	10.48
Climate Action Transport Targeted Rate	2.18	17.15
Waste Management Minimum Base Rate	-19.10	-19.10
Waste Management Standard Recycling Rate	13.68	13.68
Waste Management Standard Refuse Rate	21.01	n/a
Waste Management Food Scraps Rate	-2.69	n/a

Rates increases for residential and business ratepayers 2025/2026

Average value residential property
(CV$1.29M)

Average value business property
(CV$3.87M)

Notes to the rates increase analyses presented in this section

- The rates shown in the table and graphics in this section include general rates, the Water Quality Targeted Rate, the Natural Environment Targeted Rate, the Waste Management Minimum Base Service Rate, the Standard Recycling Rate, the Standard Refuse Rate (included for residential properties only), the Food Scraps Rate (included for residential properties only), and the Climate Action Transport Targeted Rate.
- We include the Standard Refuse Rate for residential properties as it provides a useful indication of these costs across the region including areas where the rates funded refuse service was or is only available for part of the year and charged on a pro-rata basis. We assume that the average-value residential property is paying the full standard refuse targeted rate in both years, to ensure a like for like comparison of rates between years. The refuse targeted rate is not included for business properties as it only applies to some business properties in the former Auckland City Council area. We have proposed a number of other changes to our rating policy that may affect individual properties. For more information, see Section 5.2: Decisions around rates, fees and charges.
- The rates shown above do not include water or wastewater charges which are set by Watercare.
  These will increase by 7.2 per cent in 2025/2026. You can see more information on the Watercare website: www.watercare.co.nz

Ngā whakatau e pā ana ki ngā reiti, ki ngā utu ā-ratonga me ngā utu whānui

5.2 Decisions around rates, fees and charges

Changes to Waste Management targeted rates and charges

We are continuing to implement a standardised waste management collection service and to standardise how these services are paid for. The rates-funded refuse collection presently available in the former districts of Auckland City, Manukau City, North Shore City, Waitākere City and Papakura is being rolled out to the former districts of Rodney and Franklin this financial year.

Residential and lifestyle properties in Franklin and Rodney will be charged a refuse targeted rate for the first time in 2025/2026, calculated based on:

- a full 12-month service for Franklin with the service starting in early July 2025
- around 83 per cent of the full year charge for Rodney, reflecting the start date of early September 2025.

We have also adjusted the overall waste management targeted rates for all eligible properties in Auckland to reflect:

- changes in costs following the commencement of the rates funded refuse rollout
- higher processing costs than we expected for recyclable materials
- lower processing costs and more profit from bin liners than we expected.

These changes translate into a 3 per cent (or $13 per year) increase in targeted rates for a household with the standard waste collection services (a 240 litre recycling bin, a 120 litre refuse bin, a food scraps bin and an annual, prebooked inorganic collection).

In addition, from July 2025 waste management services and targeted rates will be extended to the commercial areas in Manukau where the service isn't presently available.

Other changes to rates

We have decided to:

- introduce a new Business Improvement District (BID) targeted rate to fund the establishment of a new Grey Lynn BID programme
- not set a targeted rate for the Hunters Corner and the Māngere East Village BIDs for 2025/2026 as they remain non-compliant with our policy
- lower the grant amount for Onehunga BID to $410,000 as requested by the business association.

Only business properties located in the relevant BID area are liable for a BID targeted rate.

Changes to fees and charges

In addition to most fees and charges which are increasing in line with inflation, we have made specific changes to the following fees to help cover the costs of providing these services:

- increasing dog adoption fee from $350 to $450: actual cost to council is around $700 to $800 per adopted dog
- increasing vet fee from $75 to $150: this fee applies to unclaimed dogs not suitable for adoption, where the owner is known to the council but does not want to claim their dog back
- increasing some cemetery services to cover costs due to a significant under-recovery of costs from the existing fees (see table below: Changes to fees for ash wall interment, slot, burial and cremation services)
- simplifying and increasing the administration fees for miscellaneous cemetery services. The proposed fees are lower than, or at the lower end of, other providers' prices (see table below: Simplification of and increase to administration fees and some miscellaneous service fees in cemeteries)
- realigning bach fees into pricing tiers based on occupancy levels, capacity and location (see table below: Changes to some regional park services fees)
- aligning staff charge out rates for rangers and senior rangers for large events, commercial activity or filming taking place on regional parks (see table below: Changes to some regional park services fees).

Changes to fees for ash wall interment, slot, burial and cremation services

CATEGORY	SERVICE	CURRENT FEE (INCL. GST)	FEE FOR 2025/2026 (INCL. GST)
Ash wall interment and slot (existing facilities)	Ash wall interment	$133	$300
	Ash garden (space for 2 urns)	$1,555	$2,200
	Ash lawn (space for 2 urns)	$755	$1,555
	Disinterment of adult	$5,550	$6,500
	Public holiday burial	$1,110	$2,000
	Sunday burial and cremation	$500	$1,200
	Viewing the charging of the casket	$244	$350

Simplification of and increase to administration fees and some miscellaneous service fees in cemeteries

FEE SUB-GROUP	FACILITY NAME	ADDITIONAL INFO	FEE NAME	CURRENT FEE (INCL. GST)	FEE FOR 2025/2026 (INCL. GST)
Book of Memories	Waikumete Cemetery	Tier 1: Main	Book of Memories/ Remembrance (extra line)	$52	$100
Heritage Services	All cemeteries	All cemeteries	Heritage Unit Memorial Enquiry	$55	$100
Administration fees	All cemeteries	Tier 1: Main	Adornment removal fee	$60	$100
Ash Burial Fees	Tier 1: Main	Tier 1: Main	Scattering	$67	$100
Ash Burial Fees	Tier 2: Satellite	Tier 2: Satellite	Scattering	$67	$100
Standard	Papakura South Cemetery	Tier 2: Satellite	Papakura Club Wall admin fee	$69	$100
Burial rights	All cemeteries	All cemeteries	Surrender burial rights	$89	$100
Time payment facility	All cemeteries	All cemeteries	Time Payment Cancellation Fee	$89	$100
Additional burial fees	Tier 1: Main	Tier 1: Main	Removal of plaque (certain areas/ plaques only)	$116	$150
Additional burial fees	All cemeteries	All cemeteries	Arrival 30 minutes after booked time	$122.50	$150
Facility Hire - Waikumete	Tier 1: Main	Tier 1: Main	Waitemata Lounge	$122.50	$150
Ash Burial Fees	Tier 1: Main	Tier 1: Main	Ash wall burial administration / attendance	$133	$150
Burial rights	All cemeteries	All cemeteries	Burial rights transfer - historic	$133	$150
Additional burial fees	All cemeteries	All cemeteries	Weekend Ash Burial (assisted)	$133	$150
Administration fees	All cemeteries	All cemeteries	Monumental permits	$172	$200
Memorial	Aotea Great Barrier	Tier 3: Aotea Great Barrier	All areas	$173	$200

FEE SUB-GROUP	FACILITY NAME	ADDITIONAL INFO	FEE NAME	CURRENT FEE (INCL. GST)	FEE FOR 2025/2026 (INCL. GST)
Burial rights	All cemeteries	All cemeteries	Surrender burial rights - historic	$178	$200
Ash Burial Fees	All cemeteries	All cemeteries	Neonatal/Baby ash burial	$183	$200
Facility Hire - Waikumete	Tier 1: Main	Tier 1: Main	Chapel of Faith - Venue only (Weekends)	$193	$200
Additional Cremation Fees	Tier 1: Main	Tier 1: Main	Same day cancellation	$200	$200

Changes to some regional park services fees

FACILITY NAME	FEE TYPE	FEE NAME	CURRENT FEE	FEE FOR 2025/2026
All Parks	Standard	Hourly Monitoring Costs Internal and external - Tier 3-6 applications	$126.00	$110.00
All Parks	Standard	Staff member only	$120.50	$130.00
All Parks	Standard	Hourly Monitoring Costs Internal and external - Tier 3-6 applications (incl. vehicle)	$175.00	$150.00
All Parks	Standard	Hourly Processing Costs - Tier 3-6 applications	$126.00	$150.00
All Parks	Standard	Staff member plus Vehicle	$167.00	$170.00
All Parks	Standard	Hourly Processing Costs - Tier 3-6 applications (incl. vehicle)	$168.00	$190.00
Atiu cottage	Off-peak	Atiu cottage hire - Community (off-peak)	$110.00	$101.00
Atiu cottage	Peak	Atiu cottage hire - Community (peak)	$173.00	$168.00
Awhitu house	Off-peak	Awhitu house hire - Community (off-peak)	$110.00	$119.00
Awhitu house	Peak	Awhitu house hire - Community (peak)	$177.00	$198.00
Baileys cottage	Off-peak	Baileys cottage hire - Community (off-peak)	$150.00	$119.00
Baileys cottage	Peak	Baileys cottage hire - Community (peak)	$234.00	$198.00
Barr cottage	Off-peak	Barr cottage hire - Community (off-peak)	$112.00	$119.00
Barr cottage	Peak	Barr cottage hire - Community (peak)	$182.00	$198.00
Big Bay bach	Off-peak	Big Bay bach hire - Community (off-peak)	$80.00	$63.00
Big Bay bach	Peak	Big Bay bach hire - Community (peak)	$141.00	$126.00
Coldham bach	Off-peak	Coldham bach hire - Community (off-peak)	$150.00	$176.00
Coldham bach	Peak	Coldham bach hire - Community (peak)	$234.00	$252.00
Courtyard house	Off-peak	Courtyard house hire - Community (off-peak)	$320.00	$302.00
Courtyard house	Peak	Courtyard house hire - Community (peak)	$462.00	$432.00
Craw Homestead	Off-peak	Craw Homestead hire - Community (off-peak)	$110.00	$101.00

FACILITY NAME	FEE TYPE	FEE NAME	CURRENT FEE	FEE FOR 2025/2026
Craw Homestead	Peak	Craw Homestead hire - Community (peak)	$177.00	$168.00
Graham bach	Off-peak	Graham bach hire - Community (off-peak)	$186.00	$218.00
Graham bach	Peak	Graham bach hire - Community (peak)	$260.00	$312.00
Keddle house	Off-peak	Keddle house hire - Community (off-peak)	$150.00	$176.00
Keddle house	Peak	Keddle house hire - Community (peak)	$235.00	$252.00
Moonlight bach	Off-peak	Moonlight bach hire - Community (off-peak)	$150.00	$176.00
Moonlight bach	Peak	Moonlight bach hire - Community (peak)	$234.00	$252.00
Puhoi cottage	Off-peak	Puhoi cottage hire - Community (off-peak)	$77.00	$63.00
Puhoi cottage	Peak	Puhoi cottage hire - Community (peak)	$140.00	$126.00
Schischka house	Off-peak	Schischka house hire - Community (off-peak)	$225.00	$260.00
Schischka house	Peak	Schischka house hire - Community (peak)	$310.00	$372.00
Tapapakanga bach	Off-peak	Tapapakanga bach hire - Community (off-peak)	$110.00	$101.00
Tapapakanga bach	Peak	Tapapakanga bach hire - Community (peak)	$177.00	$168.00
Tawharanui bach	Off-peak	Tawharanui bach hire - Community (off-peak)	$150.00	$176.00
Tawharanui bach	Peak	Tawharanui bach hire - Community (peak)	$234.00	$252.00
Te Kuiti bach	Off-peak	Te Kuiti bach hire - Community (off-peak)	$110.00	$118.00
Te Kuiti bach	Peak	Te Kuiti bach hire - Community (peak)	$173.00	$168.00
Te Whetuki House	Off-peak	Te Whetuki House hire - Community (off-peak)	$120.00	$176.00
Te Whetuki House	Peak	Te Whetuki House hire - Community (peak)	$183.00	$252.00
Vine house	Off-peak	Vine house hire - Community (off-peak)	$94.00	$83.00
Vine house	Peak	Vine house hire - Community (peak)	$157.00	$166.00
Waitawa bach	Off-peak	Waitawa bach hire - Community (off-peak)	$110.00	$119.00
Waitawa bach	Peak	Waitawa bach hire - Community (peak)	$177.00	$198.00
Wenderholm Beach house	Off-peak	Wenderholm Beach house hire - Community (off-peak)	$164.00	$176.00
Wenderholm Beach house	Peak	Wenderholm Beach house hire - Community (peak)	$255.00	$252.00

Te tauākī mō te pānga ā-haumi pūtea, tae noa ki te tikanga whai reiti

5.3 Funding impact statement including rating mechanism

FINANCIAL YEAR ENDING 30 JUNE $000	LTP 2024/2025	LTP 2025/2026	ANNUAL PLAN 2025/2026
Sources of operating funding:			
General rates, UAGCs, rates penalties	2,426,584	2,623,054	2,631,469
Targeted rates	357,420	386,564	405,609
Subsidies and grants for operating purposes	551,035	599,584	567,341
Fees and charges	1,787,384	1,910,033	1,898,935
Interest and dividends from investments	61,843	85,860	113,867
Local authorities fuel tax, fines, infringement fees and other receipts	623,684	650,018	641,244
Total operating funding	**5,807,950**	**6,255,113**	**6,258,464**
Applications of operating funding:			
Payment to staff and suppliers	4,111,225	4,366,274	4,459,990
Finance costs	618,081	701,567	672,514
Other operating funding applications	0	0	0
Total applications of operating funding	**4,729,306**	**5,067,841**	**5,132,503**
Surplus (deficit) of operating funding	**1,078,644**	**1,187,272**	**1,125,961**
Sources of capital funding:			
Subsidies and grants for capital expenditure	1,179,400	899,421	949,880
Development and financial contributions	230,000	240,000	175,000
Increase (decrease) in debt	1,497,324	1,547,064	1,711,559
Gross proceeds from sale of assets	63,713	254,067	222,534
Lump sum contributions	0	0	0
Other dedicated capital funding	30,000	-	30,000
Total sources of capital funding	**3,000,437**	**2,940,552**	**3,088,973**
Application of capital funding:			
Capital expenditure:			
- to meet additional demand	1,191,137	1,302,857	1,125,674
- to improve the level of service	1,526,225	1,205,362	1,544,858
- to replace existing assets	1,330,831	1,533,895	1,401,689
Increase (decrease) in reserves	90,136	46,632	61,883
Increase (decrease) in investments	(59,248)	39,078	80,830
Total applications of capital funding	**4,079,081**	**4,127,824**	**4,214,934**
Surplus (deficit) of capital funding	**(1,078,644)**	**(1,187,272)**	**(1,125,961)**
Funding balance	**0**	**0**	**0**

5.3.1 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 forecast rating base for Auckland Council as at 30 June 2025.

Capital value ($)	1,019,115,174,378
Land value ($)	646,714,932,973
Rating units	638,067
Separately used or inhabited parts of a property	726,158

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 $604 (including GST) will be applied per SUIP for 2025/2026. This is estimated to produce around $370.9 million (excluding GST) for 2025/2026.

The following targeted rates to be set by the council also have a fixed rate component, as described below in this section:

- 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[1] 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).

1. Except rates set solely for water supply or sewerage disposal.

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 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 the 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 also 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.[1]

DIFFERENTIAL GROUP	DEFINITION
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.[1]
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.[1]
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.[1]

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 2025/2026 for the general rate. This is estimated to produce around $2,278.6 million (excluding GST) for 2025/2026.

Value-based general rate differentials for 2025/2026

PROPERTY CATEGORY	EFFECTIVE RELATIVE DIFFERENTIAL RATIO FOR GENERAL RATE FOR 2025/2026	RATE IN THE DOLLAR FOR 2025/2026 (INCLUDING GST) ($)	SHARE OF VALUE-BASED GENERAL RATE (EXCLUDING GST) ($)	SHARE OF VALUE-BASED GENERAL RATE (%)
Urban business	2.3848	0.00537111	718,897,167	31.5%
Urban residential	1.0000	0.00225223	1,316,233,131	57.8%
Rural business	2.1463	0.00483400	68,269,689	3.0%
Rural residential	0.9000	0.00202701	73,282,950	3.2%
Farm and lifestyle[1]	0.7380	0.00166215	99,739,953	4.4%
No road access	0.2500	0.00056306	389,936	Less than 0.1%
Zero-rated[2]	0.0000	0.00000000	0	0.00%

PROPERTY CATEGORY	EFFECTIVE RELATIVE DIFFERENTIAL RATIO FOR GENERAL RATE FOR 2025/2026	RATE IN THE DOLLAR FOR 2025/2026 (INCLUDING GST) ($)	SHARE OF VALUE-BASED GENERAL RATE (EXCLUDING GST) ($)	SHARE OF VALUE-BASED GENERAL RATE (%)
Urban moderate-occupancy online accommodation provider	1.6924	0.00381167	41,351	Less than 0.1%
Rural moderate-occupancy online accommodation provider	1.5232	0.00343050	15,018	Less than 0.1%
Urban medium-occupancy online accommodation provider	1.3462	0.00303195	1,161,777	0.1%
Rural medium-occupancy online accommodation provider	1.2116	0.00272876	575,226	Less than 0.1%

Note to table:

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.

1. To avoid an unintended higher overall rates burden on farm, lifestyle and business ratepayers as a result of previous differential decisions and the latest property revaluation, we have slightly adjusted the general rate differential for farm and lifestyle properties to 73.8 per cent (from 80 per cent).
2. 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.

5.3.2 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 annual programme operating and interest costs in each year for 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 31 per cent of the revenue requirement comes from businesses. A targeted rate of $0.00001890 (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 $0.00000914 (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 $9.1 million (excluding GST) for 2025/2026, $2.8 million from business and $6.3 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 increase by 3.5 per cent a year from 2025/2026 and 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 31 per cent of the revenue requirement comes from businesses. A targeted rate of $0.00007159 (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 $0.00003460 (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 $34.3 million (excluding GST) for 2025/2026, $10.6 million from business and $23.7 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 31 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 2025/2026. This is estimated to produce around $52.7 million (excluding GST) for 2025/2026.

PROPERTY CATEGORY	RATE IN THE DOLLAR FOR 2025/2026 (INCLUDING GST) ($)	SHARE OF CLIMATE ACTION TRANSPORT TARGETED RATE (EXCLUDING GST) ($)
Urban business	0.00011099	14,901,137
Urban residential	0.00005471	32,071,527
Rural business	0.00009989	1,415,064
Rural residential	0.00004924	1,785,657
Farm and lifestyle	0.00004038	2,430,514
No road access	0.00001368	9,503
Urban moderate-occupancy online accommodation provider	0.00009259	1,008
Rural moderate-occupancy online accommodation provider	0.00008333	366
Urban medium-occupancy online accommodation provider	0.00007365	28,308
Rural medium-occupancy online accommodation provider	0.00006629	14,017

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 standardised, region-wide targeted rates.

The Waste management targeted rates for 2025/2026 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
- a refuse rate to fund refuse bin collection based on the size of the bin (80-litre, 120-litre or equivalent, or 240-litre) and the approximate number of months the rates-funded 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 receive 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 waste 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 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 2025/2026 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 charge one recycling targeted rate, one refuse targeted rate and one food scraps targeted rate. For rating units made up of more than one residential or lifestyle SUIP, the council will charge one recycling targeted rate, one refuse targeted rate and one food scraps targeted rate for each residential or lifestyle SUIP the rating unit contains except where the rating unit was not charged a refuse or a recycling targeted rate (or both) for each of its residential or lifestyle SUIPs in 2024/2025 due to an existing opt-out arrangement, in which case the council will charge for the same services as were provided at 30 June 2025 (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 2025/2026.

- The council will provide the same service as was provided at 30 June 2025 to all SUIPs that are not residential or lifestyle, and apply the targeted rate charges accordingly for 2025/2026 (as per council record), unless requested by the owner of the rating unit before 1 July 2025 to decrease or increase the number of services for 2025/2026.

Rating units that are residential MUDs or are part of a residential MUD will be rated as follows:

- For all land where a 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 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 (as per council record).

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 bin is supplied.
- A minimum base 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 2025/2026. This is estimated to produce around $232.1 million (excluding GST) for 2025/2026.

Waste management targeted rates

SERVICE	DIFFERENTIAL GROUP	AMOUNT OF TARGETED RATE FOR 2025/2026 (INCLUDING GST) $	CHARGING BASIS	SHARE OF TARGETED RATE (EXCLUDING GST) ($)
Minimum base charge	All rating units	43.97	Per SUIP	25,772,118
Standard recycling (240-litre bin or equivalent)	Rating units with approved opt-out arrangement in place	120.32	Per service provided	64,579,209
	All other rating units, where a service is available, except those owned or used by, and for the purposes of a school	120.32	Per SUIP	
Standard refuse (120/140-litre bin or equivalent)	Rating units not in the former Rodney District, with approved opt-out arrangement in place	195.78	Per service provided	74,952,996
	All other rating units not in the former Rodney District, where a service is available	195.78	Per SUIP, except for any SUIP which is provided with either a large refuse or a small refuse service	
	Rating units in the former Rodney District with approved opt-out arrangement in place	163.15	Per service provided	6,737,656
	All other rating units in the former Rodney District, where a service is scheduled to be available	163.15	Per SUIP, except for any SUIP which is provided with either a large refuse or a small refuse service	
Large refuse (240-litre bin or equivalent)	Rating units not in the former Rodney District	324.96	Per service provided	13,311,517
	Rating units in the former Rodney District	270.80	Per service provided	1,196,596

SERVICE	DIFFERENTIAL GROUP	AMOUNT OF TARGETED RATE FOR 2025/2026 (INCLUDING GST) $	CHARGING BASIS	SHARE OF TARGETED RATE (EXCLUDING GST) ($)
Small refuse (80-litre bin or equivalent)	Rating units not in the former Rodney District	162.70	Per service provided	7,661,480
	Rating units in the former Rodney District	135.58	Per service provided	688,687
Additional recycling	All rating units	120.32	Per service provided	327,362
Food scraps	Rating units with approved opt-out arrangement in place	78.50	Per service provided	36,920,795
	All other rating units, where a service is available	78.50	Per SUIP	

Notes to table:

For these purposes the various waste services are as set out in the Auckland Waste Management and Minimisation Plan and the Funding Impact Statement in the council's Long-term Plan 2024-2034.

For these purposes school is any of the following as defined in section 10(1) of the Education and Training Act 2020:

- a State school
- a State integrated school
- a specialist school
- a private school, except a registered school that operates for profit.

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 $0.00131981 (including GST) of rateable capital value will be applied to rural business and urban business land in 2025/2026. This is estimated to produce around $27.5 million (excluding GST) for 2025/2026.

A fixed rate of $75.08 (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 2025/2026. This is estimated to produce around $1.4 million (excluding GST) for 2025/2026.

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 $5.1 million (excluding GST) for 2025/2026.

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 $53.77 (including GST) per SUIP. This is estimated to produce around $1.79 million (excluding GST) for 2025/2026.

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 activity: 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 $ 13,670,810.17 (including GST) for 2025/2026 on Vector’s electricity network utility rating unit where tree management service is provided. This is estimated to produce around $11.9 million (excluding GST) for 2025/2026.

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 Ratewill 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 $71,600 (excluding GST) for 2025/2026.

DRAINAGE DISTRICT	RATE FOR EACH SQUARE METRE OF CLASS A LAND FOR 2025/2026 (INCLUDING GST) ($)	RATE FOR EACH SQUARE METRE OF CLASS B LAND FOR 2025/2026 (INCLUDING GST) ($)	RATE FOR EACH SQUARE METRE OF CLASS C LAND FOR 2025/2026 (INCLUDING GST) ($)
Differential	1.00	0.50	0.10
Te Arai	0.00218751	0.00109375	0.00021875
Okahukura	0.00315241	0.00157621	0.00031524

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 targeted rate will fund the provision of a BID grant to each BID programme. 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 urban business and rural 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 $1,035 (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 2025/2026. This is estimated to produce around $23.6 million (excluding GST) in targeted rates revenue for 2025/2026.

Business Improvement Districts fixed rates per rating unit and rates in the dollar of capital value

BID AREA	AMOUNT OF BID GRANT 2025/2026 (EXCLUDING GST) ($)	AMOUNT OF BID TARGETED RATE REVENUE 2025/2026	AMOUNT TO BE FUNDED BY FIXED CHARGE FOR 2025/2026 (EXCLUDING GST) ($)	FIXED RATE PER RATING UNIT FOR 2025/2026 (INCLUDING GST) ($)	AMOUNT TO BE FUNDED BY PROPERTY VALUE RATE BASED ON THE CAPITAL VALUE OF THE RATING UNIT FOR 2025/2026 (EXCLUDING GST) ($)	RATE IN THE DOLLAR FOR 2025/2026 TO BE MULTIPLIED BY THE CAPITAL VALUE OF THE RATING UNIT (INCLUDING GST) ($)
Avondale	161,238	158,905	0	0.00	158,905	0.00100808
Birkenhead	229,027	225,888	0	0.00	225,888	0.00101604
Blockhouse Bay	87,846	87,438	0	0.00	87,438	0.00206595
Browns Bay	180,675	179,546	0	0.00	179,546	0.00059774
Central Park Henderson	499,219	501,304	222,825	250.00	278,480	0.00010816
Devonport	142,223	141,476	18,261	250.00	123,215	0.00077416

BID AREA	AMOUNT OF BID GRANT 2025/2026 (EXCLUDING GST) ($)	AMOUNT OF BID TARGETED RATE REVENUE 2025/2026	AMOUNT TO BE FUNDED BY FIXED CHARGE FOR 2025/2026 (EXCLUDING GST) ($)	FIXED RATE PER RATING UNIT FOR 2025/2026 (INCLUDING GST) ($)	AMOUNT TO BE FUNDED BY PROPERTY VALUE RATE BASED ON THE CAPITAL VALUE OF THE RATING UNIT FOR 2025/2026 (EXCLUDING GST) ($)	RATE IN THE DOLLAR FOR 2025/2026 TO BE MULTIPLIED BY THE CAPITAL VALUE OF THE RATING UNIT (INCLUDING GST) ($)
Dominion Road	275,782	277,196	0	0.00	277,196	0.00053088
Ellerslie	201,600	205,888	0	0.00	205,888	0.00215988
Glen Eden	111,316	111,427	0	0.00	111,427	0.00084235
Glen Innes	180,353	180,353	0	0.00	180,353	0.00087469
Greater East Tāmaki	612,379	608,968	344,397	195.00	264,571	0.00002706
Grey Lynn	320,000	320,000	173,042	500.00	146,958	0.00010072
Heart of the City	5,122,180	5,074,083	0	0.00	5,074,083	0.00035164
Howick	211,623	211,623	0	0.00	211,623	0.00102870
Karangahape Road	558,237	552,016	0	0.00	552,016	0.00049991
Kingsland	245,068	245,322	0	0.00	245,322	0.00037504
Mairangi Bay	86,900	86,900	5,000	250.00	81,900	0.00149788
Māngere Bridge	36,465	36,465	0	0.00	36,465	0.00105989
Māngere Town	345,570	345,570	0	0.00	345,570	0.00347428
Manukau Central	648,729	645,050	0	0.00	645,050	0.00029848
Manurewa	400,208	397,303	0	0.00	397,303	0.00099628
Milford	250,000	249,338	0	0.00	249,338	0.00112479
Mt Eden Village	106,035	108,828	0	0.00	108,828	0.00069089
New Lynn	238,943	238,990	0	0.00	238,990	0.00060932
Newmarket	2,077,047	2,054,485	0	0.00	2,054,485	0.00059476
North Harbour	846,747	841,701	347,987	150.00	493,714	0.00008783
North West District	206,010	203,455	103,043	250.00	100,412	0.00014077
Northcote	125,000	121,773	0	0.00	121,773	0.00243474
One Mahurangi	143,500	144,000	144,000	575.00	0	0.00000000
Onehunga	410,000	407,705	0	0.00	407,705	0.00026144
Orewa	326,581	329,097	0	0.00	329,097	0.00092315
Ōtāhuhu	786,694	784,171	0	0.00	784,171	0.00064505
Ōtara	109,402	109,402	0	0.00	109,402	0.00148110
Panmure	485,057	485,057	0	0.00	485,057	0.00124981
Papakura	332,750	332,138	0	0.00	332,138	0.00069147
Papatoetoe	110,661	110,830	0	0.00	110,830	0.00085248
Parnell	1,143,049	1,140,851	0	0.00	1,140,851	0.00062259
Ponsonby	877,211	868,635	0	0.00	868,635	0.00090566
Pukekohe	520,000	515,208	0	0.00	515,208	0.00041876
Remuera	265,055	264,911	0	0.00	264,911	0.00115023
Rosebank	507,000	506,938	0	0.00	506,938	0.00025063
Silverdale	530,000	523,165	227,829	400.00	295,336	0.00016069
South Harbour	87,425	87,424	0	0.00	87,424	0.00022184
St Heliers	166,708	168,817	0	0.00	168,817	0.00126856
Takapuna	554,622	540,442	0	0.00	540,442	0.00044349
Te Atatu	126,000	126,000	0	0.00	126,000	0.00122953
Torbay	20,633	20,633	0	0.00	20,633	0.00097545
Uptown	841,050	838,878	0	0.00	838,878	0.00036949

BID AREA	AMOUNT OF BID GRANT 2025/2026 (EXCLUDING GST) ($)	AMOUNT OF BID TARGETED RATE REVENUE 2025/2026	AMOUNT TO BE FUNDED BY FIXED CHARGE FOR 2025/2026 (EXCLUDING GST) ($)	FIXED RATE PER RATING UNIT FOR 2025/2026 (INCLUDING GST) ($)	AMOUNT TO BE FUNDED BY PROPERTY VALUE RATE BASED ON THE CAPITAL VALUE OF THE RATING UNIT FOR 2025/2026 (EXCLUDING GST) ($)	RATE IN THE DOLLAR FOR 2025/2026 TO BE MULTIPLIED BY THE CAPITAL VALUE OF THE RATING UNIT (INCLUDING GST) ($)
Waiuku	155,820	155,022	0	0.00	155,022	0.00083981
Wiri	785,642	774,331	0	0.00	774,331	0.00012361
Total	**23,791,277**	**23,644,947**	**1,586,383**		**22,058,563**	

Note to the table: Targeted rate amounts include surpluses and deficits (if any) carried over from 2023/2024 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 community 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 2025/2026 for the Māngere-Ōtāhuhu Local Board and Ōtara-Papatoetoe Local Board areas. This is estimated to produce around $1.57 million (excluding GST) for 2025/2026.

LOCAL BOARD AREA	LOCAL ACTIVITY TARGETED RATES	
	FIXED RATE FOR EACH SEPARATELY USED OR INHABITED PART OF A RATING UNIT FOR 2025/2026 (INCLUDING GST) ($)	REVENUE FROM THE TARGETED RATE (EXCLUDING GST) ($)
Māngere-Ōtāhuhu	39.52	762,599
Ōtara-Papatoetoe	37.49	802,596

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 2025/2026 (INCLUDING GST) ($)	REVENUE SOUGHT FOR 2025/2026 (EXCLUDING GST) ($)
Council inspection required	67.67	1,584,361
No council inspection required – successful inspection carried out by Independently Qualified Pool Inspector	33.84	6,268

This is estimated to produce around $1.6 million (excluding GST) for 2025/2026.

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: Roads and footpaths.

The targeted rate applies on land in Riverhaven Drive, Rodney, in respect of which the council has provided financial assistance for the construction of a road that gives access to the rating units. 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 2025/2026. This is estimated to produce around $43,700 (excluding GST) for 2025/2026.

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, 2025/2026 and 2026/2027, 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 $966,000 (excluding GST) for 2025/2026.

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 2025/2026. This is estimated to produce around $1.8 million (excluding GST) for 2025/2026.

Retro-fit your home targeted rate

YEAR OF REPAYMENT	RATE IN THE DOLLAR FOR 2025/2026 TO BE MULTIPLIED BY THE RATEPAYERS OUTSTANDING BALANCE AS AT 30 JUNE 2025 (INCLUDING GST) ($)
5	0.22894000
6	0.27879000
7	0.36203000
8	0.52877200
9	1.02950400

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 2025/2026. This is estimated to produce $4,658 (excluding GST) for 2025/2026.

Kumeū Huapai Riverhead wastewater targeted rate

YEAR OF REPAYMENT	RATE IN THE DOLLAR FOR 2025/2026 TO BE MULTIPLIED BY THE RATEPAYER'S OUTSTANDING BALANCE AS AT 30 JUNE 2025 (INCLUDING GST) ($)
11	0.26237710
13	0.41545360

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 2025/2026. This is estimated to produce $1,679 (excluding GST) for 2025/2026.

On-site wastewater systems (septic tank) upgrades targeted rate

YEAR OF REPAYMENT	RATE IN THE DOLLAR FOR 2025/2026 TO BE MULTIPLIED BY THE RATEPAYER'S OUTSTANDING BALANCE AS AT 30 JUNE 2025 (INCLUDING GST) ($)
8	0.17739900

5.3.3 Rates payable by instalment

All rates will be payable by four equal instalments due on:

- Instalment 1: 29 August 2025
- Instalment 2: 28 November 2025
- Instalment 3: 27 February 2026
- Instalment 4: 29 May 2026.

It is council policy that any payments received will be applied to the oldest outstanding rates before being applied to the current rates.

5.3.4 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 2025/2026 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 9 July 2025 and then again six months later.

5.3.5 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 2025/2026

The discount is 1.31 per cent for 2025/2026.

5.3.6 Sample properties

The following section is intended to provide examples of the individual rates for 2025/2026. 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.

General rates, Water Quality Targeted Rate, Natural Environment Targeted Rate and Climate Action Transport Targeted Rate

The table below shows (rounded to the nearest dollar) the general rate, the Water Quality Targeted Rate (WQTR), the Natural Environment Targeted Rate (NETR) and the Climate Action Transport Targeted Rate (CATTR) 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 ($)	UAGC	GENERAL RATE (INCLUDING GST) ($)	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	604	2,686	9	36	55	3,390
	1,500,000	604	8,057	28	107	166	8,963
	3,000,000	604	16,113	57	215	333	17,322
	10,000,000	604	53,711	189	716	1,110	56,330
Urban - residential	750,000	604	1,689	7	26	41	2,367
	1,000,000	604	2,252	9	35	55	2,955
	1,500,000	604	3,378	14	52	82	4,130
	2,000,000	604	4,504	18	69	109	5,305
	3,000,000	604	6,757	27	104	164	7,656
Rural - business	500,000	604	2,417	9	36	50	3,116
	1,500,000	604	7,251	28	107	150	8,141
	3,000,000	604	14,502	57	215	300	15,677
	10,000,000	604	48,340	189	716	999	50,848
Rural - residential	750,000	604	1,520	7	26	37	2,194
	1,000,000	604	2,027	9	35	49	2,724
	1,500,000	604	3,041	14	52	74	3,784
	2,000,000	604	4,054	18	69	98	4,844
	3,000,000	604	6,081	27	104	148	6,964
Farm/lifestyle	1,000,000	604	1,662	9	35	40	2,350
	1,500,000	604	2,493	14	52	61	3,223
	2,000,000	604	3,324	18	69	81	4,097
	3,000,000	604	4,986	27	104	121	5,843
	10,000,000	604	16,622	91	346	404	18,067
Urban moderate-occupancy online accommodation provider	500,000	604	1,906	5	17	46	2,578
	750,000	604	2,859	7	26	69	3,565
	1,000,000	604	3,812	9	35	93	4,552
	1,500,000	604	5,718	14	52	139	6,526

DIFFERENTIAL CATEGORY	CAPITAL VALUE ($)	UAGC	GENERAL RATE (INCLUDING GST) ($)	WATER QUALITY TARGETED RATE (INCLUDING GST) ($)	NATURAL ENVIRONMENT TARGETED RATE (INCLUDING GST) ($)	CLIMATE ACTION TRANSPORT TARGETED RATE (INCLUDING GST) ($)	TOTAL RATES (INCLUDING GST) ($)
Rural moderate-occupancy online accommodation provider	500,000	604	1,715	5	17	42	2,383
	750,000	604	2,573	7	26	62	3,272
	1,000,000	604	3,431	9	35	83	4,162
	1,500,000	604	5,146	14	52	125	5,940
Urban medium-occupancy online accommodation provider	500,000	604	1,516	5	17	37	2,179
	750,000	604	2,274	7	26	55	2,966
	1,000,000	604	3,032	9	35	74	3,753
	1,500,000	604	4,548	14	52	110	5,328
Rural medium-occupancy online accommodation provider	500,000	604	1,364	5	17	33	2,023
	750,000	604	2,047	7	26	50	2,733
	1,000,000	604	2,729	9	35	66	3,443
	1,500,000	604	4,093	14	52	99	4,862

The following tables contain 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	120	241	361	602	1,203
All areas except Rodney District	Standard refuse	196	392	587	979	1,958
	Large refuse	325	650	975	1,625	3,250
	Small refuse	163	325	488	814	1,627
All areas	Minimum base charge	44	88	132	220	440
All areas	Additional recycling	120	241	361	602	1,203
Rodney District	Standard refuse	163	326	489	816	1,632
	Small refuse	136	271	407	678	1,356
	Large refuse	271	542	812	1,354	2,708
All areas	Food scraps	79	157	236	393	785

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) ($)**
Capital value	Rate (including GST) ($)
500,000	660
1,500,000	1,980
3,000,000	3,959
10,000,000	13,198

RESIDENTIAL RATING UNITS LOCATED IN THE CITY CENTRE AREA	
NUMBER OF SEPARATELY USED OR INHABITED PARTS	**RATE (INCLUDING GST) ($)**
1	75
2	150
3	225
5	375
10	751

Rodney Local Board Transport Targeted Rate

Rating units in the Rodney local board area are liable for the Rodney Local Board Transport Targeted Rate.

NUMBER OF SEPARATELY USED OR INHABITED PARTS	TOTAL TARGETED RATE AMOUNT (INCLUDING GST) ($)				
	1	**2**	**3**	**5**	**10**
Rate amount	150	300	450	750	1,500

Rodney drainage districts targeted rate

Rating units 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	22	44	66	109	219	1,094
	Rate for Class B land	11	22	33	55	109	547
	Rate for Class C land	2	4	7	11	22	109
OKAHUKURA	Rate for Class A land	32	63	95	158	315	1,576
	Rate for Class B land	16	32	47	79	158	788
	Rate for Class C land	3	6	9	16	32	158

Franklin Local Board Paths Targeted Rate

Rating units in the Franklin local board area are liable for the Franklin Local Board Paths Targeted Rate.

NUMBER OF SEPARATELY USED OR INHABITED PARTS	TOTAL TARGETED RATE AMOUNT (INCLUDING GST) ($)				
	1	**2**	**3**	**5**	**10**
Rate amount	54	108	161	269	538

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		40	79	119	198	395
Ōtara-Papatoetoe		37	75	112	187	375

Waitākere rural sewerage targeted rate

Some 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	67.67
No council inspection required – successful inspection carried out by Independently Qualified Pool Inspector	33.84

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 2025 ($)			
	1,500	2,000	2,500	3,500
Rate for 5th year of repayment (including GST) ($)	343	458	572	801
Rate for 6th year of repayment (including GST) ($)	418	558	697	976
Rate for 7th year of repayment (including GST) ($)	543	724	905	1,267
Rate for 8th year of repayment (including GST) ($)	793	1,058	1,322	1,851
Rate for 9th year of repayment (including GST) ($)	1,544	2,059	2,574	3,603

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.

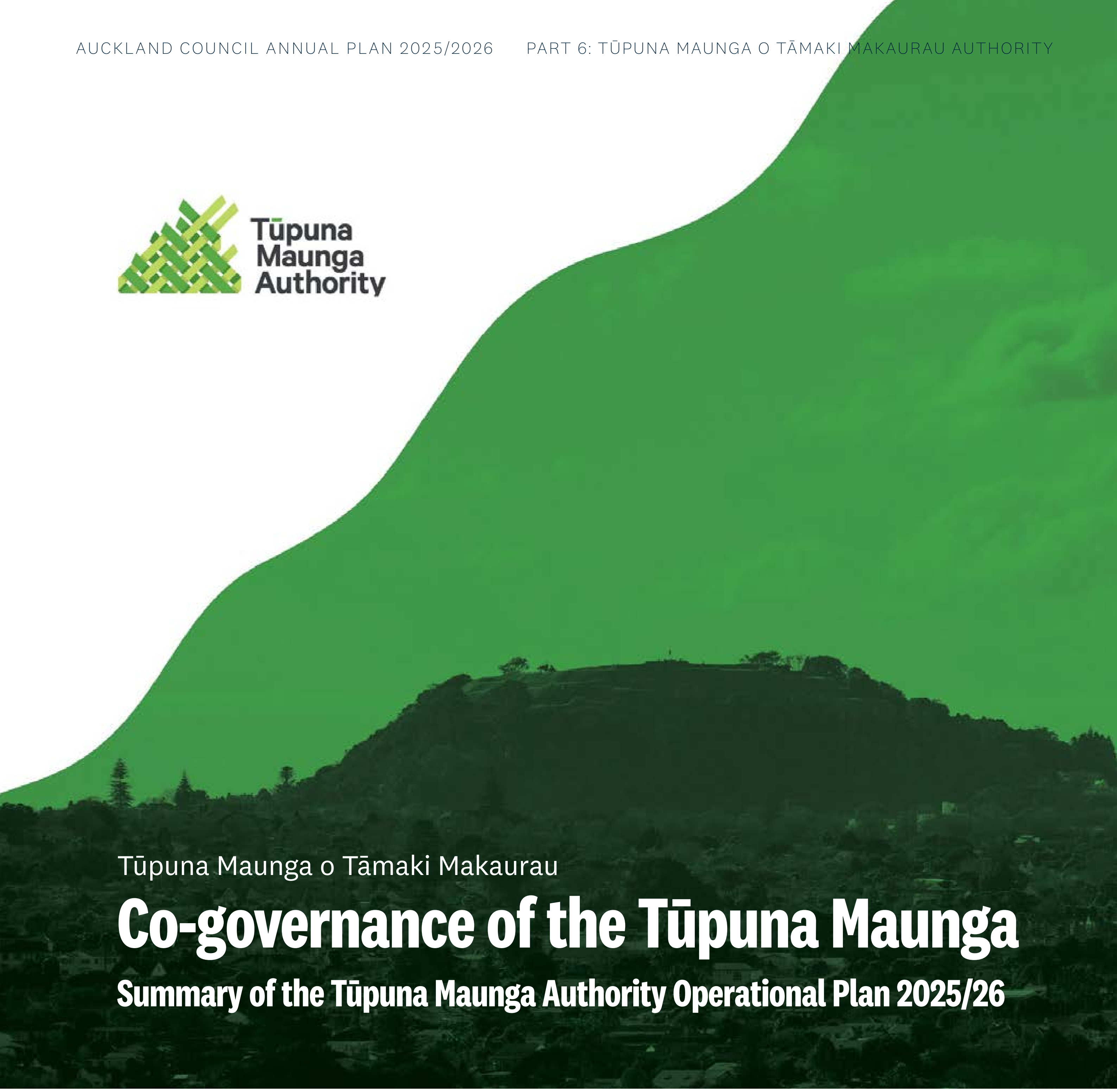
CATEGORY	OUTSTANDING BALANCE AS AT 30 JUNE 2025 ($)			
	5,000	7,000	9,000	11,000
Rate for 11th year of repayment (including GST) ($)	1,312	1,837	2,361	2,886
Rate for 13th year of repayment (including GST) ($)	2,077	2,908	3,739	4,570

6

Tūpuna Maunga Authority

Tūpuna Maunga o Tāmaki Makarau Authority

Tūpuna Maunga Authority



Tūpuna Maunga o Tāmaki Makaurau

Co-governance of the Tūpuna Maunga

Summary of the Tūpuna Maunga Authority Operational Plan 2025/26

www.maunga.nz

▲ Looking North toward Maungawhau/ Mount Eden from Te Pane-o-Mataaho /Te Ara Pueru/ Māngere Mountain

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 2025/26 process.

The Tūpuna Maunga Authority and Auckland Council are required to approve the Annual Operational Plan. The Tūpuna Maunga Authority Operational Plan 2025/2026 must be considered and adopted concurrently with the Auckland Council's Operational Plan 2025/2026. 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 Tāmaki 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, six from Auckland Council and one non-voting Crown representative appointed by the Minister for Arts, Culture and Heritage. 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 two exceptions of Maungauika / North Head and 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 core team of eight council staff across the Governance and Parks, Sport and Recreation units.

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 following a public consultation process and are 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.

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 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 2025/2026

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 2025/2026 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 2025/2026 also sets out the 10-year work programme and funding envelope confirmed through the Long-term Plan 2024-2034. The budget for 2025/2026 and the subsequent years fits within this funding envelope.

A copy of the Operational Plan can be found at www.aucklandcouncil.govt.nz

Priority programmes and projects over the next 3 years include:

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.
- Development of individual Tūpuna Maunga plans which reflect the Integrated Values and Pathways, overarching guidelines and strategies for each of the Tūpuna Maunga.

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, 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

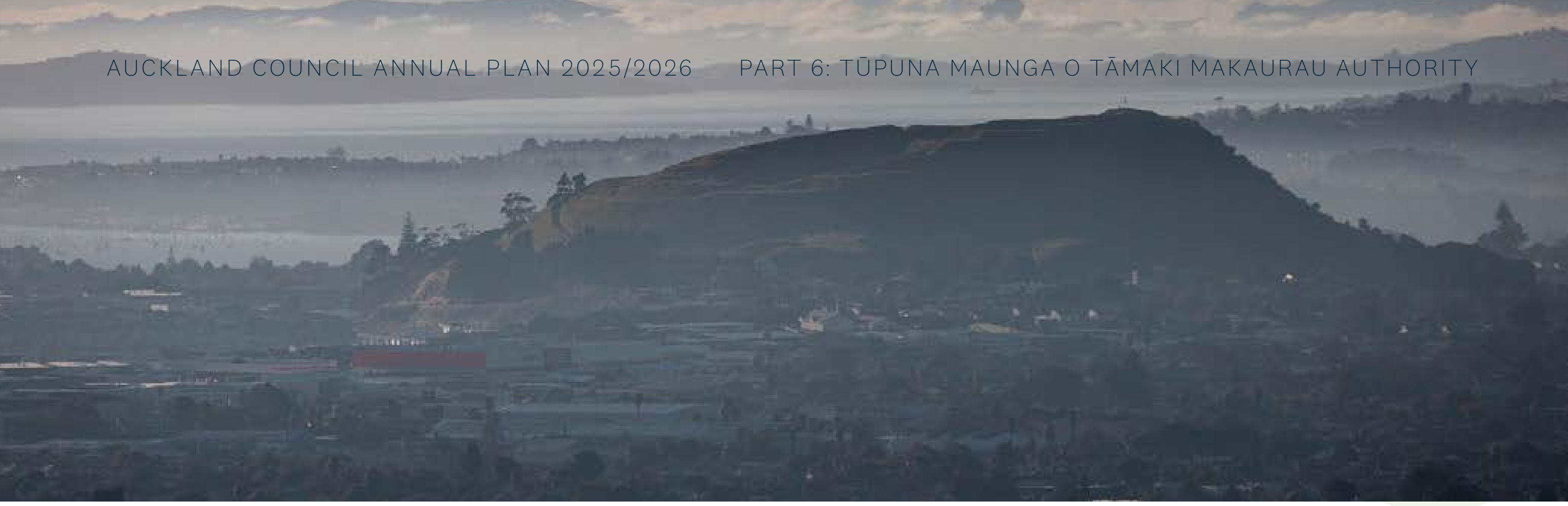
Values:

Whai Rawa Whakauka / Economic / Commercial Value

- Develop and implement a commercial framework which ensures continued investment back into the Tūpuna Maunga. This includes exploration of potential commercial activities and facilities, as well as the development of a concession framework for commercial operators on the 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) 2024-2034 is shown in Table.

The budget for 2025/26 fits within this 10-year Budget (Long-term Plan) 2024-2034 funding envelope.

Funding envelope for the Tūpuna Maunga Authority in the council's 10-year Budget (long-term plan) 2024-2034

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	4,085	4,114	4,173	4,173	4,619	4,727	4,829	4,630	4,634	4,637	**44,621**
Increase*	0	100	200	200	200	200	200	200	200	200	**1,700**
Net operating expenditure total	4,085	4,214	4,373	4,373	4,819	4,927	5,029	4,830	4,834	4,837	**46,321**
Capital expenditure	9,395	9,820	12,780	12,800	13,056	13,317	13,583	3,584	3,764	3,952	**96,051**
Decrease	0	(100)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	**(1,700)**
Capital expenditure total	9,395	9,720	12,580	12,600	12,856	13,117	13,383	3,384	3,564	3,752	**94,351**
Total LTP Funding Requirement 2024-34**	**13,480**	**13,934**	**16,953**	**16,973**	**17,675**	**18,044**	**18,412**	**8,214**	**8,398**	**8,589**	**140,673**

Notes:

* Reclassification of plant maintenance and related operating expenditure for managing pest proof fencing.

** Excludes depreciation and inflation.

7

He pārongo atu anō

Additional information

Tō Tātou Hanganga

7.1 Our structure

Auckland Council is structured to provide scale for efficient delivery, a regional perspective that provides a clear direction for all of Auckland, and representation that reflects diversity, local knowledge and active public participation.

The mayor is tasked with leading the development of regional plans, policies and budgets to achieve that vision.

Auckland's 20 councillors, who represent 13 wards, make up the Governing Body along with the mayor. It focuses on strategic issues and initiatives which affect Auckland as a region. Some decision-making powers are delegated to the committees of the whole: Policy and Planning Committee; Transport, Resilience and Infrastructure Committee and the Budget Committee, also known as 'parent committees'. Other committees are: Auckland Domain; Audit and Risk; Civil Defence and Emergency Management; Council Controlled Organisation (CCO) Direction and Oversight; Revenue, Expenditure and Value; Performance and Appointments; Parks; Regulatory and Safety; and Community Committee.

We have 149 local board members, spread over 21 local boards, who make decisions on the local services, such as parks, libraries, community halls and pools, which form the fabric of our local communities.

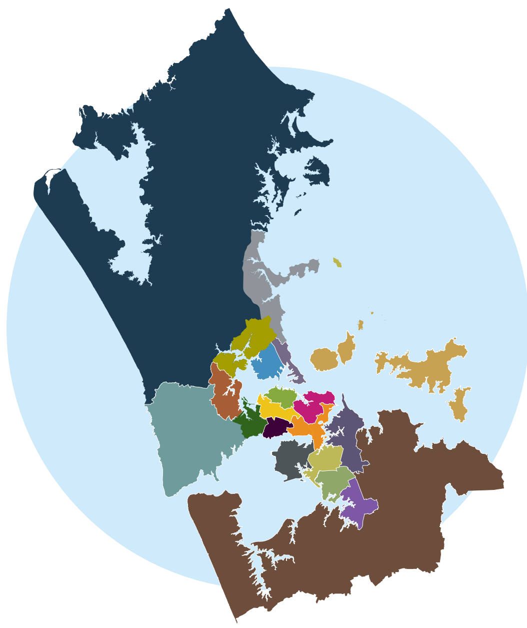
Local boards

The 21 local boards are a key part of the governance of Auckland Council with a wide-ranging role that spans most local council services and activities. Local boards make decisions on local matters, provide local leadership, support strong local communities and provide important local input into region-wide strategies and plans. Local boards:

- make decisions on local matters, including setting the standards of services delivered locally
- identify the views of local people on regional strategies, policies, plans and bylaws and communicate these to the Governing Body
- develop and implement local board plans (every three years)
- develop, monitor and report on local board agreements (every year)
- provide local leadership and develop relationships with the Governing Body, the community and community organisations in the local area
- any additional responsibilities delegated by the Governing Body, such as decisions within regional bylaws.

Each year, local boards and the Governing Body agree individual local board agreements, which set out the local activities, services and levels of service that will be provided over the coming year. The local board agreements for 2025/2026 are included in Volume 2 of this annual plan.

To find out which local board area you are in, follow this path from the website home page: **About Council > Local Boards > Find your ward and local board**



Structure

THE MAYOR AND COUNCILLORS

21 local boards

Decision-making

ADVICE AND INPUT

Houkura

The independent Māori statutory board is an independent body corporate of nine members based in Auckland. Houkura's purpose is to assist the council to make decisions by promoting issues of significance for mana whenua groups and mātāwaka of Tāmaki Makaurau and ensuring that the council acts in accordance with statutory provisions referring to the Treaty of Waitangi.

Advisory panels

Public Art Advisory Panel; Pacific Peoples Advisory Panel; Disability Advisory Panel; Rainbow Communities Advisory Panel; Ethnic Communities Advisory Panel; Seniors Advisory Panel; City Centre Advisory Panel; Youth Advisory Panel; Auckland Urban Design Panel; Rural Advisory Panel.

Community engagement on plans, policies and budgets.

Co-governance and advisory groups between mana whenua and the council, including Ngā Mātārae.

Auckland Council Group

CCOs

Council-controlled organisations operate separately from Auckland Council. Each CCO is overseen by a board of directors or trustees.

Auckland Transport
An Auckland Council Organisation

Watercare
An Auckland Council Organisation

Tātaki Auckland Unlimited
Tātaki Auckland Unlimited Limited
Tātaki Auckland Unlimited Trust

Auckland Future Fund

Auckland Council

We deliver a wide range of services, events and facilities.

Auckland Council
Te Kaunihera o Tāmaki Makaurau

Delivery

Led by INDEPENDENT BOARDS

CHIEF EXECUTIVE

Led by our EXECUTIVE LEADERSHIP TEAM

GROUP SHARED SERVICES

Led by the GSS board comprising the CEs of the CCOs and an independant chair

Led by an INDEPENDENT BOARD

PORT OF AUCKLAND
TĀMAKI HERENGA WAKA

Papakupu kupu

7.2 Glossary of terms

Active travel
Walking and cycling

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

AIAL
Auckland International Airport Limited

Annual Plan, Annual Budget
The plan that sets out what the council seeks to achieve in a financial year, the services we will provide, how much money will be spent and where that money will come from.

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

Asset portfolio
A collection of a wide range of assets that are owned by investors.

Asset rationalisation
The process of reorganising a company's assets in order to improve operating efficiencies and boost the bottom line.

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

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

Auckland Plan 2050
Our long-term spatial plan for Auckland looks ahead to 2050. It considers how we will address our key challenges of high population growth, shared prosperity, and environmental degradation.

Auckland Transport
The organisation that delivers transport services on behalf on the council.

Base renewal
Continue maintenance and base renewal of our portfolio of assets with a focus on de-carbonisation of heritage assets and other de-carbonisation initiatives.

Blue-green networks
Interconnected system of water [blue] and green spaces like parks and gardens.

Capex
Capital investment, capital expenditure or capital programme. Building (or buying) assets such as roads, pipes and buildings that are used to provide services to Aucklanders.

Category 3 homes/properties
These are properties which, as a result of severe weather events, are assessed by Auckland Council to represent an intolerable risk to life with land instability or flooding and for which there are no feasible mitigation solutions. Residential properties assessed as category 3 are eligible for a buy-out.

Category 2P homes/properties
These are properties where there is assessed to be an intolerable risk to life from a future storm event for which there is a feasible mitigation at a property level.

CATTR
Climate Action Transport Targeted Rate

Community stewardship
Community stewardship is about creating and preserving long-term value for current and future generations by responsibly managing and allocating capital, to look ahead and provide advice on future challenges and opportunities.

Consumer Price Index (CPI)
Measure of change in price over time for consumer goods/services, shown as an average.

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

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

CRL
City Rail Link

CV (Capital value)
The value of an asset or investment (for example property value).

Debt
Using borrowings in a sustainable way to pay for long-life assets.

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

Deficit
A shortfall of income or assets over expenditure or liabilities in a given period.

Depreciation (costs)
A reduction in the value of an asset with the passage of time. The council funds depreciation from the general rates, ensuring we can replace the assets in the future.

Deprivation
Lacking the material benefits considered to be basic necessities in a society.

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

Diversified investment
The spreading of investments both among and within different asset classes and across geographic areas. This would reduce specific company risks but will remain subject to national and international economic cycles and impacts.

Equitable funding level
The funding each local board would be entitled to under the funding allocation model.

Facilities
Buildings or other structures used to provide activities or services to Aucklanders.

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

Fiscal rules
A numerical limit or goal in respect of one or more financial areas. Fiscal rules are often expressed as limits on spending, revenue, budget balances, or debt.

Fully funded depreciation
Allowing for 100 per cent of the cost of depreciation in any given year.

GDP
Gross domestic product- a measure of what is produced in the national economy.

General rates
Rates levied on ratepayers across Auckland pay to fund general services.

GHG emissions
Greenhouse gases emissions

Governing Body
The Governing Body is made up of the mayor and 20 councillors.

Government Funding
Funding from the central government.

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

Green bonds
Nominal fixed income bonds which provide finance for specific government projects with climate change mitigation and environmental outcomes.

Greenfield
Undeveloped land.

GST
Goods and services tax.

GSS
Group Shared Services.

Individual Service Profiles
Individual service profiles for each department within both Auckland Council parent and the council-controlled organisations.

Infill development
Increasing the number of dwellings on a property, either by building a secondary or accessory dwelling (for example, a granny flat) or by creating a new site through subdivision of the site.

Integrated transport plan
A process to identify current and future access needs – for people, goods and services – and inform decision makers, key stakeholders and the community on how to manage the transport system and land uses to best address these needs.

Iwi
A number of hapū (section of a tribe) related through a common ancestor.

Kaitiakitanga
Guardianship

Local boards
There are 21 local boards They represent their local communities and make decisions on local issues and services.

LTDS
Long-term Differential Strategy by which the share of rates paid by businesses, rather than households, is changed.

MSFW
Making Space for Water

mana whenua
The indigenous people (Māori) who have historic and territorial rights over the land It refers to iwi and hapū who have these rights in Tāmaki Makaurau, Auckland

Mātauranga
Māori knowledge

Mataawaka
Māori living in the Auckland region who are not in a Mana Whenua group.

Maunga
Mountain, mount, peak.

Net zero emissions
An overall balance between greenhouse gas emissions produced and greenhouse gas emissions taken out of the atmosphere.

NLTF
National Land Transport Fund

NETR
Natural Environment Targeted Rate

OCR
Official Cash Rate

Opex
Operating expenditure. Money the council spends on providing services in the current financial year, as opposed to building things that will provide services for years to come. This includes spending money on staff and contractors to do things like process building consents, open libraries, run buses and maintain parks. It also includes things liking paying grants to community organisations and paying interest on money the council has borrowed.

POAL
Port of Auckland Limited

Premium fare(s)
A fare for ferry services that are considered to be more costly, perhaps because they cover greater distance or are on routes that have higher running costs.

RTN
Rapid transit network

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

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

RFT
Regional Fuel Tax

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

Savings
Reducing costs to council perhaps by being more efficient (ways to provide services for reduced costs) or by delivering different or fewer services to the community.

Shoreline Adaptation Plan
Planning for the future of Auckland's 3200km of shorelines (beaches, cliffs, harbours and estuaries) in response to the impacts of climate change, erosion and flooding.

Strategic Development Fund
A credit facility available to us to take advantage of any acquisition opportunities for town centre regeneration outcomes.

Tāmaki Ora 2025–2027
Tāmaki Ora 2025–2027 is Auckland Council's refreshed Māori Outcomes Strategy and Performance Measurement Framework.

Tangata whenua
Citizen

Targeted rates
A rate that is paid by only a particular group of ratepayers or is used to fund only a particular set of activities (as opposed to spreading the cost across all ratepayers) or where the council wants to make sure that money collected for a particular purpose is only spent for that purpose.

Tātaki Auckland Unlimited
Tātaki Auckland Unlimited refers to two substantive council-controlled organisations: Tātaki Auckland Unlimited Limited and Tātaki Auckland Unlimited Trust.

Time-of-use charges
Charging motorists to enter roads, usually at peak times, as a way of deterring congestion.

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

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

Waste Management and Minimisation Plan
A statutory Auckland-wide plan required under the Waste Minimisation Act 2008, with an aspirational goal of zero waste by 2040.

WQTR
Water Quality Targeted Rate

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

Rārangi kupu matua

7.3 Key word index

Te huarahi whakapā mai ki te kaunihera

7.4 How to contact us

Online

aucklandcouncil.govt.nz/contactus

Phone

09 301 0101

Post

Auckland Council, Private Bag 92300, Auckland 1142

Locations that offer council services

Great Barrier Island Library
75 Hector Sanderson Road, Claris,
Great Barrier Island

Central City Library
44-46 Lorne Street, CBD

Helensville
49 Commercial Road, Helensville

Henderson
1 Smythe Road, Henderson

Waitākere Central Library (Henderson)
3 Ratanui Street, Henderson

Kumeū Library
296 Main Road (SH16), Kumeū

Manukau Library
3 Osterley Way, Manukau

Ōrewa Library
12 Moana Avenue, Ōrewa

Sir Edmund Hillary Library (Papakura)
1/209 Great South Road, Papakura

Pukekohe Library, Franklin: The Centre
12 Massey Avenue, Pukekohe

Takapuna Library
9 The Strand, Takapuna

Te Manawa (Westgate)
11 Kohuhu Lane, Westgate

Waiheke Library
131-133 Oceanview Road, Oneroa,
Waiheke Island

Warkworth Library
2 Baxter Street, Warkworth

For opening hours and a list of services available at each service centre, visit
https://www.aucklandcouncil.govt.nz/report-problem/visit-us/Pages/default.aspx

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Auckland Council
Te Kaunihera o Tāmaki Makaurau

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