

Te Pūrongo ā-Tau 2018/2019

A TE KAUNIHERA O TĀMAKI MAKĀURAU

Auckland Council Annual Report 2018/2019



Pokanga 1: He tirohanga whānui me te whakahaere ratonga
Volume 1: Overview and service performance

Mihi

Noho mai rā Tāmaki Makaurau,
 moana waipiata,
 maunga kākārīki.
 Mai i ngā wai kaukau o ngā tūpuna,
 ki ngā puke kawē i ngā reo o te tini,
 i puta ai te kī mōu.
 Tū ana he maunga,
 takoto ana he raorao,
 heke ana he awaawa.
 Ko ō wahapū te ataahua,
 ō tāhuna te mahora,
 te taiao e whītiki nei i a koe he taonga tuku iho.
 Tiakina kia meinga tonu ai koe
 ko 'te tāone taioreore nui o te ao,
 manakohia e te iwi pūmanawa'.
 Tāmaki Mākaurau tirohia te pae tawhiti
 he whakairinga tūmanako
 mō ngā uri whakaheke ō āpōpō,
 te toka herenga mō te hunga ka takahi ake
 mā ō tomokanga,
 te piriti e whakawhiti ai
 tō iwi ki ngā huarahi o te ora.
 Tāmaki Mākaurau e toro whakamua,
 hikina te mānuka.
 Tērā te rangi me te whenua te tūtaki.
 Maranga me te rā, he mahi māu me tīmata,
 ka nunumi ana ki te pō,
 whakatārewahia ō moemoeā ki ngā whetū.
 Ko te oranga mutunga mōu
 kei tua i te taumata moana.
 Tūwherahia ō ringa, kūmea mai ki tō uma.
 Tāmaki Makaurau
 he tāone ūmanga kurupounamu koe;
 tukua tō rongō kia rere i te ao.

Tāmaki Makaurau
 who bestrides shimmering seas,
 and verdant mountains.
 From the bathing waters of our forebears,
 and hills that echo with voices
 that acclaim.
 Your mountains stand lofty,
 your valleys spread from them
 and your streams run freely.
 Your harbours are majestic,
 your beaches widespread,
 the environment that surrounds you is a legacy.
 Take care of it so that you will always be known
 as 'the world-class city
 where talent wants to be'.
 Tāmaki Makaurau looking to the future,
 repository of our hopes
 for generations to come,
 anchor stone for those who venture
 through your gateway,
 and the bridge that connects
 your citizens to life.
 Tāmaki Makaurau moving on,
 accepting all challenges.
 Where even heaven and earth might meet.
 Rise with the sun as there is work to be done
 and when evening comes,
 allow your dreams to glide among the stars.
 Perpetual health and growth
 is beyond the horizon of cresting waves.
 Open your arms and pull them to your embrace.
 Tāmaki Makaurau, you are a city
 where valued business and enterprise thrives;
 let your good name traverse the world.

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Nau mai ki ngā kōrero mō mātou Welcome to our story

Auckland is a fantastic city – diverse, vibrant, and naturally beautiful. Serving this city is a group of dedicated staff across the Auckland Council Group, meeting your needs and ensuring that as we grow we become a world-class city.

This report tells the story of what we did across the group over the past year to make this city great. It describes some of the multi-billion-dollar projects that will take us forward. It also tells the story of some of the smaller things that help make Auckland unique. This report is another step on our Integrated Reporting <IR> journey, where we tell the story about how we are creating value for Auckland in a more integrated way (see page 20 for more on this).

This report covers the group, which includes the council, council-controlled organisations (CCOs), subsidiaries, associates and joint ventures. It covers the period from 1 July 2018 to 30 June 2019 and reports against the Long-term Plan 2018-2028 (amended 10-year Budget 2018-2028). The report fulfils our obligations under the Local Government Act 2002 to report our past year's highlights, performance results and budget.

The full annual report comprises of:

VOLUME 1:
An overview of the group covering financial and non-financial performance of the group

VOLUME 2:
A collection of individual annual reports for each of the 21 local boards, reporting financial and non-financial performance against the council's Long-term Plan 2018-2028 (amended 10-year Budget 2018-2028) and their Local Board Agreement 2018/2019.

VOLUME 3:
Our financial statements.

This full annual report is summarised in the Summary Annual Report 2018/2019.

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Tauākī āheitanga me te kawenga

Statement of compliance and responsibility

Compliance

The governing body and management of Auckland Council confirm that all the statutory requirements in relation to this annual report, as outlined in the Local Government Act 2002, have been met.

Responsibility

The governing body and management of Auckland Council accept responsibility for the preparation and completion of the financial statements and the related judgements. The governing body and management adopted the financial statements as presented here on 26 September 2019.

The governing body, the management of Auckland Council and the Auckland Council Group accept responsibility for establishing and maintaining systems of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and performance reporting.

In the opinion of Auckland Council, the group annual report, for the year ended 30 June 2019 fairly presents the financial performance, financial position, cash flows and service performance of the Auckland Council Group and Auckland Council.



Hon Phil Goff
Mayor of Auckland
26 September 2019



Stephen Town
Chief Executive
26 September 2019



Nā te Koromatua From the Mayor

Auckland Council Group has continued to make strong progress tackling the challenges of population growth, traffic congestion and housing affordability while working to protect our environment and make Auckland a world-class city.



MAYOR PHIL GOFF AND FRIENDS ENJOY THE MOBILE LIBRARY

Projects funded through the record \$28 billion Auckland Transport Alignment Project (ATAP) agreed by the council and the government are underway and delivering results. Auckland has hit 100 million public transport trips in a year for the first time since the 1950s, and congestion on local roads fell last year by two per cent.

Construction of the \$1.4 billion Eastern Busway has started, road safety is being improved and more red-light cameras have been installed. Funding work on the \$60 million upgrade to the Puhinui Rail Station Interchange means construction can begin this year. Completion is scheduled within 18 months.

The Regional Fuel Tax has enabled us to progress some of these and other projects. The Downtown Ferry redevelopment and the Mill Road Corridor are underway. We have started improvements to walking and cycling

facilities and increasing the provision of park-and-rides — this work will be ongoing.

Construction of the City Rail Link is making progress. In May 2019, the council agreed to provide additional funding to future-proof the project for the 54,000 passenger trips it is expected to accommodate every hour during peak times and to provide contingency to meet increases in construction costs. This was accommodated without imposing further costs on ratepayers or breaching our internal prudential lending limit.

Funding work on the \$1.2 billion Central Interceptor will allow construction to start in late 2019 and will have a dramatic impact on wastewater overflows and waterways when complete.

Our water quality and natural environment targeted rates have enabled significant investment in our environment. We've brought forward improvements to the water quality of our beaches by 20 years and we're tackling the threats that kauri dieback disease, climate change and introduced pests pose to our native plant and animal species.

In June we voted to declare a climate emergency, signalling the urgency of the action we need to take to mitigate the effects of global heating and extreme weather events. A Climate Action Framework, when completed later this year, will outline how we will deliver on our emissions reductions targets and increase resilience to climate change.

While housing affordability remains a challenge, we are making good progress. More houses are being built in Auckland than ever before, supported by council issuing dwelling consents in record numbers. The Auckland Unitary Plan is enabling intensification and ensuring Auckland's land is being used efficiently.

Despite operating in a constrained funding environment, we have continued to look after our communities and our people.

Housing First with our support has placed nearly a thousand previously homeless people in permanent accommodation in the past two years, and \$5 million in additional funding in the 2019/2020 Budget for the City mission's HomeGround Project will help provide 80 secure and affordable housing units to further tackle chronic homelessness in Auckland.

Auckland Council decided to fund free public transport for under-16-year olds on weekends. This will help more families use our buses and trains and encourage the next generation of Aucklanders to use public transport.

All staff employed by the council will be paid a living wage from 1 September 2019, reflecting our commitment to making Auckland an inclusive and accessible place to live.

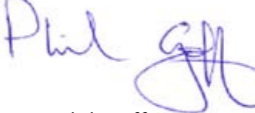
At the same time, we continue to work with local boards and communities to deliver the local services and facilities that you have told us are important.

We have managed our finances responsibly, retaining our stable Aa2 and AA credit ratings from Moody's Investor Service and S&P Global and keeping our debt-to-revenue ratio within prudential limits. At the same time, we've limited average general rates rises to 2.5 per cent for every year of this term of council and for the year ahead – the lowest rates increase of any growth or metropolitan city in New Zealand.

Across the group we have remained committed to identifying efficiencies and keeping costs low. Value for money reviews have realised \$270 million of benefits to date.

As we enter the second year of our 10-year Budget 2018-2028, we are focused on delivering the ambitious \$26 billion investment programme that it sets out. Significant progress is being made in the areas of transport, housing and the environment, with \$2.04 billion capital investment in 2018/2019 increasing to \$2.75 billion in 2019/2020.

Thank you for your support as we work to make Auckland a world-class city.


Hon Phil Goff
Mayor of Auckland



ONE TREE OF A MILLION PLANTED



Nā te Tumu Whakarae From the Chief Executive

2018/2019 was another big year for the Auckland Council Group.

The continued growth in our population has pushed the demand for many of our services to all-time highs. We consented 14,032 new residential dwellings, the highest ever. Over 100 million trips were made on public transport. Our pools, recreation centres and sports fields were at capacity, particularly during the summer months. And we progressed the largest-ever capital programme across Auckland Council – investing \$2.04 billion in Auckland.

Using technology has improved our customer service, made it easier for us to do our jobs and enabled us to better cope with increasing demand. For example, we've made registering dogs easier, with 70 per cent of customers using our online registration and opting in to receive notifications by text and email when registration is due. Our SafeSwim website is helping Aucklanders check the conditions at almost 100



STEPHEN TOWN

beaches and the technology behind it is now being sold offshore. Our building inspectors can now work through their checklists digitally and have detailed guidance at their fingertips. As well as improving the service we are delivering to Aucklanders, technology is also supporting us in reducing our costs.

Auckland is becoming more diverse with over 200 ethnicities and differences in languages, religions, age-groups, genders and sexual orientation. To make sure we're able to serve the people of Tāmaki Makarau, our staff also reflect this diversity.

This year we continued promoting gender equality, with our Women in Leadership programme helping to develop and progress some of our high-performing wāhine so that we have a group of capable senior and executive leaders ready to step into senior roles. We also encouraged the development of staff networks across the group to both

celebrate and support our diversity.

The value of strong staff networks came to the fore following the tragic mosque attacks in Christchurch. We were able to support our Muslim staff by working through our Muslim staff network. The group provided guidance on how we could support Auckland through this time.

We're placing a bigger focus on our customers to meet the ambitious customer experience targets set by the Governing Body, so in April 2019 I combined three areas to create a new division – Customer and Community Services. Our goal is to bring us even closer to our customers.

Looking ahead, we're working closely with the government on housing, and in April 2019 we agreed a joint work programme to tackle housing supply and affordability. Our work with the government to address climate change will help us reduce our emissions and mitigate the impacts of the climate emergency that the council announced in June

2019. Together with the government, we're progressing the \$28 billion programme of work to develop our transport infrastructure and deliver a network that will get Aucklanders moving faster and more safely around the region.

Together we are working hard to deliver for Auckland – providing the day-to-day services that keep the city running and building for the future to make Auckland a world-class city.

Poipoia te kakano kia puāwai
Nuture the seed and it will blossom.

Stephen Town
Chief Executive





He karere mai i te rangatira o te roopu moni From the Group Chief Financial Officer

“A Year of Solid Financial Performance”

The Auckland Council Group produced a solid underlying financial result for the year with an operating surplus before gains and losses of \$791 million.

Underpinning this result was continued revenue growth to a record \$4.9 billion. Rates revenue of \$1.79 billion included the introduction of new targeted rates for water quality and the natural environment.

The introduction of the Regional Fuel Tax contributed \$156 million of revenue to help fund a substantial programme of transportation initiatives. Overall fees and user charges increased which reflects the growth in Auckland leading to increased demand for council services. Both public transport patronage and consenting volumes are at record levels.

The increased demand for council services and the substantial infrastructure requirements has also put pressure on costs. However, in general costs were well contained at \$4.1 billion – increasing less than the increase in revenue. The increase in operating costs was driven by higher staff costs, maintenance costs and weathertightness claims. Our larger asset base resulted in depreciation costs of \$922 million. Interest costs remained stable at \$454 million. During the year the group delivered on our largest ever capital programme. Expenditure on capital investment increased to \$2 billion and is part of a 10-year \$26 billion capital programme adopted in June 2018 as part of our 10-year budget. The majority of the capital investment is in key water and transportation infrastructure to enable the region to meet the needs of a growing population.



MATTHEW WALKER

Significant investment over the last 12 months has included:

- over \$700 million on transport infrastructure including \$79 million on the Eastern Busway, \$176 million on local road renewals, and \$65 million towards the City Rail Link project.
- \$550 million on water infrastructure, including \$151 million on the water supply network, \$277 million on the wastewater network, and \$122 million on the stormwater network.

The ongoing strong cash flows from operations have allowed the group to limit the reliance on borrowings

to fund the capital programme. Net borrowings funded 22% of the capital investment programme, increasing by \$445 million during the year to \$8.7 billion. At the same time total assets grew by \$1.4 billion to \$53 billion.

As a result of the significant fall in interest rates during the year, a \$654 million negative adjustment to the fair value of the group's interest rate hedging contracts was recorded in net other gains/losses. These contracts are required to be revalued at each reporting date.

The group's solid underlying financial results and prudent financial strategy are recognised by the credit rating agencies. Our credit ratings with S&P Global Ratings and Moody's remain AA and Aa2 respectively, both with a "stable" outlook.

Matthew Walker
Group Chief Financial Officer

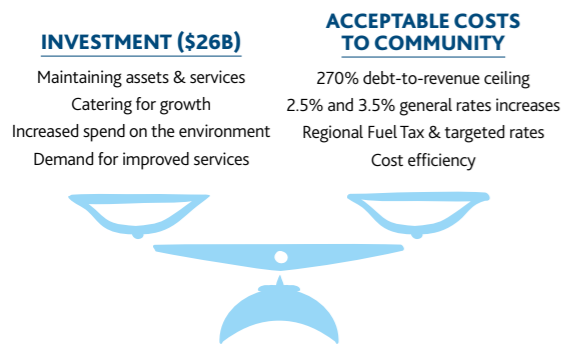
Tirohanga mō te pāinga ā moni

Financial performance overview

Our financial strategy is about balance

Our financial strategy's purpose is to balance the investment in assets and services that the city requires with an acceptable level of costs to support those investments.

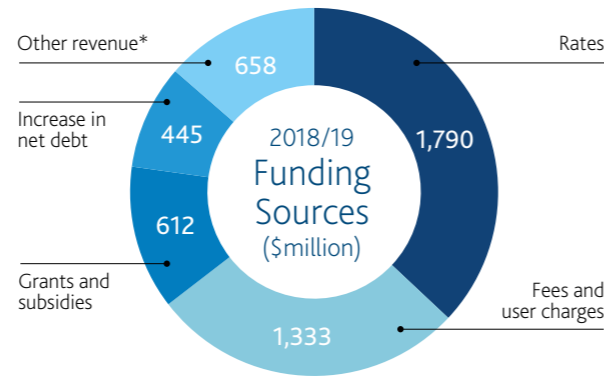
We want Auckland to be a world-class city, with infrastructure that works, good quality community services and a healthy natural environment. Population growth, our changing demographics, and climate change, along with historical underinvestment in some infrastructure pose challenges to us.



Auckland Council Group's 10-year Budget 2018-2028 is our plan for achieving the investment-cost balance. Alongside the \$47.9 billion required for the day-to-day running of the city over 10 years, the budget includes an unprecedented \$26 billion of capital investment. This includes new transport, water and community infrastructure, as well as projects to protect our natural environment and improve the region's water quality. Our capital investment is balanced by ensuring that average general rates increases are capped at 3.5 per cent, user charges remain at reasonable levels, and borrowings are kept at a prudent level.

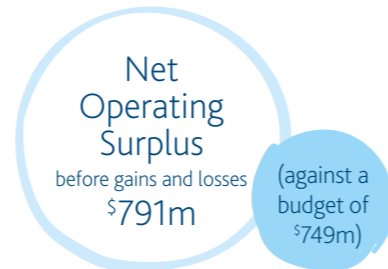
There are a number of projects that require accelerated investment for which we have introduced the natural environment and water quality targeted rates, and a regional fuel tax. See the case studies on page 17 that highlight the projects we have invested in.

* Other revenue is made up of development and financial contributions, finance revenue and other revenue.



Our financial performance for 2018/2019 was solid

2018/2019 was the first year of our 10-year Budget, with expected growth in capital investment, revenue and operational costs.



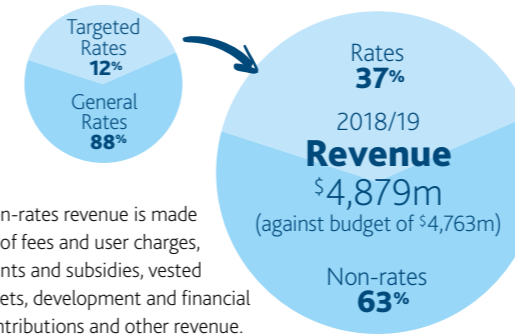
Revenue was above budget

Our total revenue for the year was \$4,879 million, \$116 million higher than budget. The higher revenue is a result of development-related activities such as vested assets (\$202m), higher infrastructure growth charges for water and wastewater (\$14m), and higher volumes and increased complexity of building consents (\$8m). Transport infringements revenue was also higher than budget (\$10m) as a result of targeted safety measures.

Areas where revenue targets were below budget included lower capital grants received from NZTA (\$95m) due to New Zealand Transport Agency funding constraints and underspend on various projects, along with Ports of Auckland experiencing space constraints due to their straddle carrier automation project as well as the withdrawal of some services (\$15m), and the lower entrance fees and venue hire for the Auckland Zoo, our stadia and concert venues (\$11m).

Rates revenue of \$1,790 million was in line with the budget of \$1,797 million. 2018/2019 was the first year

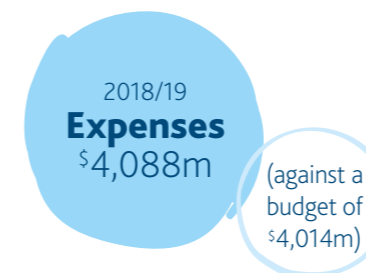
we collected \$70 million of revenue from the two new targeted rates; the natural environment targeted rate, and the water quality targeted rate revenue. These rates replaced the interim transport levy which was \$62 million in the prior year.



*Non-rates revenue is made up of fees and user charges, grants and subsidies, vested assets, development and financial contributions and other revenue.

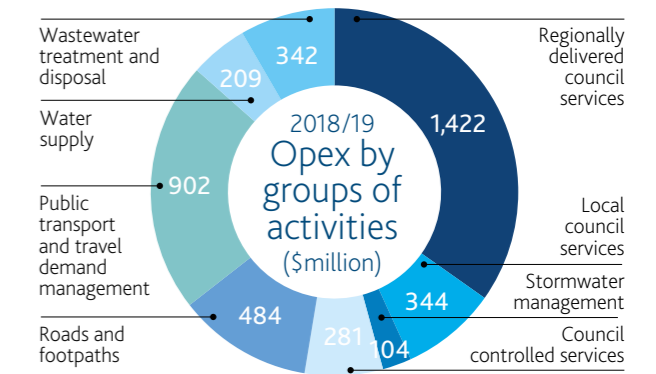
Operating expenditure reflects the use of increased funding

Operating expenditure is what we spend on the many activities to keep the city running – for example providing libraries, maintaining our parks, keeping the water flowing through the pipes, providing public transport, and supporting local democracy. It also includes all the back-office support such as finance, people and capability, and planning.



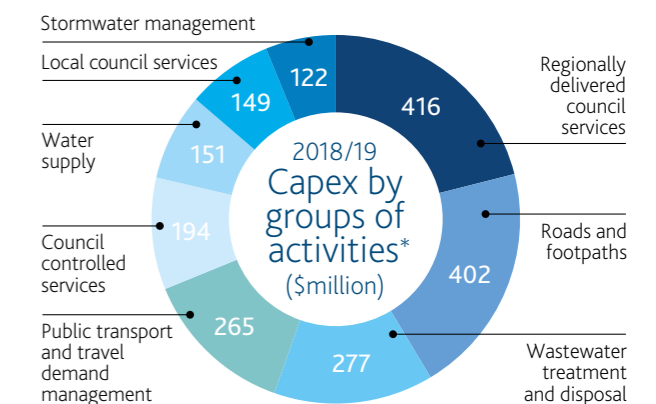
Our total expenditure for the year was \$4,088 million, \$74 million higher than budget. Auckland's growth is driving expenditure. We have dealt with record consenting volumes and the flow-on effect has been higher costs for contracted services to help meet consenting service demand. Cost pressures related to repairs and maintenance of water networks and wastewater treatment plants, spend on sports field renovations, and maintenance of unplanned assets that were transferred from developers has seen our repairs and maintenance costs exceed budget by \$15 million. We focussed on improving food and inorganic waste collection, tackling illegal dumping in the region and ensuring recycling continued despite China no longer accepting our recyclables. This meant that our waste treatment costs exceeded budget by \$8 million. In line with the growth of the city, the group's employee numbers have increased by 547. Most of the increase

is within Auckland Council where staff were employed to deliver the natural environment and water quality programmes as well as fill specialist vacancies within the consenting area.



The council has a number of non-controllable costs such as the provision for remediation of weathertightness claims and the remediation of contaminated land and closed landfills. These costs are not budgeted for. This year these costs amounted to \$49 million and \$20 million respectively. Weathertightness remediation costs reflect the high costs associated with multi-unit claims. The contaminated land and closed landfill cost relates to cost escalations particularly in relation to the landslip at Rawene Reserve, Birkenhead, which unearthed a closed landfill.

Capital investment was the highest level ever, but below budget



Capital expenditure is what we spend on upgrading, renewing or building new assets.

This year was the first year of the group's 10-year Budget 2018-2028 which will see the group deliver \$26 billion of investment into Auckland's infrastructure. The group delivered \$1,975 million of capital expenditure and invested \$65 million in the City Rail Link, a record investment for the group. Capital expenditure was \$203 million behind budget, but \$305 million more than the prior year.

*This excludes \$65m for CRLL funding

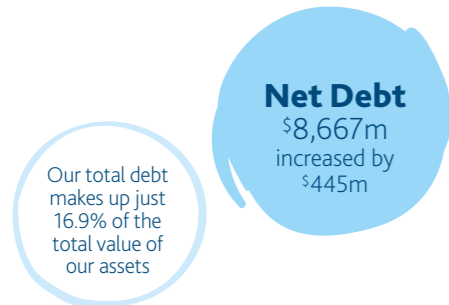
The size of the work programme, supply constraints in the construction sector, and the time frames required to get large multi-year capital programmes underway are some of the challenges we are tackling.

Our prudent approach to debt

We spread the costs of new assets across current and future generations of Aucklanders who will benefit from those assets. We do this by funding those assets with debt.

The group's net debt as at 30 June 2019 was \$8.7 billion, an increase of \$445 million over last year. This seems like a big number, however it needs to be seen in the context of our \$53 billion asset base.

Our prudent management of debt means that we have one of the highest credit ratings in New Zealand. Our rating from S&P Global Ratings is AA, and our Moody's rating is Aa2, with both on a stable outlook. Our strong credit rating makes us attractive to investors and means that we can borrow at lower interest rates than others.



Our credit rating is based on our ability to stay within prudent financial ratio limits. The most cited one is the net debt as a percentage of total revenue, with a limit of 270 per cent. As at 30 June 2019, our net debt to total revenue percentage was 247 per cent.

As a result of the significant fall in interest rates during the year, a \$654 million negative adjustment to the fair value of the group's interest rate hedging contracts was recorded in net other gains/losses. These contracts are required to be revalued at each reporting date.

Partnering with government to deliver the infrastructure Auckland needs for the benefit of all New Zealand

The challenge Auckland faces means that the group alone can't fund the level of investment required. Auckland is the economic powerhouse for New Zealand, and so the strength of the New Zealand economy relies on a strong Auckland.

This group is partnering 50:50 with the government to construct the City Rail Link, a rail project that connects the Britomart Transport Centre with the Western Line at Mt Eden Railway Station. During the year the group provided \$65 million of funding to City Rail Link and the government and the group committed to increase the funding for CRL to \$4.4 billion.

The government is also funding the provision of stormwater, water and roading infrastructure to support housing developments. In September 2018 the government allocated us \$339 million funding from the Housing Infrastructure Fund for infrastructure that will eventually support approximately 7,800 new homes in Whenuapai and Redhills, north-west Auckland. And in October 2018, we partnered with Crown Infrastructure Partners and Fulton Hogan to fund \$91 million of infrastructure investment in Wainui, North Auckland. The group will contribute \$24 million towards infrastructure.

We are also partnering with the government to build the infrastructure to host the America's Cup 36 (AC36) in 2021. The government has committed to fund \$56 million of the remaining \$193 million required to get the waterfront ready for the event. We received \$35 million towards the project from the government during the year.

Delivering value for Auckland

During 2018/19 we continued with our Value for Money programme, identifying potential ways of delivering services more effectively and efficiently in information communication and technology, customer services and finance. The ongoing programme has been in place since 2016, with \$270 million of benefits already realised out of total potential benefits of \$538 million.

We have a continuous focus on spending money wisely, and we keep a close eye on controllable costs such as recruitment, travel, and professional services. The Mayor and councillors set performance targets for our chief executive in these areas and monitor our performance closely during the year to ensure we stay within the targets.

CASE STUDY

Regional Fuel Tax

Made possible by the Auckland Regional Fuel Tax (RFT)



RFT applied to some key projects (completed and in progress)

- Eastern Busway \$24 million
- Road safety \$20 million
- Network capacity and performance improvement \$7 million
- Downtown ferry terminal and redevelopment \$11 million

CASE STUDY

Water Quality Targeted Rate

Made possible by the Water Quality Targeted Rate (WQTR)



Some key projects (completed and in progress)

- Ōkahu Bay stormwater and wastewater separation project \$600K
- St Marys Bay/Masefield Beach Upgrade \$6.8 million
- Daldy Street outfall extension project \$4.9 million

CASE STUDY

Natural Environment Targeted Rate

Made possible by the Natural Environment Targeted Rate (NETR)



Some key projects (completed and in progress)

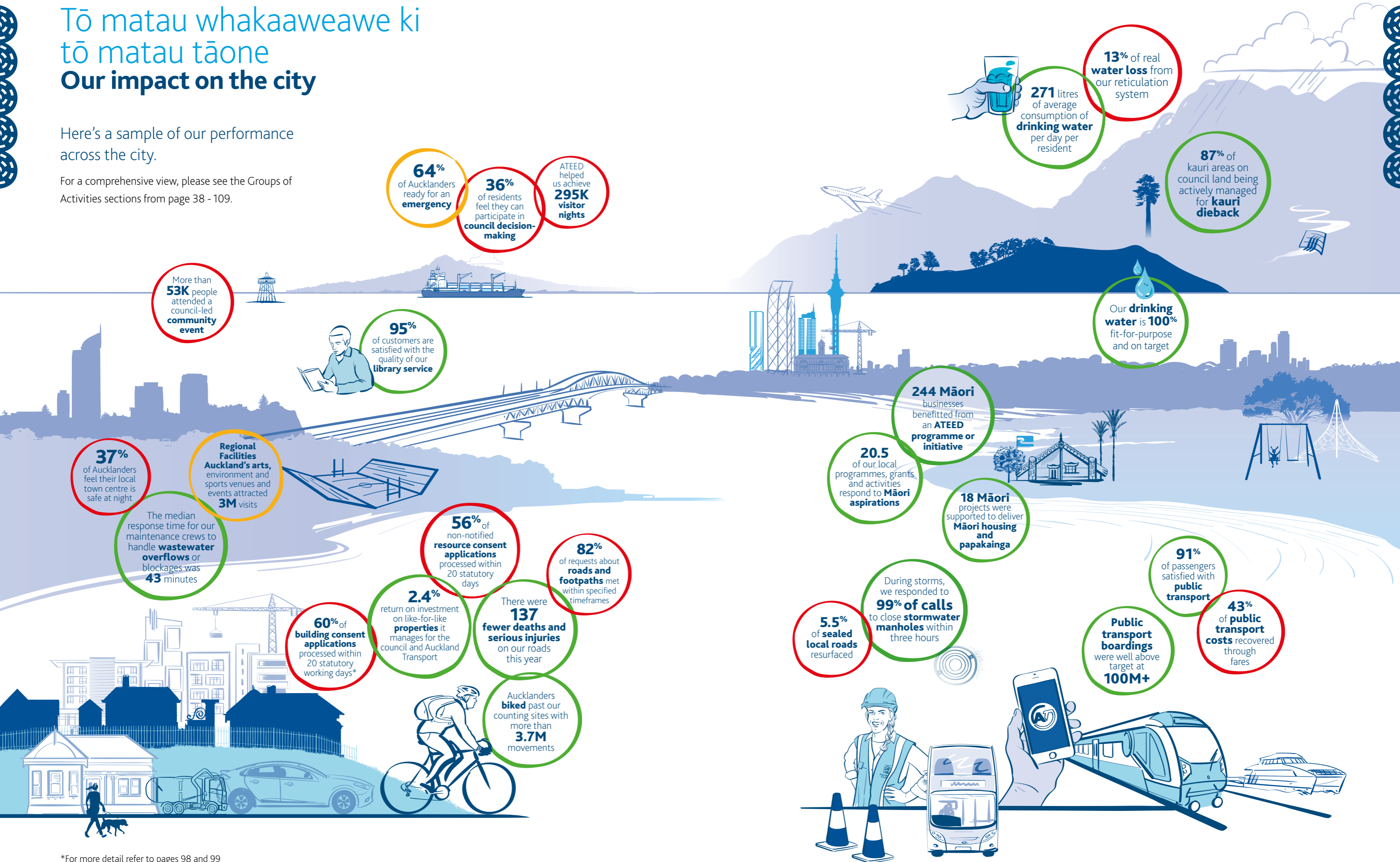
- Protecting kauri on Kitekite track over \$400K
- Possum control over \$1 million
- \$1.4 million provided to support 110 community initiatives

Tō matau whakaaweawe ki tō matau tāone

Our impact on the city

Here's a sample of our performance across the city.

For a comprehensive view, please see the Groups of Activities sections from page 38 - 109.



*For more detail refer to pages 98 and 99

Tā mātou tauira whakahaere

Our operating model

This year we have been thinking about how we create value for Aucklanders.

Auckland Council supports the External Reporting Board's encouragement of extended external reporting to cover broad information such as governance, business models, strategies and environmental, cultural and social impacts.

We have used ideas from the Integrated Reporting <IR>* approach to start doing this. <IR> is being used by organisations around the world to present annual reports which move beyond financial information to tell succinct stories of the unique things (their 'capitals') they use to create value for their customers.

We have used <IR> ideas throughout this report. Our Auckland Plan and 10-year Budget define the issues that are most material for Aucklanders (these are structured as Groups of Activities).

We use the weave of a kete to highlight our basket of resources grouped by the <IR> capitals in each of the Groups of Activities sections of this report. We use these resources to deliver activities which positively impact the Auckland Plan outcomes. This is our value creation loop.

You will see our kete are unfinished. This is because we have only started weaving integrated thinking into our reporting and we still have a long way to go. Already <IR> is helping us to think more holistically about the broad range of resources we use, the value we deliver to the region, and how to be more responsive to Te Ao Māori.

The capitals that we have used to group our resources are:

Human

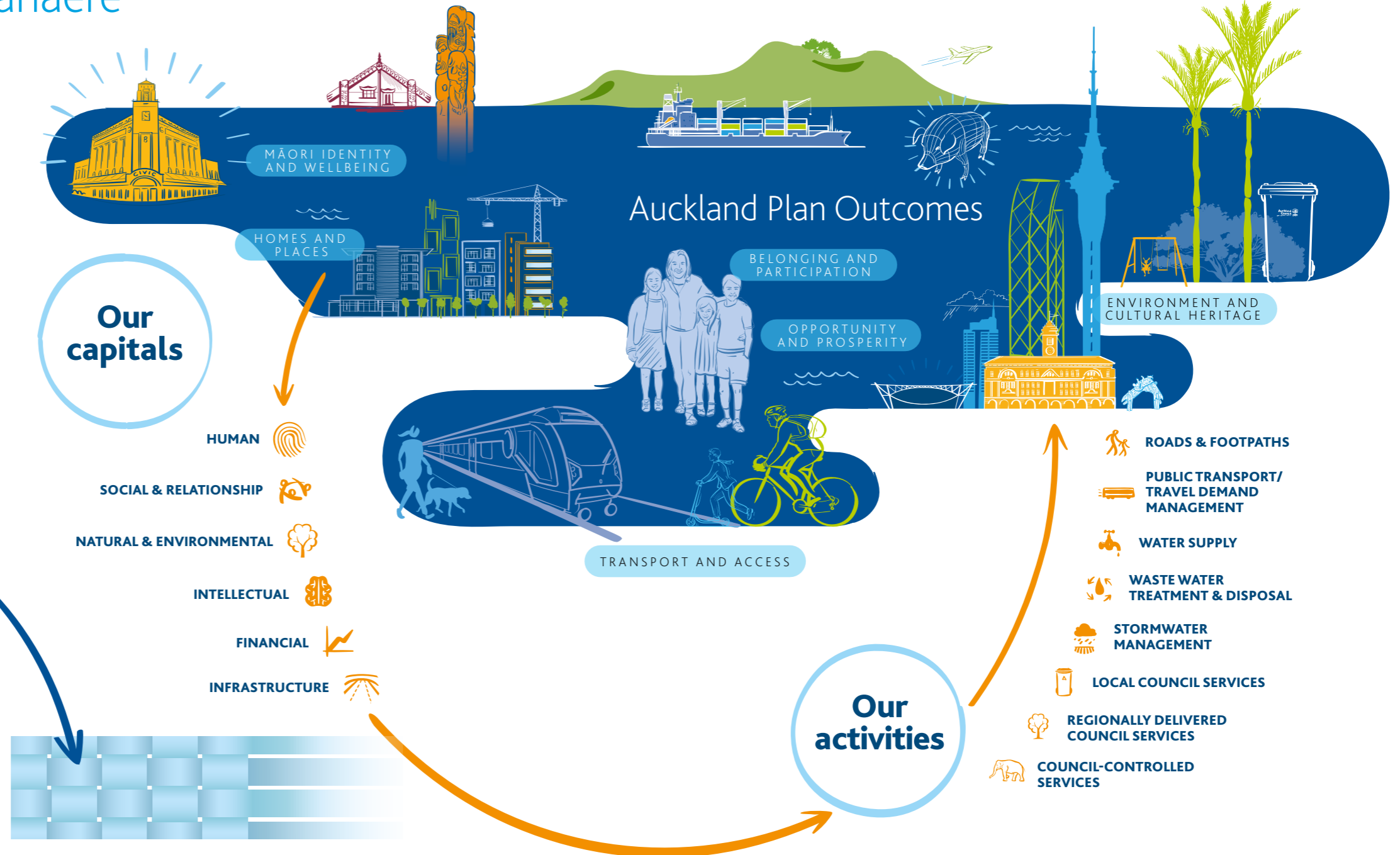
Our employee and contractor workforce, and the governance and leadership structures that guide them.

Social & relationship

The relationships we build with our communities, our stakeholders and our partners.

Natural & environmental

The renewable and non-renewable environmental resources and processes such as air, water, land, minerals and forests, biodiversity and ecosystem health that we rely on, and the actions we take to reduce our impact on the environment.



Intellectual

The knowledge-based assets we use to create value such as intellectual property, systems, brands etc.

Financial

The funds that we and our partners use to deliver our services

Infrastructure

The physical assets we own or lease that we can use to produce goods or provide services such as buildings and infrastructure (e.g. roads, ports, bridges, waste and water treatment plants).

*Kotahi te aho ka whati
Ki te kāpuia e kore e whati
A single strand is easy to break
But many strands woven together stand strong*

* More information on the Integrated Reporting <IR> framework can be found at www.integratedreporting.org

Ngā Whāinga o te Mahere o Tāmaki Makaurau

Auckland Plan outcomes

The following six community outcomes are the key goals of the Auckland Plan, which is our forward thinking 30-year strategic plan to realise our vision of being a world-class city. Each group of activities contributes to one or more of these outcomes.

We work with government, non-government organisations and the private sector to achieve the Auckland Plan outcomes. The table below summarises the impacts that the Auckland Council Group has on the Auckland Plan outcomes.

The Auckland Plan was prepared under Local Government (Auckland Council) Act 2009 that contributes to social, economic, environmental, and cultural well-beings for Auckland's growth and development.

THE WELLBEINGS







- ENVIRONMENTAL
- SOCIAL
- CULTURAL
- ECONOMIC





AUCKLAND PLAN OUTCOMES	GROUPS OF ACTIVITIES								
	ROADS & FOOTPATHS	PUBLIC TRANSPORT/ TRAVEL DEMAND MANAGEMENT	WATER SUPPLY		WASTE WATER TREATMENT & DISPOSAL	STORMWATER MANAGEMENT	LOCAL COUNCIL SERVICES	REGIONALLY DELIVERED COUNCIL SERVICES	COUNCIL-CONTROLLED SERVICES
BELONGING AND PARTICIPATION	Provide opportunities for physical activity	Reduce transport barriers for participation					Provide opportunities for Aucklanders to participate and foster a sense of belonging and inclusion	Provide opportunities to participate and foster a sense of belonging	Provide opportunities to celebrate and showcase Auckland's diversity
MĀORI IDENTITY AND WELLBEING	Reflect Māori identity in transport network and services	Reflect Māori identity in transport network and services	Enable mana whenua participation in the management of water		Enable mana whenua participation in the management of water	Enable Māori participation in management, restoration and protection of taonga resources	Provide arrangements to empower Māori kaitiakitanga	Provide arrangements to empower Māori kaitiakitanga	Reflect Māori identity and culture
HOMES AND PLACES	Unlock development opportunities	Integrate travel choices where people live, work and play	Unlock development opportunities		Unlock development opportunities	Unlock development opportunities	Provide public spaces that enhance urban living	Unlock development opportunities	Unlock development opportunities
TRANSPORT AND ACCESS	Make walking and cycling preferred choices	Influence travel demand and make use of transport technology					Integrate travel choices where people live, work and play	Integrate land-use and transport decisions	Activate urban regeneration that facilitates all modes of transport
ENVIRONMENT AND CULTURAL HERITAGE	Mitigate negative environmental impacts	Mitigate negative environmental impacts	Provide resilient infrastructure and mitigate negative environmental impacts		Provide resilient infrastructure and mitigate negative environmental impacts	Provide resilient infrastructure and mitigate negative environmental impacts	Lead environmental action and encourage community stewardship	Lead environmental action and encourage community stewardship	Provide opportunity to interact with cultural heritage
OPPORTUNITY AND PROSPERITY	Deliver effective transport network to support productivity growth	Deliver effective transport network to support productivity growth					Encourage lifelong learning and training	Encourage lifelong learning and training	Raise Auckland's profile to attract investment

Te tirohanga māhere-ā-tau a Tāmaki-Makaurau Auckland Plan Annual Monitoring

Over the past year, we measured progress against our Auckland Plan outcomes. Detailed results are available online on the Auckland Plan 2050 website. The findings of the monitoring across the six outcomes are:

More information can be found on our website at <https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-plans-strategies/auckland-plan/about-the-auckland-plan/Pages/measuring-progress.aspx>

AUCKLAND PLAN MEASURES WITH POSITIVE OR NEGATIVE TREND OBSERVED	RESULTS	DATA SOURCE	TREND
 Belonging and Participation	Aucklanders' sense of safety in their homes and neighbourhood Proportion of respondents to the Quality of Life Survey who rate their feelings of personal safety as safe or very safe (%)	Quality of Life (2018)	From 2012 to 2018 increasing positive trend
	Aucklanders' quality of life Proportion of respondents to the Quality of Life Survey who rated their overall quality of life positively (%)	Quality of Life (2018)	From 2012 to 2018 increasing positive trend
 Māori Identity and Wellbeing	Māori in employment, education and training Proportion of Māori youth in education, employment or training (%)	Household Labour Force Survey (2018)	From 2007 to 2018 increasing positive trend
 Homes and Places	New dwellings consented by location and type (Development Strategy) Number of dwellings consented by location and type	Stats NZ Building Consent data (2018)	From 2010 to 2018 increasing positive trend
	Net new dwellings consented and completed (Development Strategy) Number of dwellings issued with Code of Compliance Certificate	Auckland Council Code of Compliance Certificate data (2018)	From 2014 to 2018 increasing positive trend
	Homelessness Number of people living without shelter and in temporary accommodation	Stats NZ (2013)	From 2001 to 2013 increasing negative trend
 Transport and Access	Deaths and injuries from transport network Number of serious and fatal injuries	NZTA (2018)	From 2010 to 2018 increasing negative trend
 Environment and Cultural Heritage	Marine and fresh water quality 2a. Stream water quality	Auckland Council (2016)	From 2013 to 2016 decreasing negative trend
	2b. Lake water quality (Trophic level)	Auckland Council (2015)	From 2002 to 2012 decreasing positive trend
	2c. Beach swimming safety (% time Safeswim marine beaches are suitable for contact recreation during the summer swimming season Nov 1 to April 30)	Safeswim (2018)	From 2017/2018 to 2018/2019 increasing positive trend
	Air quality and greenhouse gas emissions 3a. Concentration of air pollutants (NO ₂ µg/m ³)	Auckland Council (2016)	From 2011 to 2016 decreasing positive trend
	3b. Greenhouse gas emission (tonne of CO ₂ e accounting for CO ₂ e removed by forests)	Auckland Council (2015)	From 2009 to 2015 increasing negative trend
 Opportunity and Prosperity	Labour productivity Real GDP per filled job (\$)	Auckland Economic Profile (2018)	From 2000 to 2018 increasing positive trend
	Aucklanders' average wages Average weekly wages (\$)	Labour market statistics (2018)	From 2009 to 2018 increasing positive trend
	Level of unemployment Unemployment level (%)	Household Labour Force Survey (2018)	From 2010 to 2018 decreasing positive trend
	Educational achievement of young people Percentage of those aged 20-24 with a Level 4 qualification or above (%)	Household Labour Force Survey (2018)	From 2014 to 2018 decreasing negative trend

KEY  Increasing positive trend  Decreasing positive trend  Increasing negative trend  Decreasing negative trend

He hunga tāuteute te iwi o Tāmaki Makaurau Engaged Aucklanders

We seek feedback and input from Aucklanders on a wide range of issues to add value to the decision that we make. On major issues, we seek feedback through Have Your Say events and other consultation processes. We also have nine advisory panels representing special interest groups,

and we pass major issues through these panels to seek the broadest possible community input into decisions.

Many of the performance measures used throughout this annual report are based on surveys of Aucklanders. These surveys are summarised below:

SURVEY NAME	PURPOSE	FREQUENCY	TYPE	SAMPLE SIZE	MARGIN OF ERROR
Auckland Residents' Survey	To measure residents' use of, and satisfaction, with council services	Annual	Mix of online and phone questionnaires, and face-to-face interviews	4,235	± 1.5%
Leisure Net Promoter Score	To measure pools and leisure centres' customer loyalty and satisfaction, based on customers' likelihood to recommend the facility to others	Continuous	Online questionnaire	4,970	± 1.4%
Customer Experience Monitor Survey	To measure the satisfaction of customers applying for a resource consent/building consent, food/alcohol licence, or who enquired about noise control, resource/building consents	Continuous	Online questionnaires	Alcohol – 1,730 Food – 1,160 Building Control – 2,878 Resource Consent – 917 Noise Control – 3,064	± 1.7% ± 2.3% ± 1.8% ± 3.2% ± 1.8%
Events Evaluation Research	To measure the satisfaction of attendees at council delivered/funded events	Continuous	Face-to-face interviews, online and paper questionnaires	956	± 3.1%

He pītau whakareia, wāwāhi ngaru, whāia tōna au

Leading and influencing better outcomes for and with Māori

Māori have lived in Tāmaki Makaurau for over 1,000 years. This history and ongoing connection to place creates a thriving Māori identity that is our point of difference in the world.

We are advancing Māori wellbeing through the Auckland Plan 2050, the 10-year Budget 2018-2028 and te Whiria Te Muka Tangata / the Māori responsiveness framework. Our mahi will help whānau, hapū, iwi and Māori communities lead healthy and prosperous lives in which their housing, employment, education, health and cultural needs are met and benefit from Auckland's success.

We have 11 focus areas and our four key priorities are:

1. Marae development

We help marae to be sustainable cultural hubs for Māori and the wider community.

For example, we support Te Kotahi a Tāmaki, a collective of 34 marae that have come together to identify business opportunities for Māori and Pasifika.

2. Reo Māori

Reo Māori can be seen, heard and spoken across a wide array of council activities.

For example, we led the inaugural Hikoia te Kōrero Māori Language Parade in Auckland's CBD, involving 5,000 people marching in celebration of the Māori language, identity and culture. The parade was part of the regional celebrations for Te Wiki o Te Reo Māori.

3. Kaitiakitanga (water)

We actively provide for Māori participation in the management of taonga resources.

For example, Te Māra Hūpara cultural garden is an example of the results of the work we do with mana whenua to manage, restore and protect water resources. The māra hūpara playground uses natural resources to re-establish important cultural play spaces for children to have fun, learn and build their confidence. It was created by collaborating with mana whenua, schools, the community and private partners, and was guided by the wisdom of Māori games specialist Harko Brown.

The playground also connects people to the wider values that guide the Te Auaunga (Oakley Creek) project to restore the wairua of Walmsley/Underwood Park reserves and the naturalisation of Te Auaunga Awa.

4. Māori business tourism & employment

We provide economic opportunities for Māori, supporting growth in business, tourism and enterprise.

For example, our Southern Initiative is leading He Waka Eke Noa, New Zealand's first social procurement supply chain network. The network connects 54 Māori and Pasifika businesses with customers. The businesses collectively employ more than 850 staff, of whom 80 per cent are Māori or Pasifika.

How we deliver outcomes with, and for, Māori

Leading and influencing better outcomes for Māori requires navigating various internal and external conditions. Like a waka and its kaihoe (crew) breaking through the waves to reach a destination beyond the horizon.

Positive Outcomes for Māori



Māori identity and wellbeing



We have identified eight tohu (signs) that guide us in doing this.

Kaihoe – Our people

Our people are able to be responsive to Māori needs and aspirations.

Pūkenga Māori – Specialist skills and expertise
Tikanga and Reo Māori drives and grounds our approach.

Turangawaewae – Place and belonging
The sense of place and belonging shapes change in Tāmaki.

Mātauranga – Māori knowledge and practices
We use and attribute use of Māori knowledge and values appropriately.

Whakapapa – Intergenerational thinking
Decisions are made from an intergenerational perspective (tupuna to mokopuna).

Whakamana Te Tiriti – Reciprocal relationships
Relationships and partnerships are mutually beneficial and operate with integrity.

Te wā – Māori sense of time
Our ability to be agile to the pace and cycles of Māori needs and aspirations.

Ngā waka – Our structure
Our systems, processes, policies and strategies allow us to

achieve outcomes for Māori with increasing effectiveness.

Governance, decision-making and delivery

We use a governance structure that guides delivery of activities so that they align to the overall Māori outcomes that we aspire to achieve.



We work together to deliver projects and activities with Māori communities

Ngā take rawa rangahau

Material Issues

Auckland’s quality of life, vibrancy, diversity and robust economy attracts many people and our population is continually growing – we expect it to reach two million people by 2028.

This growth is challenging our housing, transport and water infrastructure. The 10-year Budget includes significant investment in infrastructure to keep up with the growth.

As our region grows, we need to ensure we invest in community services and facilities that meet the needs of our more diverse population. We need to protect our natural environment from natural and manmade threats. We also need to mitigate the impact of climate change and work to become a climate neutral city.

This section outlines our general approach to the material issues of housing, transport, water, climate change, natural environment, and communities. More specific information about what we did in 2018/19 is provided within our Groups of Activities sections, from pages 38 to 110.

Housing

Auckland needs more houses – in February 2018 a government report estimated a shortage of 45,000 homes to adequately house its population at this point in time.

We don’t build houses, but we are responsible for planning and providing sufficient infrastructure to meet the future demand for housing.

The council zones land, facilitates and advocates for quality development, and regulates building. It works alongside the government and the private sector to meet the demand for housing.

The Joint Housing and Urban Development Work Programme announced in April 2019 is an example of how we work alongside the government to facilitate more housing in Auckland.

In 2016 the council made its Unitary Plan operative in part. The plan enables an additional one million dwellings in Auckland’s existing residential areas. It also identifies 15,000 more hectares for future urban growth. It enables greater urban intensification by allowing more townhouses, apartments and other attached dwellings.

Already the Unitary Plan is having positive results. We consented 14,032 new residential dwellings over the past year, the highest level ever. In November 2018, the number of new dwellings consented began to keep pace with the numbers needed to accommodate the growth in the city’s population (although we need even more to make up the 45,000 houses shortfall).

And of all the new dwellings, 49 per cent were in multi-unit complexes (such as townhouses and apartments).

Panuku, our urban development agency, is working with developers across the region to turn surplus council land into high quality developments.

Since Panuku was established in 2015, it has facilitated the delivery of 731 new dwellings for Auckland, with 755 underway and approximately 9,950 more dwellings to be delivered over the next 10 years. It’s showcasing what good quality urban development is in many locations across the city – urban development that’s about highly liveable, environmentally sustainable and community-oriented neighbourhoods.

“A community is not just where people live but where they have access to jobs, schools, parks, shops and services and where they can choose how they get around – public transport, cycling, walking or by car.”

Penny Pirrit,
Auckland Council’s Director of Urban Growth and Housing.



Last year, we updated the Auckland Design Manual to provide guidance to developers and the public on high-quality urban design.

Our Regulatory Services team have faced continued growth in the numbers of building consent and resource consent applications. Meeting this growth has been challenging and we haven’t met our performance targets in this area. We have improved systems and made business improvements, recruited staff, provided more staff training and guidance, and introduced new quality assurance checks with the aim of improving performance (see page 98-99 for more information).

Auckland is one of the most unaffordable cities in the world for housing. Homelessness is a problem – in Ira Mata, Ira Tangata: Auckland’s Homeless Count on 17 September 2018 we estimated that 800 people were living without shelter, and at least 2,874 people were living in temporary accommodation placements. Ira Mata, Ira Tangata provided important information about homeless people that is being used by government and social sector agencies. It will guide the \$197 million investment by the government over the next four years in the Housing First Programme enabling providers (Kāhui Tū Kaha, Lifewise together with Auckland City Mission, LinkPeople and VisionWest) that support the chronically homeless into permanent homes with wrap-around services.

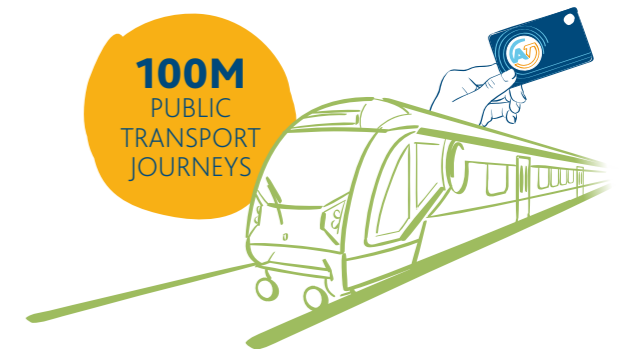
For more information and updates on our key projects, please go to the Regionally Delivered Council Services and Council Controlled Services Groups of Activities sections between pages 38 and 110.

Transport

Traffic congestion on our roads makes it difficult for Aucklanders to move around and it has a detrimental impact on the productivity of businesses. We need to encourage more people to get out of their cars, and instead choose public transport and active transport (such as walking and cycling) as alternatives to moving around our city.

We’ve already made huge strides in improving our transport network so that people have more options about how to move around the city easily and safely. Improvements to our roads, public transport, walking and cycleways will continue as part of the \$28 billion 10-year transport programme agreed with government, partly funded by the Regional Fuel Tax which was introduced in July 2018.

Our initial focus has been on completing existing committed projects while planning and designing new projects prior to construction. We’ve introduced new double-decker buses on Dominion Road and Remuera Road, proposed a Safer Speeds Bylaw and soon we will be delivering bus priority improvements and improving access to the airport.



Auckland is still a city dominated by cars, but that’s changing. Over the past year, Aucklanders made more than 100 million public transport journeys and 3.77 million bike trips. Park and ride facilities are now available at several bus and ferry terminals with more being planned. The new central city and North Shore bus networks are making it easier and more convenient to catch buses. The new transport interchange under construction at Puhinui Station will connect rail and buses to Auckland Airport. And the roll-out of double decker buses will continue. Construction started in early 2019 on the Eastern Busway. The first four stages will link Panmure and Pakuranga.

The City Rail Link will more than double the capacity of our rail network and significantly reduce journey times when it’s completed in 2024. Trenching work has seen the railway line snake up Albert Street and soon tunnelling will begin from Albert Street onwards.

We are working to not only make it easier, but also safer to get around Auckland. Compared to other cities around the world, Auckland has one of the highest rates of pedestrian, cyclist, and motorcyclist deaths. Auckland Transport is working through an accelerated road safety programme including new road signage, roading improvements to bends and intersections, and speed management initiatives. It’s also working with communities to increase road safety awareness and to promote walking and cycling as ways to move around.

For more information and updates on our key projects, please go to the Roads and Footpaths, and Public Transport and Travel Demand Management in the Groups of Activities section between pages 38 and 110.

Water

There are three parts to managing water in Auckland. Watercare provides a safe and reliable supply of drinking water and looks after the wastewater network, including treating wastewater. The council manages the storm-water network.

Generally, we do these things well. Safe Aa-grade drinking water is delivered to 1.7 million Aucklanders. We have local beaches we can swim in most times of the year. And our waterways support a variety of natural ecosystems.



However, old infrastructure, a growing population and more frequent and more damaging weather events driven by climate change have strained our water infrastructure. This means we must invest now in new infrastructure to minimise future damage.

Watercare has been working on the Hunua 4 watermain to secure our water supply and accommodate the growing population. This 31km pipe will connect the Manukau and Khyber Pass Road water reservoirs. The final 3.5km from Market Road to Khyber Pass is being built now. Up north, we have started work on the North Harbour 2 Watermain which will move water from the west to the Albany Reservoirs, meeting growth demand there when it is opened in 2026.

The Warkworth Water Treatment Plant was commissioned in December 2018, drawing from an underground aquifer to double capacity and cater for growth and secure the summer water supply.

Watercare is also planning to expand the Waikato Water Treatment Plant and upgrade the Huia 1 watermain pipeline. Upgrades are also being made to the Ardmore Water Treatment plant so that it can manage through large storm events without having to reduce the output of drinking water it produces (as it had to do in March 2018 during the “Tasman Tempest” storm).

Significant investment is being made in our wastewater plants. We upgraded Army Bay, improving a pump station, and replaced an outfall pipe extending 1.2km into Tiri

Channel. And work is beginning to upgrade the Mangere and Rosedale wastewater treatment plants.

Our old pipes haven’t coped in storm events, with mixed stormwater and wastewater going into our waterways. Work on the Central Interceptor, a 13km pipe from the central city to the Māngere Wastewater Treatment Plant, begins in late 2019. It will dramatically reduce wastewater overflows and improve the health of our waterways when complete. Work is also underway on the Northern Interceptor, which will divert flows to the Rosedale Wastewater Treatment Plant, giving the Māngere Waste Water Treatment Plant greater capacity to support growth in the central and southern areas.

We have a wide range of projects planned over the next 10 years to improve the water quality of our waterways and beaches, funded by the Water Quality Targeted Rate which has brought forward some projects by 20 years. These projects will reduce overflows and contaminants flowing into Auckland’s waters and harbours. Streams will be rehabilitated, improving their ecological health and reducing bank erosion caused by rural and urban land changes.



We will extend the stormwater network in Freemans Bay and the Daldy Street outfall, reducing polluting overflows in the Wynyard Basin before the 2021 America’s Cup begins. And in Ōkahu Bay, we will extend the stormwater network by 4.5km and separate wastewater and stormwater pipes to reduce polluting overflows into the bay and to enable future growth.

For more information and updates on our key projects, please go to Water Supply, Wastewater treatment and disposal, and Stormwater in the Groups of Activities section between pages 38 and 110.

Climate change

The council has joined a growing community of cities around the world by declaring a climate emergency. The declaration signals the urgency of implementing actions to mitigate and adapt to the impact of rising world temperatures and extreme weather events. It follows on from the Intergovernmental Panel on Climate saying we only have around 12 years to reduce carbon emissions to limit temperature rises to 1.5 degrees.

“The council already demonstrates strong leadership in the face of climate change, including incorporating climate change considerations into council’s work programmes and decisions; working with regional partners to ensure a collaborative response; advocating and engaging with government; and leading by example to reduce in-house emissions.”

Councillor Penny Hulse,
Chairperson of Auckland Council’s
Environment and Community Committee.



We are already taking action. We are accelerating improvements to our water quality and increasing protection of our natural environment for future generations, funded by targeted rates. And we have a lot of other projects that are helping mitigate and adapt to climate changes too.

Despite these projects, right now Auckland’s emissions are not decreasing. We need to do more. In July 2019 we consulted on Auckland’s Climate Action Framework, gathering ideas on actions that we can do to achieve cleaner transport, air and water. We have committed Auckland to a path toward climate neutrality with virtually no emissions by 2050.

For more information and updates on our key projects, please go to the Regionally Delivered Council Services in the Groups of Activities section between pages 38 and 112.

Natural environment

One of the defining features of Auckland is its beautiful natural environment. Our role is to nurture, look after and monitor our environment, to protect our region from a variety of natural and manmade threats.

The introduction of the Natural Environment Targeted Rate in July 2018 enables investment of \$311 million over the next 10 years to protect our environment. It allows programmes to protect parks, islands, marine and freshwater areas, and to combat Kauri dieback disease. It will also fund our Pest Free Auckland initiative, increasing possum patrols, biosecurity measures and control of pests and weeds within Auckland’s parks. Pages 14-17 in the Financial Performance Overview section outlines the projects that the Natural Environment Targeted Rate funded in 2018/2019.

The introduction of the Water Quality Targeted Rate in July 2018 enables \$452 million over the next 10 years to improve water quality by rehabilitating streams and reducing wastewater and septic tank run-off. Page 17 in the Financial Performance Overview section outlines the projects that the Water Quality Targeted Rate funded in 2018/2019.

Communities

Auckland is a super-diverse city – home to over 200 ethnicities, a large proportion of the rainbow communities, 19 mana whenua iwi, and the largest Polynesian population in the world.

It’s important that as our city grows, and becomes even more diverse, we provide community services that evolve to meet the needs of Aucklanders. Our 10-year Budget allocates \$961 million to refurbish our current community facilities, and we are prioritising this spend to those buildings and communities that require it most. Our challenge is making the trade-offs between rebuilding our old facilities and investing in new facilities that better meet our communities’ needs now and into the future.

For new facilities, we are moving to more integrated community facilities, such as the Te Manawa integrated community hub which was opened in April 2019. Te Manawa incorporates a community hub, library, council services, a Citizens Advice Bureau, a community kitchen, and even a recording studio.

For more information and updates on our key projects delivered to support our communities, please go to Regionally Delivered Council Services in the Groups of Activities sections between pages 38 and 110.

Tā mātou tuapapa whakahaere

Our structure

The Auckland Council Group's structure provides the scale for efficient delivery, a regional perspective that provides a clear direction for Auckland, and representation that reflects diversity, local flavour and active public participation.

The Mayor promotes our vision for Auckland to be a world-class city and 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 committees – three committees of the whole (Environment and Community, Finance and Performance, and Planning), three reporting committees (Audit and Risk, Community Development and Safety, Strategic Procurement) and four other committees (Appointments Performance Review and Value for Money, Ports of Auckland Appointments Panel, Civil Defence and Emergency Management Group, Regulatory).

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

The Independent Māori Statutory Board has specific responsibilities and legal powers to assist Auckland Council to make decisions and perform its functions in accordance with statutory provisions relating to Te Tiriti o Waitangi. The board has voting rights on council's key decision-making committees. The board promotes cultural, economic, environmental and social wellbeing issues that are significant to Māori and it provides direction and guidance to help improve council's responsiveness to Māori.

Co-governance structures between the council and mana whenua have been established as part of Te Tiriti o Waitangi settlements to co-govern maunga, wāhāpū, motu and kaitiakitanga of land and marine resources.

Diversity is a strength that defines Auckland. To ensure this diversity is reflected in decision-making, we also have nine advisory panels the council uses to seek input on specific issues.

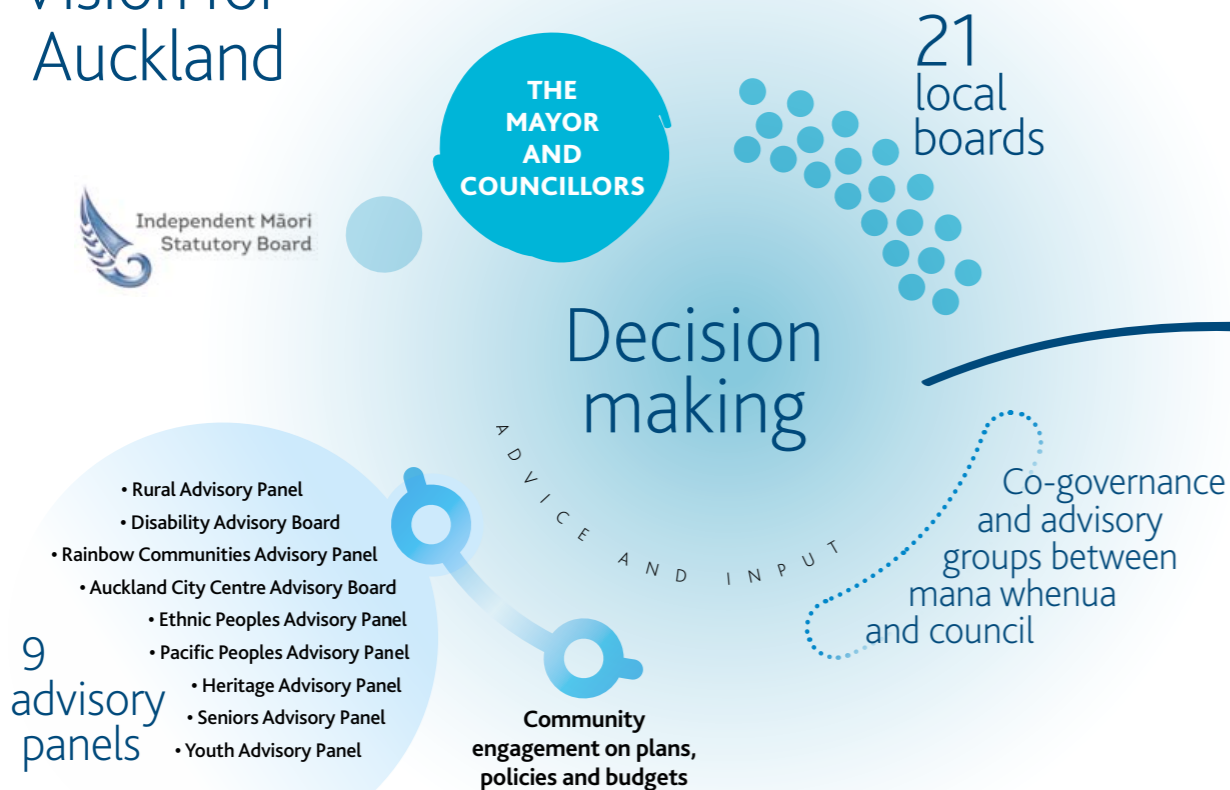
The council is led by the Chief Executive who is appointed by the Governing Body. The Chief Executive, with the support of his executive leadership team, employs staff to deliver services for residents.

We identify and manage risks using a framework based on AS/NZ ISO 31000:2009. Council's Assurance Services team provides independent assurance to the Audit and Risk Committee and chief executive that risk management controls are operating in an efficient, effective and ethical

manner. The team works with senior management and our people to reduce the risk of error, waste, theft and fraud. Our code of conduct "Our Charter" emphasises that managing these risks is the responsibility of every staff member. The Audit and Risk Committee (which has three independent members) and our Assurance Services team all play a role in monitoring risk at a governance level, with all teams across council playing a role in identifying and managing risks.

The group also comprises five substantive council-controlled organisations (CCOs). The CCOs look after specific council assets, infrastructure and activities using specialist expertise. CCOs have their own board of directors or trustees, but are accountable to the council's Governing Body. Auckland Council approves each CCO's annual objectives and targets as part of their statements of intent, monitors their performance quarterly and appoints their board of directors or trustees.

Vision for Auckland



AUCKLAND COUNCIL GROUP

AUCKLAND COUNCIL

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



LED BY OUR EXECUTIVE LEADERSHIP TEAM

CHIEF EXECUTIVE

LED BY INDEPENDENT BOARDS

Delivery

CCOs

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



In June 2018, the council decided to disestablish Auckland Council Investments Limited (ACIL). ACIL's assets (22 per cent of Auckland International Airport Limited and 100 per cent of Ports of Auckland) were transferred to council, effective on 2 July 2018. The company was removed from the register of companies in November 2018.

Ngā mema o te Kāhui Kāwanatanga Governing Body members



Phil Goff
Mayor



Bill Cashmore
Deputy Mayor Franklin



John Watson
Albany



Wayne Walker
Albany



Dr Cathy Casey
Albert-Eden-Roskill



Hon. Christine Fletcher QSO
Albert-Eden-Roskill



Sharon Stewart QSM
Howick



Paul Young
Howick



Alf Filipaina
Manukau



Fa'anana Efeso Collins
Manukau



Sir John Walker KNZM, CBE
Manurewa-Papakura



Daniel Newman
Manurewa-Papakura



Josephine Bartley
Maungakiekie-Tāmaki



Chris Darby
North Shore



Richard Hills
North Shore



Desley Simpson
Orākei



Greg Sayers
Rodney



Linda Cooper JP
Waitākere



Penny Hulse
Waitākere



Mike Lee
Waitematā



Ross Clow
Whau

Tō mātou tira kaiwhakahaere Auckland Council Executive Leadership Team



Auckland Council Executive Leadership Team (L to R):

BACK ROW: **Ian Maxwell** – Director Customer and Community Services, **Craig Hobbs** – Director Regulatory Services, **Barry Potter** – Director Infrastructure and Environmental Services, **Megan Tyler** – Chief of Strategy, **Matthew Walker** – Group Chief Financial Officer, **Phil Wilson** – Governance Director.

FRONT ROW: **Penny Pirrit** – Director Urban Growth and Housing, **Stephen Town** – Chief Executive, **Patricia Reade** – Director People and Performance.

Ā mātou tāngata - ko te tini rerekētanga tō mātou pai

Our staff – diversity is our strength

E kī ana te kōrero, he aha te mea nui o te ao? He tangata, he tangata, he tangata.

And so it has been said, what is the most important thing in the world? It is the people, it is the people, it is the people.

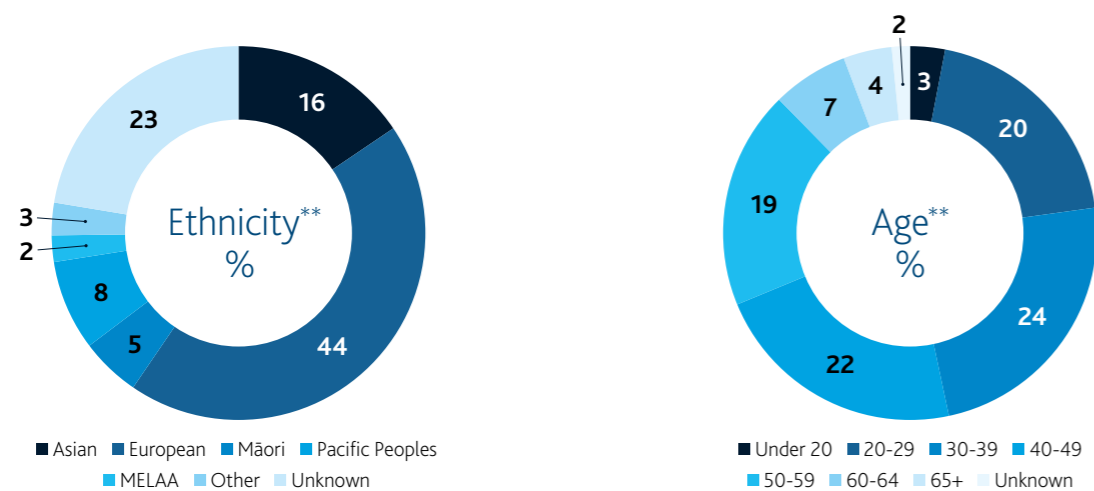
We support our staff so they are highly engaged in our important work serving Auckland.

Engagement is driven from our ability to be our whole selves at work, our ability to work in ways that best meet our working and lifestyle needs, and having a strong sense of purpose from great leadership.

Auckland is a super-diverse city, with over 200 ethnicities and a wide mix of sexualities, genders, age groups and religions. To serve this city well, our staff must reflect this diversity.

Māori responsiveness is a key focus across the group. Auckland Transport and Regional Facilities Auckland introduced education programmes to help staff build knowledge and understanding of the Te Tiriti o Waitangi and Te Reo Māori. Watercare runs a Tikanga Māori programme to help staff build relationships with communities it works with.

We support a wide mix of age groups. 67 interns and 47 graduates joined the group in 2018/2019. At the other end of the age spectrum, Auckland Transport introduced its



Across the Auckland Council Group, 55% of our staff are women; however, only 45% of people managers are women. Over the past year we have been trying to increase the proportion of people managers who are women.

Over 300 people attended the launch of our Women's Leadership Network. 22 women have been selected to participate in our inaugural He Ata Female Accelerated Leadership Programme. Auckland Transport is using the award-winning international Women's Development Programme to build practical skills and confidence.

*MELAA - Middle East, Latin America and Africa

Staying On programme to help more mature staff structure their jobs to best meet their lifestyle needs.

An important part of being our whole selves at work is being able to express ourselves. Our staff networks provide support to do this. We have a wide range of networks for staff who are Māori, Pasifika, Muslim, Indian, Filipino, women of colour, Christian, have impairments or are members of the rainbow community.

This diversity means we need to provide different kinds of work spaces and ways of working to help our staff be

the best they can be at work. We are actively promoting flexible working, where our staff can work with their people leaders to agree the best place, times and style of work that enables that staff member to provide the best value they can to Auckland. We are making changes across our council buildings to provide the tools, technology and environments that enable flexibility.

Our staff need a strong sense of purpose and that comes from great leadership. Last year the council had a series of workshops with 600 people leaders to clarify what great leadership is, how we can motivate our staff to deliver

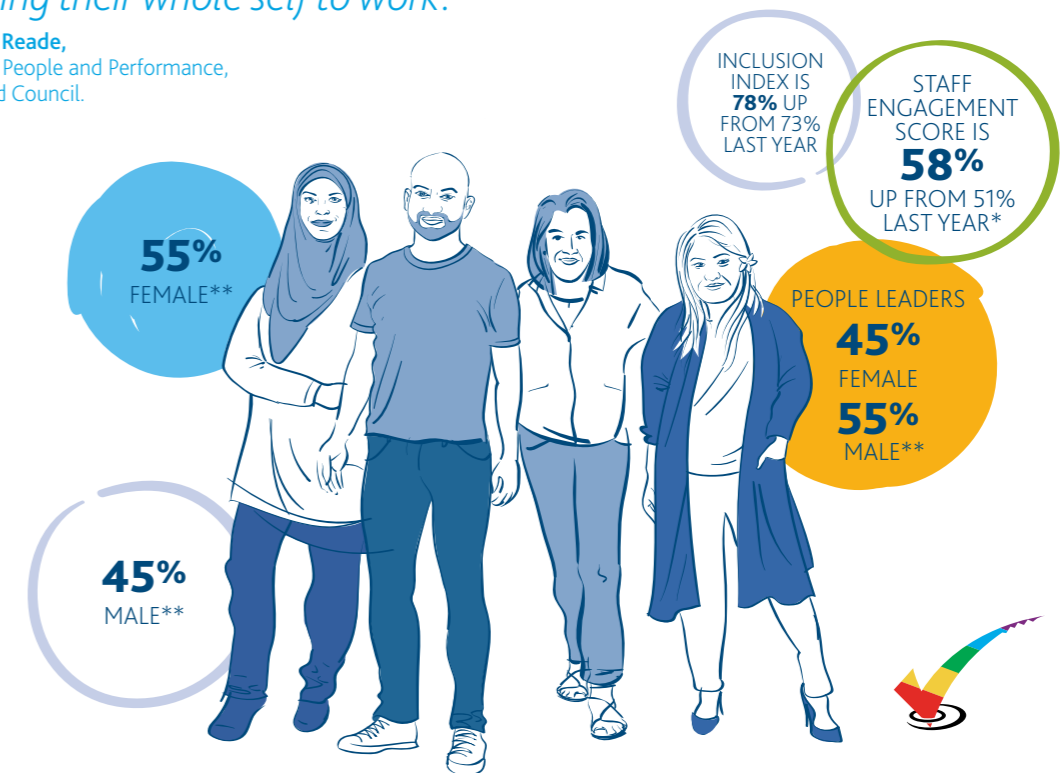
for our customers, and how to connect our people to the overall strategy. Across the group, there are programmes for our leaders on overcoming bias, promoting diversity and working inclusively, as mentioned earlier, we are actively working to increase the proportion of people leaders who are women.

Our Te Pou CEO awards recognise staff who do amazing things and demonstrate exemplary performance and inspires all staff to do their best for Auckland.

All this work is having a positive impact on engagement.

"We are supporting our staff to bring their whole self to work"

Patricia Reade,
Director People and Performance,
Auckland Council.



*Auckland Council figure, **Auckland Council Group figures.

CASE STUDY

"I like the autonomy, the flexibility and the trust"

Development engineer Amanda Ling is based at Henderson. Amanda joined the council as a graduate in 2015 where she got a taste of different engineering environments within Engineering Technical Services, Healthy Waters and regulatory departments. She's now working in regulatory engineering while also doing her masters in civil engineering to give her more technical skills. Amanda credits her manager and team with encouraging her to do her masters. She skilfully manages her classes and her workload. "My team and manager trust me to do my work. I can make up class time at night and weekends. I can work remotely and I can hot desk between classes if I'm in town".



He kōrero mō ngā momo mahi

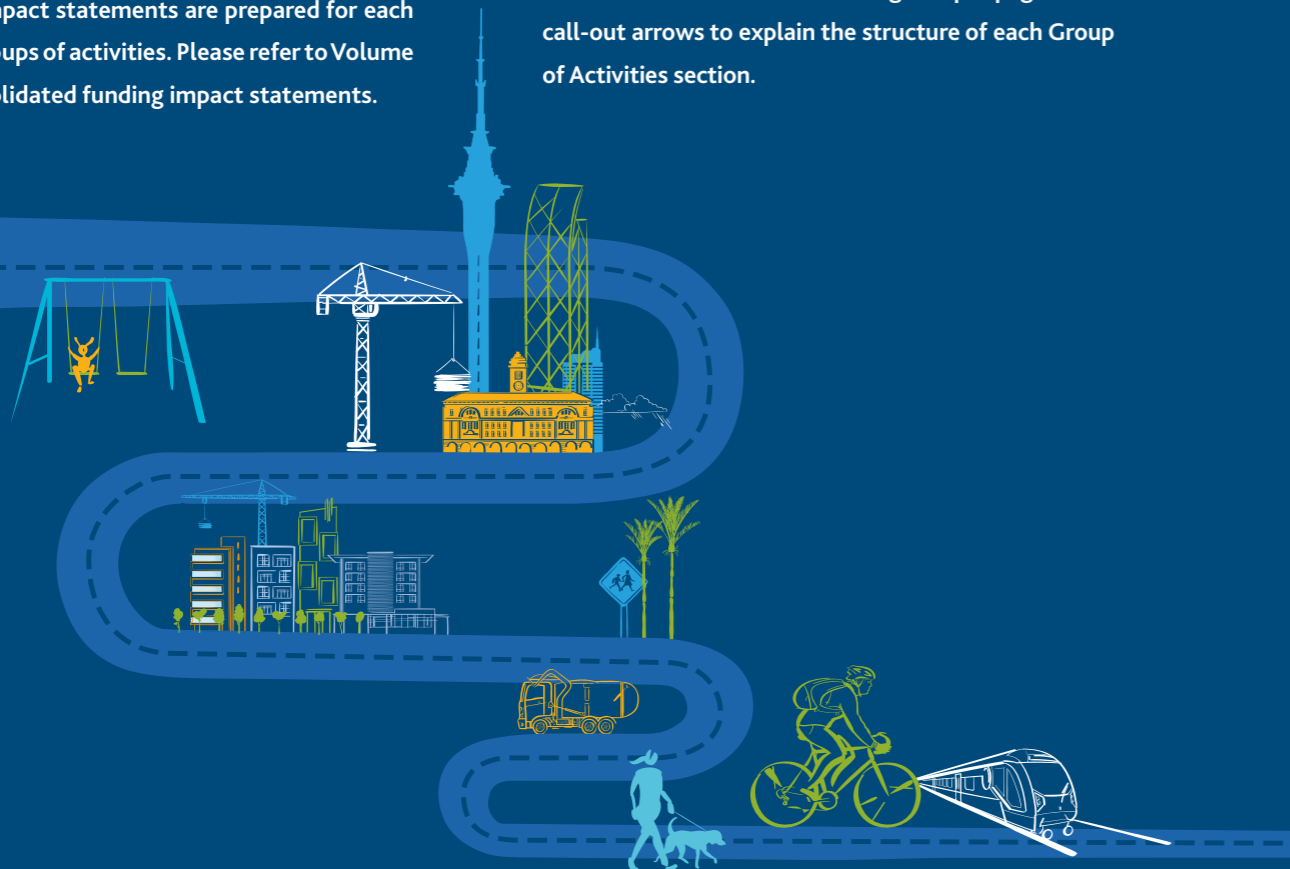
INTRODUCTION TO GROUPS OF ACTIVITIES

The following sections of this volume include the statement of service performance (SSP) against our eight Groups of Activities in the Long-term Plan 2018-2028 (10-year Budget 2018-2028).

A group of activities is one or more related activities provided by, or on behalf of, the Auckland Council Group, which contribute to the Auckland Plan outcomes. The SSP comprises our performance results and funding impact statements which are audited by Audit New Zealand on behalf of the Auditor-General. The funding impact statements are prepared for each of the eight groups of activities. Please refer to Volume 3 for the consolidated funding impact statements.

For 2018/2019, we have produced the 21 local board reports within Volume 2 as individual documents. These also contain SSP information for each of the local boards.

The following pages on each Group of Activities follow a similar structure. The following sample pages have call-out arrows to explain the structure of each Group of Activities section.

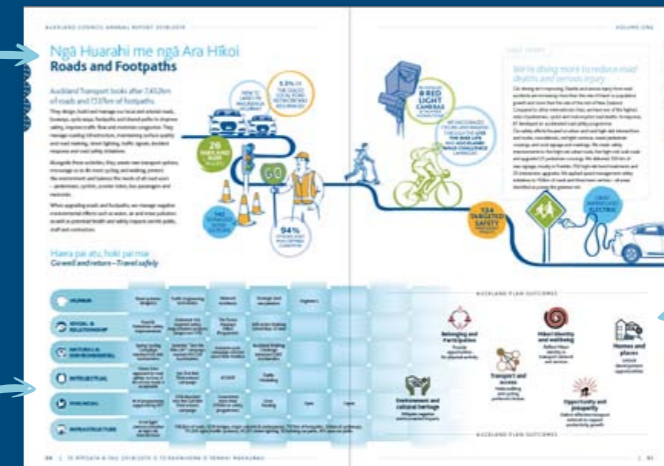


Groups of Activities
One or more related activities provided by, or on behalf of the Auckland Council Group and Auckland Council.

Kete including <IR> capitals and resources:
The kete (basket) of resources, grouped by Integrated Reporting <IR> capitals, we use to deliver the Auckland Plan outcomes (refer to page 20).

Activity
A good or service provided by, or on behalf of the Auckland Council Group and Auckland Council.

Performance Measures
from the 10-year Budget 2018-2028 with explanatory comments, including the increase or decrease of the result from last year.



Auckland Plan Outcomes
The community outcomes that we seek to deliver to realise our vision for Auckland to be a world-class city.

Key project update for activity
Key projects, achievements and issues for each activity.

Funding Impact Statement
A single statement that sets out the sources and application of the operating and capital funding for the Group of Activities.

Variance Explanation
Explanation of major variances against year one of the 10-year Budget 2018-2028.

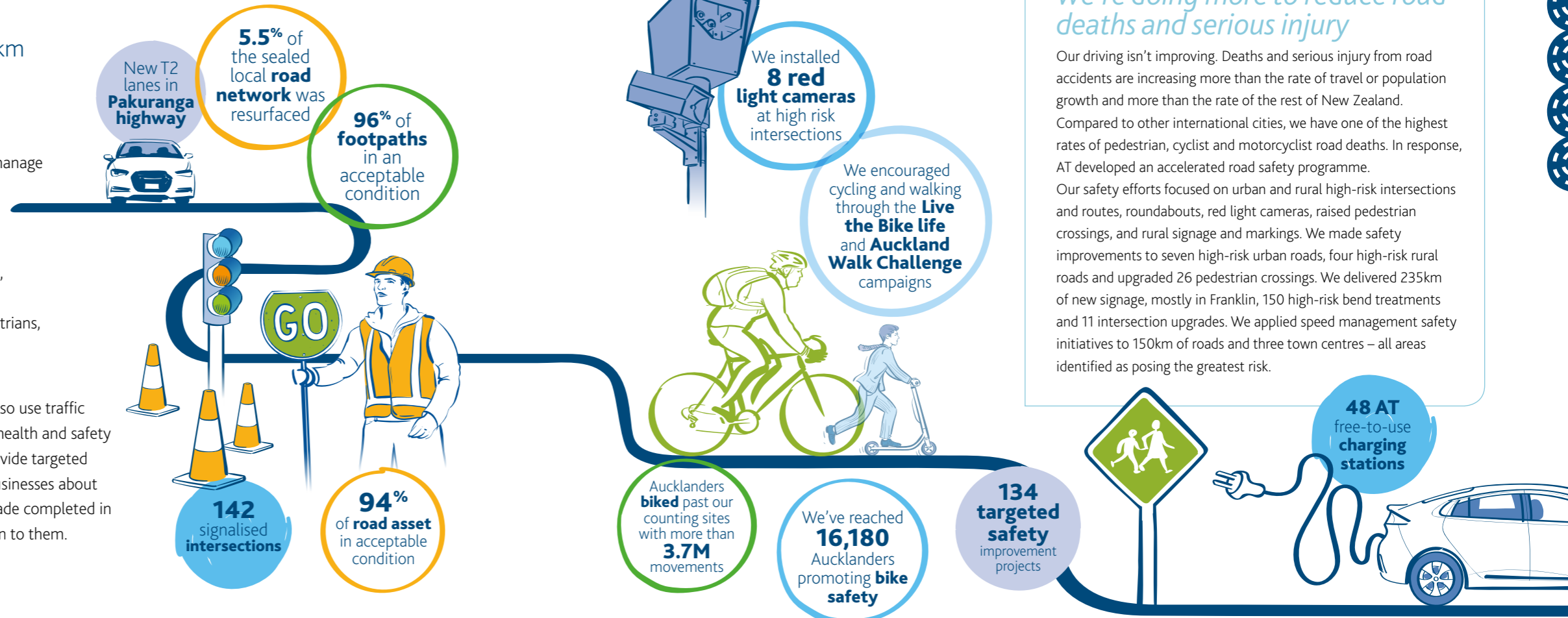
Ngā Huarahi me ngā Ara Hīkoi Roads and Footpaths

Auckland Transport (AT) looks after 7,550km of roads and 7,137km of footpaths.

They design, build and manage our local and arterial roads, busways, cycle ways, footpaths and shared paths to improve safety, improve traffic flow and minimise congestion. They manage roading infrastructure, maintaining surface quality and road marking, street lighting, traffic signals, incident response and road safety initiatives.

Alongside these activities, they create new transport options, encourage us to do more cycling and walking, protect the environment and balance the needs of all road users – pedestrians, cyclists, scooter riders, bus passengers and motorists.

When upgrading roads and footpaths, we manage negative environmental effects by containing run-off sediment. We also use traffic management systems to minimise congestion and manage health and safety impacts on the public, our staff and contractors. We also provide targeted information and community liaison to local residents and businesses about large roading upgrades (for example, the Franklin Road upgrade completed in July 2019) to keep them informed and to minimise disruption to them.



CASE STUDY

We're doing more to reduce road deaths and serious injury

Our driving isn't improving. Deaths and serious injury from road accidents are increasing more than the rate of travel or population growth and more than the rate of the rest of New Zealand. Compared to other international cities, we have one of the highest rates of pedestrian, cyclist and motorcyclist road deaths. In response, AT developed an accelerated road safety programme. Our safety efforts focused on urban and rural high-risk intersections and routes, roundabouts, red light cameras, raised pedestrian crossings, and rural signage and markings. We made safety improvements to seven high-risk urban roads, four high-risk rural roads and upgraded 26 pedestrian crossings. We delivered 235km of new signage, mostly in Franklin, 150 high-risk bend treatments and 11 intersection upgrades. We applied speed management safety initiatives to 150km of roads and three town centres – all areas identified as posing the greatest risk.

Haera pai atu, hoki pai mai
Go well and return – travel safely

<IR> CAPITALS	OUR INPUTS USED IN THIS GROUP OF ACTIVITIES				TO DELIVER AUCKLAND PLAN OUTCOMES (THE VALUE WE CREATE)			
HUMAN	Road systems designers	Roading contractors	Network architects	Strategic land use planners	Engineers			
SOCIAL & RELATIONSHIP	Road & pedestrian safety improvements	Delivered 54 targeted safety improvement projects	The Te Ara Haepapa Māori Programme		AT Public meetings on transport	Belonging and Participation Provide opportunities for physical activity	Māori identity and wellbeing Reflect Māori identity in transport network and services	Homes and places Unlock development opportunities
NATURAL & ENVIRONMENTAL	Walking and cycling campaigns	3 new cycleways; Ian McKinnon Dr, Quay Street extension and links to New Lynn	326km of cycleways					
INTELLECTUAL	Vision Zero approach to road safety: no loss of life on our roads is acceptable	Traffic Modelling				Environment and cultural heritage Mitigate negative environmental impacts	Transport and access Make walking and cycling preferred choices	Opportunity and prosperity Deliver effective transport network to support productivity growth
FINANCIAL	\$156 million collected by RFT	\$37 million to road safety projects	\$484 million operating expenditure	\$402 million capital expenditure				
INFRASTRUCTURE	8 red light cameras installed at high-risk intersections	111,293 signs (traffic systems)	1258 bridges, major culverts, underpasses	More than 110,000 street lighting				

AUCKLAND PLAN OUTCOMES

Roads and Footpaths

Key projects

The \$16 million transformation of Franklin Road was completed this year. The culmination of a three-year programme incorporating utility service upgrades, repairs and streetscape construction, Auckland Transport has worked with Watercare, Vector, Chorus and Auckland Stormwater to virtually rebuild the road from the underground up.

We are developing a Safety Management System which better aligns road maintenance and renewals activities with road safety outcomes. Our asset maintenance and renewals include:

We're putting more cameras at more intersections to reduce crashes. We installed eight red light cameras at high-risk intersections and we're planning to put them into 25 new areas before the end of 2019.

We're keeping our bus lanes for buses. We added seven new zones to our bus lane CCTV enforcement programme and are planning more for 2019/20. This ensures lanes are kept free for buses.

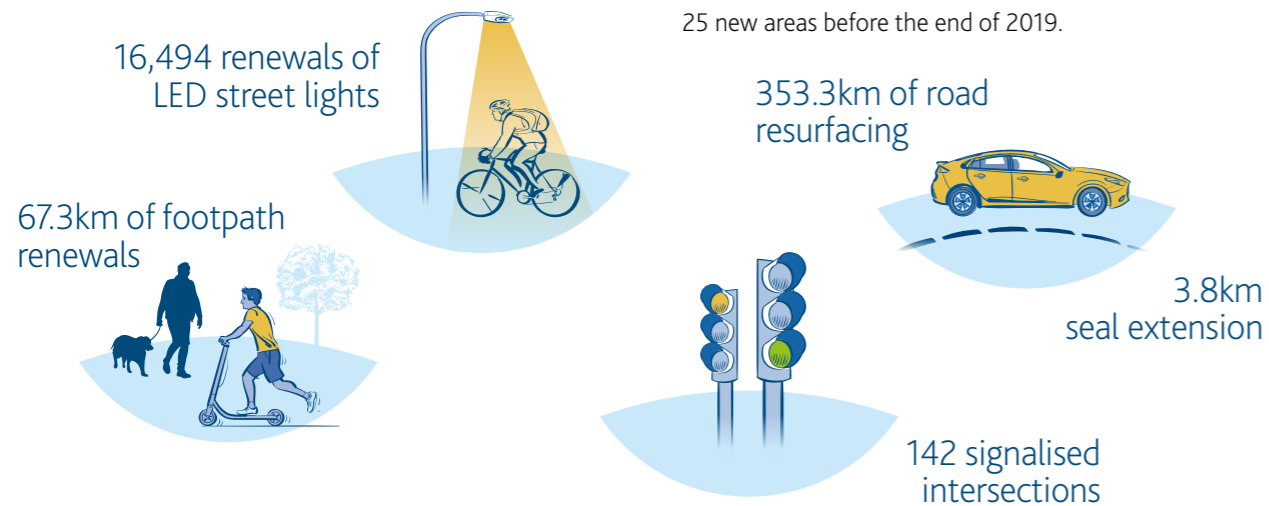
We're continuing our focus on road safety education. AT partners with the police and other key agencies to educate young drivers and deliver targeted enforcement and behaviour-change programmes to reduce deaths and serious injuries on our roads. We worked with schools, mana whenua, mataawaka and community groups to increase road safety awareness, promote active travel and public transport use and help young drivers with the Graduated Licensing System.

Last year, we added Virtual Reality learning in our learn-to-drive workshops, delivered child restraint checkpoints with the police and Plunket, and partnered with government agencies and private training companies to run motorcycle and scooter rider workshops.

Te Ara Haepapa Māori Programme is delivering good results. Māori have the highest death and serious injury rate on Auckland's roads. Road safety education in marae and Te Kura o te Kaupapa Māori communities grew significantly this year with increased engagement with mana whenua and mataawaka.

We had great success with Kaihautu Raihana Akonga/ Learner Licence and Raihana Whītiki/Tuturu/Restricted and Full when partnering with community providers. This resulted in 100 per cent pass rates in these areas. We delivered 50 road safety interventions targeting risk communities, school interventions, a social media campaign and one local speed campaign. Using bilingual messages in Te Reo Māori attracted much higher positive interaction and engagement from Māori and also from other ethnicities.

Continued →



What we achieved

● Achieved ● Substantially achieved ● Not achieved

	Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform
We provide safe, high-quality and efficient local roads, footpaths and cycleways for pedestrians, cyclists, public transport users and drivers							
The change from the previous financial year in the number of deaths and serious injuries on the local road network, expressed as a number	●	▼	Reduce by at least 9 (681)	553	690	546	The 12-month total for 2019 was 553, 137 less than the total for 2018 and 19% lower than the year-end target of 681.
Average AM peak period lane productivity ¹ across 30 monitored arterial routes	●		21,000	31,271	New measure	New measure	All frequent-service bus routes, special vehicle lanes, and parts of the network that operate efficiently during peak hours that account for high people through-put are now being included and results in a higher productivity outcome. The target of 21,000 was inherited from the original 6 routes and re-evaluated based on the expanded routes. We have set a more appropriate target of 27,500 for 2019/2020.
Proportion of the freight network operating at Level of Service C or better during the inter-peak ²	●		85.0%	93%	New measure	New measure	This measure was expanded from the original 5 arterial routes to include the AT freight network. It changed from travel time for specific routes to measuring level of service and now includes the broader freight network during the inter-peak. The high result is largely due to the motorway component, which is performing efficiently inter-peak.
Number of cycle movements past selected count sites	●		3.644M	3.771M	New measure	New measure	Cycling continues to grow as we add more infrastructure.
Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all rural roads	●	▼	92.0%	94%	95.0%	94.0%	AT has maintained overall road condition and ride quality under the current programme of work and funding levels.
Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all urban roads	●	▲	81.0%	87.0%	84.0%	87.0%	AT has maintained overall road condition and ride quality under the current programme of work and funding levels. Further monitoring is required to understand the trends.
Percentage of the sealed local road network that is resurfaced	●	▼	6.0%	5.5%	6.4%	8.1%	The amount of resurfacing we can complete each year depends on the price of oil which determines the price of bitumen. Oil prices have been rising steadily since early 2016. We've allocated additional funding in 2019/2020 to offset the impact of cost increases and enable us to increase resurfacing work.
Percentage of footpaths in acceptable condition	●	▼	95.0%	96%	99.0%	99.5%	AT has maintained overall road and footpath condition and ride quality under the current programme of work and funding levels.
Percentage of customer service requests relating to roads and footpaths which receive a response within specific timeframes	●	▼	85.0%	82.3%	82.5%	87.0%	We are working with our suppliers to achieve target times.
Proportion of road assets in acceptable condition	●		95.0%	94%	New measure	New measure	AT has maintained overall road condition and ride quality under the current programme of works and funding levels. Urban road maintenance standards are being monitored to understand the trends.

1. Productivity is measured as the average speed multiplied by number of people per lane in one hour. 2. The freight network comprises all level 1A and 1B freight routes as defined in the Auckland Transport Draft Freight Network, The monitored freight network is defined in the Auckland Transport Statement of Intent. Level of Service measured by median speed as a % of the posted speed limit. LoS C or better = >50%

We expanded the cycle network. New cycle lanes have opened up across the region – on Ian McKinnon Drive and Quay Street in the CBD, links to New Lynn, along Tāmaki Drive, and links to Glen Innes. Later in 2019 new cycleways on Franklin Road, Karangahape Road, Northcote Bridge, and between New Lynn and Avondale will join the cycle network.

We delivered more cycle safety training and skills programmes. We've put more than 8,600 students through cycle safety skills training with another 1,800 taking part in sessions to fit helmets. Our Cycle Ambassador Programme was delivered at 17 schools, we facilitated five Cycling NZ Ride Leader training courses, delivered cycle instructor training for 205 Bikes in Schools teachers and ran adult learn-to-ride and urban bike skills drop-in sessions. Our Community Cycle Safety team reached 16,180 Aucklanders at 98 community events promoting bike safety and we handed out 81,000 refreshed regional cycle maps. Our Facebook cycling page grew to over 16,000 followers.

We're seeing more Aucklanders getting onto their bikes. Our seasonal campaigns are delivering with spring and autumn numbers hitting one million trips. This year's Auckland Bike Challenge exceeded all targets with 5,359 participants from 531 organisations logging 69,188 trips covering 995,891km. In the year to June 2019, we recorded 3.77 million, nearly 9 per cent more than last year with an increase in the proportion of women, younger riders and ethnic groups.

We helped you out of your cars and onto your feet. Our third Auckland Walking Challenge attracted 5,807 people with 66 per cent walking more than a year ago. It's also changing attitudes, with 77 per cent crediting the challenge with helping them to walk more and 71 per cent replacing previous car trips with walks.



Funding impact statement – Roads and Footpaths

For the period ended 30 June 2019

\$MILLION	NOTES	ACTUAL JUNE 2019	LONG-TERM PLAN 2019	LONG-TERM PLAN 2018
Sources of operating funding:				
General rates, UAGC, rates penalties		254	256	319
Targeted rates		2	2	44
Subsidies and grants for operating purposes		49	50	43
Fees and charges		4	5	8
Internal charges and overheads recovered		-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts		98	95	3
Total operating funding		407	407	417
Applications of operating funding:				
Payment to staff and suppliers	1	157	163	161
Finance costs		86	86	85
Internal charges and overheads applied		-	-	-
Other operating funding applications		-	-	-
Total applications of operating funding		243	249	246
Surplus (deficit) of operating funding		164	158	171
Sources of capital funding:				
Subsidies and grants for capital expenditure	2	162	303	139
Development and financial contributions	3	41	48	74
Increase (decrease) in debt	4	35	10	75
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total sources of capital funding		238	360	288
Applications of capital funding:				
Capital expenditure:				
- to meet additional demand		47	82	65
- to improve the level of service		179	262	149
- to replace existing assets		176	175	245
Increase (decrease) in reserves		-	-	-
Increase (decrease) in investments		-	-	-
Total applications of capital funding	5	402	519	459
Surplus (deficit) of capital funding		(164)	(158)	(171)
Funding balance		-	-	-

Variance explanation Actual 2019 to Long-term Plan 2019

1. Payment to staff and suppliers is below plan due to lower expenditure on consultancy and outsourcing of works.
2. Capital subsidies are below plan due to lower than planned capital subsidies claimed from the New Zealand Transport Agency (NZTA) mainly due to assumed funding for capital projects not realised and underspends on various capital projects. Auckland Transport continues to work with NZTA to achieve the assumed funding levels indicated in the Auckland Transport Alignment Project.
3. Development contribution revenue is below plan due to:
 - Lower contributions received as the implementation of the new Development Contribution Policy, which has higher rates of recovery than the previous policy, was delayed from October 2018 to January 2019.
 - Lower than projected growth in housing, subdivisions and business floorspace across Auckland, resulting in fewer developments being charged the development contribution than planned. The growth is still expected to occur but over a longer timeframe.
4. The increase in debt is above plan due to lower than planned capital subsidies received from the New Zealand Transport Agency (NZTA), which resulted in a higher requirement to debt fund capital expenditure.
5. Capital expenditure is below plan mainly due to:
 - 9.7km of cycleways were delivered as part of the Urban Cycleways Programme, including Ian McKinnon Drive and Links to New Lynn Cycleway. Delivery was temporarily halted due to a review of safe, affordable and fit for purpose cycling infrastructure. This review has since been completed and cycleways have commenced construction, including Karangahape Road, with more to commence in 2019/2020.
 - The acquisition of land for the Lincoln Road Corridor Improvements was deferred until design changes are finalised following the feedback from public consultation.
 - The Matakana Link Road project is currently in the design and planning phase, which has taken slightly longer than anticipated. Construction will begin in 2019/2020.

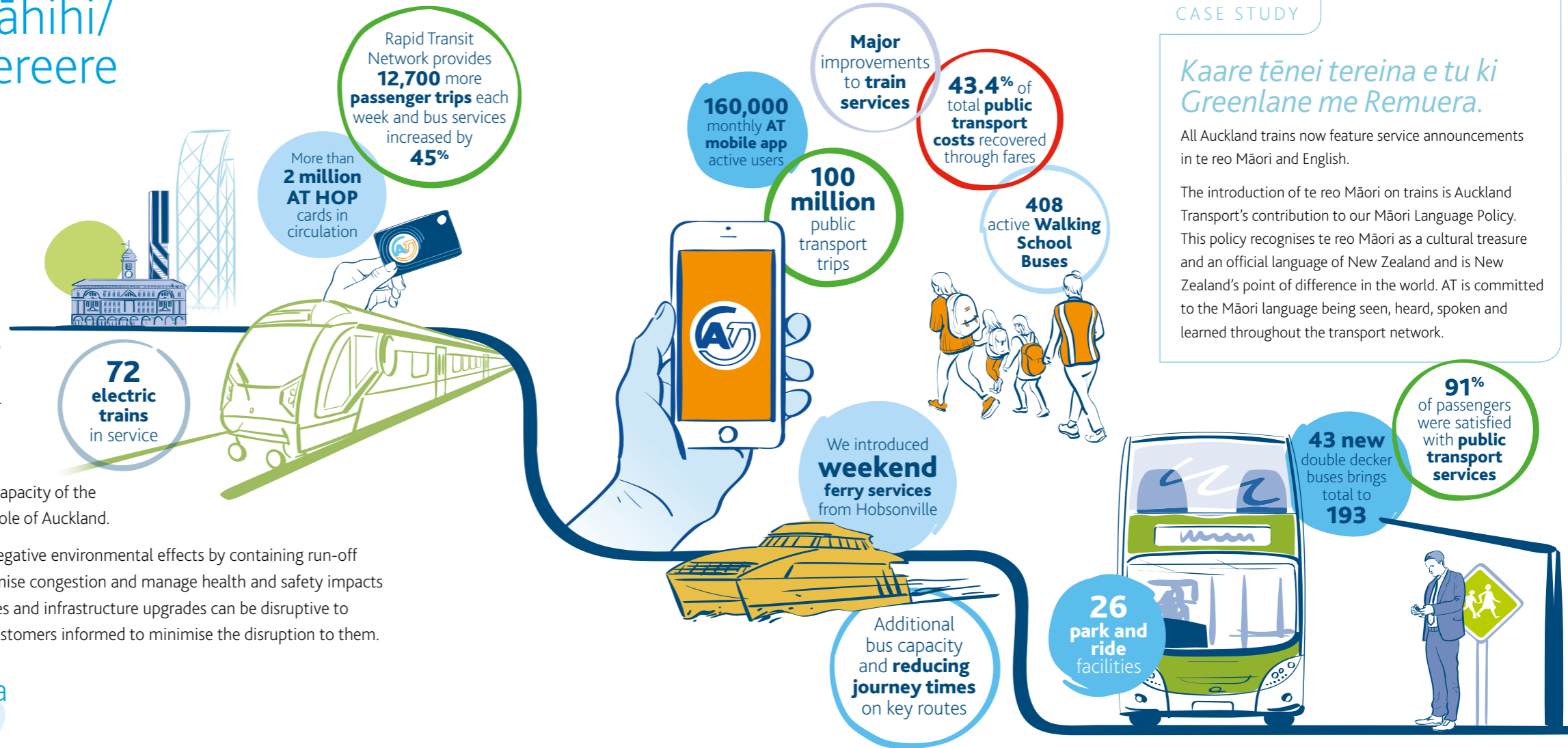
Ngā Tikanga Kawe Pāhihi/ Ngā Tikanga Aro Hāereere Public Transport/Travel Demand Management

We're on our way to a simpler and more integrated public transport network that will change the way you travel.

Auckland Transport (AT) manages and plans current and future public transport. This includes new bus, train and ferry networks, local and peak services, connections and hubs, with more frequent, more connected travel. AT manages off-street and on-street parking, balancing parking demand with the needs of road users, businesses and residents.

The City Rail Link, is due to open in 2024. It will double the capacity of the rail network and will deliver transport benefits across the whole of Auckland.

When building public transport infrastructure, we manage negative environmental effects by containing run-off sediment. We also use traffic management systems to minimise congestion and manage health and safety impacts on the public, our staff and contractors. Changes to schedules and infrastructure upgrades can be disruptive to commuters, and we provide targeted information to keep customers informed to minimise the disruption to them.



CASE STUDY

Kaare tēnei tereina e tu ki Greenlane me Remuera.

All Auckland trains now feature service announcements in te reo Māori and English.

The introduction of te reo Māori on trains is Auckland Transport's contribution to our Māori Language Policy. This policy recognises te reo Māori as a cultural treasure and an official language of New Zealand and is New Zealand's point of difference in the world. AT is committed to the Māori language being seen, heard, spoken and learned throughout the transport network.

“Waiho i te toipoto, kaua i te toiroa
Let us be close together, not far apart”

<IR> CAPITALS	OUR INPUTS USED IN THIS GROUP OF ACTIVITIES						TO DELIVER AUCKLAND PLAN OUTCOMES (THE VALUE WE CREATE)			
HUMAN	Bus drivers	Train drivers/ conductors	Harbourmasters	Parking officers	Schedulers					
SOCIAL & RELATIONSHIP	Rail pedestrian crossing improvements	Travelwise in Schools	AT public meetings on transport				Belonging and Participation Reduce transport barriers for participation			
NATURAL & ENVIRONMENTAL	72 electric trains	3 new electric buses	Electric charging stations at Council-owned city carparks					Transport and access Influence travel demand and make use of transport technology	Māori identity and wellbeing Reflect Māori identity in transport network and services	Homes and places Integrate travel choices where people live, work and play
INTELLECTUAL	Real-time Programme	LED Passenger Information Displays	AT Park app	AT Local app						
FINANCIAL	\$156 million collected by RFT	Rodney Transport Targeted Rate	\$902 million operating expenditure	\$265 million capital expenditure	Local Board Transport Capital Fund					Opportunity and prosperity Deliver effective transport network to support productivity growth
INFRASTRUCTURE	City Rail Link	26 Park and Ride facilities	41 train stations and 15 bus stations	1520 bus shelters	21 ferry wharves			Environment and cultural heritage Mitigate negative environmental impacts		

AUCKLAND PLAN OUTCOMES

Public transport and travel demand management and parking and enforcement

Key projects

We're reaching milestones with the City Rail Link.

The CRL is a 3.45km twin-tunnel underground rail link that will double the capacity of the rail network by turning the Britomart Transport Centre into a two-way through-station. The existing rail line will extend up Albert, Vincent and Pitt Streets to Karangahape Road and cross under the motorway junction to Symonds Street before joining the existing western line at Mount Eden. Stations have been added at Aotea, with entrances on Wellesley Street and Victoria Street, and Karangahape Road, with entrances on Mercury Lane and Beresford Square. The station at Mount Eden will also be developed.

The Albert Street trench is complete, and its tunnel is now connected to tunnels across the Commercial Bay site in downtown Auckland.

The Auckland Council's investment in CRL to date is \$347 million, with a total approved budget of \$4.4 billion, to be equally co-funded by the council and the crown.

The largest transport infrastructure project ever undertaken in New Zealand, the CRL project is made up of several contracts at differing stages of delivery.

The procurement contract for the stations and tunnels is the single largest component of the project and the tender and negotiation phases were undertaken during the 2018/2019 year, with the final Project Alliance Agreement

being signed in mid-July.

We've delivered lots of improvements to our train services. We've introduced new and improved train timetables on Friday evening and weekend services and made changes to other services to reduce journey times on the eastern, western and southern lines.

We're working with key agencies to progress electrification between Papakura and Pukekohe.

Putting warranted transport officers onto trains is reducing incidents, improving customer satisfaction and reducing fare evasion to less than two per cent.

We're making railway crossings safer for pedestrians by adding level crossings to four stations on the Southern Line and four on the Western Line between Avondale and New Lynn.

We bought 15 more electric trains to bring our fleet to 72 trains. The first train will be commissioned in early 2020 with the entire fleet will be in service in late 2020.

We've got a green light for a new rail-bus interchange at Puhinui. This \$60m project will deliver seamless bus and rail connections from Puhinui to Manukau, Britomart and the airport. Buses to the airport will run every 10 minutes along priority lanes. Construction will begin late 2019. While the station is closed, we'll run a new free loop bus between Puhinui and Papatoetoe with services every 10 minutes during peak hours.

We began work on the Eastern Busway. This first of four stages of the Eastern Busway (formerly AMETI) will link Panmure and Pakuranga. It's our second largest transport project after the City Rail Link. The 7km rapid transit busway includes integrated cycling and walking connections, improvements for general traffic, a new flyover connecting Pakuranga Road with South Eastern Highway, urban design enhancements and new community reserves and public spaces.

We'll minimise disruption during construction with traffic monitoring, signal changes and incentives agreed with the main construction contractor. A comprehensive travel demand management campaign will help commuters personalise their journey planning and encourage travel alternatives. The project will be constructed in four stages by 2025. A new T2 lane has been introduced on the Pakuranga Highway and an express bus service from Howick and Lloyd Elmore Park operates during peak travel times supported by a temporary park and ride facility at Lloyd Elmore Park.

We introduced new technology and zones for parking.

With our limited parking supply under increasing pressure, we must use available space effectively. This year, we introduced new paid parking zones in Albany, City Centre, Kingsland and Takapuna and launched E-permits for residential parking, starting at St Marys Bay. At the request of residents, we introduced residential parking zones in Parnell, Grey Lynn and Arch Hill and consulted on a zone for Eden Terrace.

We're trialling our new licence plate recognition technology at the Victoria Street parking building. It

enables drivers to enter/exit parking buildings without tickets or access cards. If it's successful, we'll roll it out across the rest of AT's parking buildings including Downtown, Civic, Fanshawe Street and Ronwood. Our next technology step up is to integrate our AT Park app with the new system, so customers can use the app to pay for casual parking.

We introduced our real-time information to help public transport users.

New tools mean we now have real-time information on buses, trains and ferries with plans to enhance this with service alerts, disruption management and congestion information. We're also building a new system to improve our performance and we're proposing to refurbish older passenger information displays to extend their useful life.

We made our HOP cards even more useful. Our trial allowing University of Auckland students to use the AT mobile app to apply for their HOP concession for up to three years was so successful we rolled it out to AUT and Massey University. We signed up over 51,000 students who applied – an astonishing 85 per cent uptake – and reduced the workload for our Customer Service Centres by around 30 per cent.

Our AT bot is now live on key customer-facing AT HOP web pages. It can answer basic questions and connect users to more information via a hyperlink. Over time, this self-service digital channel will reduce the number of calls into the Contact Centre

You can now check your AT HOP card balance using our mobile app, with future developments to include transaction history, linked accounts and top-up features.

What we achieved

Continued ➔

● Achieved ● Substantially achieved ● Not achieved

	Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform
We specify, contract for and promote public transport services and provide safe, high quality public transport infrastructure							
The total number of public transport boardings (millions)	●	▲	96.3	100.8	92.4	88.4	Public transport use hit 100.8 million passengers, up more than 9% on last year. This was supported by the roll-out of our new central and northern networks.
The percentage of public transport trips that are punctual	●	▲	94.5%	97.0%	96.5%	95.2%	Punctuality has improved and stabilised since we implemented the new network. Close collaboration with operating partners saw minimal effect on punctuality from the May 2019 Employment Relations Act changes.
The percentage of passengers satisfied with public transport services	●	▬	85%	91%	91%	90%	Integrated ticketing improves perception of value for money, while our new bus networks are delivering better experiences.
Active and sustainable mode share at schools where Travelwise programme is implemented ¹	●		40%	47%	New measure	New measure	AT worked with over 300 schools in the Travelwise programme, developing a Safe School Travel Plan for each school, holding a Travelwise Conference, Safety and School Gate parking enforcement programmes, and delivering BikeReady safety training, The Walking School Bus programme and scooter safety training.
Active and sustainable mode share for morning peak commuters where a Travelwise Choices programme is implemented ¹	●		40%	72%	New measure	New measure	This result is influenced by large CBD organisations where staff and students have more travel choices than those outside the CBD.
The percentage of the total public transport cost recovered through fares	●	▼	46 - 50%	43.4%	45.2%	47.1%	Revenue has increased but rising costs have outstripped that growth. With the expected introduction of fare variations in 2020, we're proposing the 2019/20 farebox recovery target to be 43-46%. Farebox recovery measures the contribution passenger fares make to the operating cost of providing public transport services

1. Active and sustainable mode share refers to the proportion of the population that use walking, cycling or public transport

We added bus capacity reducing journey times on key routes. We've made changes to Dominion and Remuera Roads, so they can take double-decker buses. We added another 43 double-deckers to our fleet last year, giving us 193 of these high-capacity buses.

We introduced new and extended bus lane hours on key routes along Sandringham, New North, Mount Eden and Manukau Roads.

In July 2018, we added the TāmakiLink bus service to make it easier to get to and from the Eastern Bays.

We introduced new weekend ferries for Hobsonville Point. We introduced new weekend ferries to and from Hobsonville Point in January 2019, and far exceeded 50 per cent year-on-year growth thanks to the introduction of weekend services. We now run seven Saturday services and six Sunday services.

Our rapid transit network is giving you more options and better service. Patronage grew by more than 20 per cent last year, confirming that the changes we're making are the right ones.

We continued rolling out our new bus network with the hub and spoke model for the central city and North Shore.

Completing our network added 12,700 more passenger trips each week and our bus services increased by 45 per cent, resulting in 163 per cent more people living within 500m of a frequent and/or rapid public transport stop or station.

Our Northern Express Rapid Transit Network (NEX) saves commuters up to 30 minutes' travel time in the morning and up to 10 minutes during the evening rush hour.

Trains deliver the most reliable travel time and the best time saving during peak period, especially for the Panmure-to-CBD route where the train is up to 20

minutes quicker than both cars and buses during the day. We're adding more park-and-rides and extending existing facilities. Albany has another 135 parking spaces and Takapuna has a new park-and-ride with 270 parks, four pick-up/drop-off spaces and seven mobility parks. We're waiting on NZTA to decide on funding for a park-and-ride at Matiatia ferry terminal on Waiheke, and we're investigating new sites at Papakura, Warkworth and Kumeū/Huapai.

We worked hard to keep our school children safe.

Our Travelwise and Walking School Bus programmes play an important role in improving pedestrian safety around schools; increasing walking, cycling and scootering to school; instilling lifelong pedestrian safety skills, and reducing morning vehicle congestion.

This year, we worked with 357 school communities on Safe School Travel Plans, held a Travelwise conference for 140 teachers and delivered student leader training to students from 43 schools. We delivered Bike Ready cycle safety training to over 7,900 children and took our Bikes in Schools and Safety and School Gate parking enforcement programmes to over 300 schools. Scooters have become hugely popular and nearly 11,000 children from 55 schools are now scooting safely.

Our annual survey shows Travelwise is working well, with nearly 17,000 fewer vehicles on the road each morning peak.

Our Walking School Bus programme helps keep school children safe. While there have been no deaths of active school-aged road users (5-18 years) for the third year running, we had 16 children with serious injuries this year. We added 12 new schools and 78 new routes at new and existing schools. We now have 408 active buses with 4,502 children and 1,605 volunteers.

Funding impact statement – Public Transport and Travel Demand Management

For the period ended 30 June 2019

\$MILLION	NOTES	ACTUAL JUNE 2019	LONG-TERM PLAN 2019	LONG-TERM PLAN 2018
Sources of operating funding:				
General rates, UAGC, rates penalties		311	310	256
Targeted rates		2	2	19
Subsidies and grants for operating purposes	1	232	217	203
Fees and charges	2	226	261	306
Internal charges and overheads recovered		-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	3	152	101	4
Total operating funding		923	892	788
Applications of operating funding:				
Payment to staff and suppliers	4	677	663	635
Finance costs		124	124	113
Internal charges and overheads applied		-	-	-
Other operating funding applications		-	-	-
Total applications of operating funding		801	787	748
Surplus (deficit) of operating funding		122	105	40
Sources of capital funding:				
Subsidies and grants for capital expenditure	5	104	57	22
Development and financial contributions		19	22	14
Increase (decrease) in debt	6	86	277	114
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total sources of capital funding		209	356	150
Applications of capital funding:				
Capital expenditure:				
- to meet additional demand	7	29	32	24
- to improve the level of service	7	225	181	158
- to replace existing assets	7	11	13	8
Increase (decrease) in reserves		-	-	-
Increase (decrease) in investments	8	65	235	-
Total applications of capital funding		330	460	190
Surplus (deficit) of capital funding		(122)	(105)	(40)
Funding balance		(0)	-	-

Variance explanation Actual 2019 to Long-term Plan 2019

- Subsidies and grants for operating purposes are above plan mainly due to receiving higher operating subsidies covering a higher proportion of administration costs than planned from the NZTA.
- Fees and charges are below plan as infringements and fines revenue was included in this line in the plan, but is reported under Local authorities fuel tax, fines, infringement fees and other revenue.
- Local authorities fuel tax, fines and infringement fees are above plan mainly due to infringements and fines revenue being reported in this line but was planned under Fees and Charges, and higher than planned Regional Fuel Tax receipts.
- Payment to staff and suppliers is above plan due to unplanned costs incurred during the year, including costs for rail station security and software maintenance, and the public transport operating lease expense being higher than planned.
- Capital subsidies are above plan due to higher than planned receipt of capital funding from the NZTA as capital project delivery is ahead of plan.
- Increase in debt is below plan as a result of reduced debt requirement due to lower funding to City Rail Link Limited.

- Capital expenditure is above plan due to higher than anticipated spend on projects including:
 - The retro-fitting of 57 existing Electric Multiple Units was approved during the year, which included the installation of advanced signalling equipment with automatic train operation capabilities.
 - The Rosedale and Constellation Busway Stations are being delivered by NZTA as part of the Northern Corridor Improvements project. Progress payments are ahead of plan.
 - Significant investment in Business Technology, including AT HOP/ Metro and the Integrated Ticketing system. These were partially offset by:
 - Eastern Busway: land purchases are on hold pending the completion of a review to minimise land requirements along Reeves Road and Ti Rakau Drive, which resulted in an underspend.
 - The Whole of Route Bus Priority Programme Phase 1 is in the design stages of the Integrated Corridor Programme and construction has yet to commence.
- The increase in investments is below plan as investment in City Rail Link Limited was lower than anticipated due to the timing of their awarding of construction contracts.



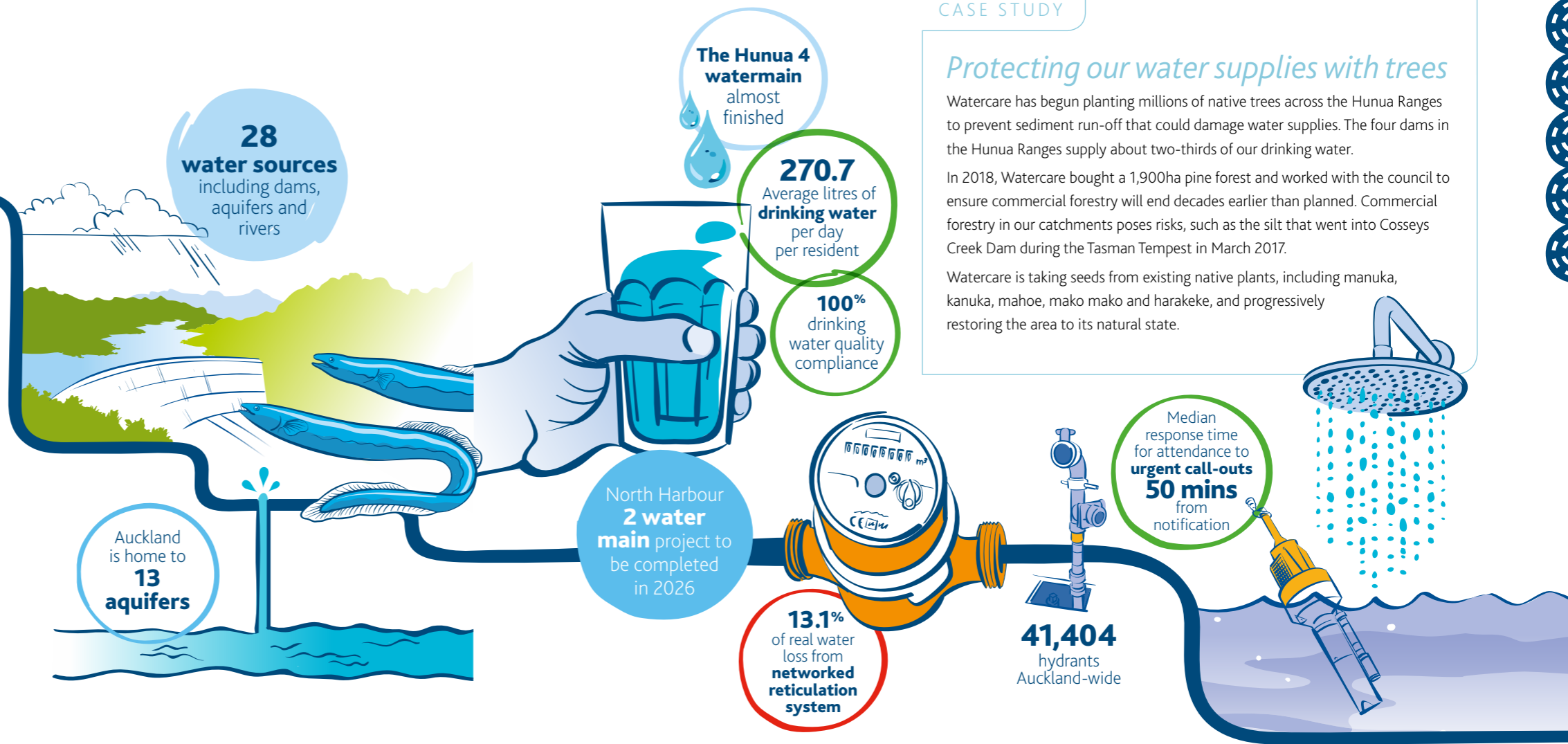
Ngā Putunga Wai Water Supply

We're all used to a constant and safe water supply to our homes, workplaces, and sporting and leisure venues.

This is the job of Watercare. They manage a vast water supply system critical to our economic, social and environmental health and wellbeing.

The numbers are impressive. 365 million litres of Aa-grade drinking water supplied to 1.7 million Aucklanders daily. A 9,000km network of pipes. Water from 28 sources including 12 dams and 91 reservoirs.

We sometimes have to turn off your water supply when undertaking repairs, maintenance and installation. If it's planned work, we give 24 hours written notice to customers, and if it's an unplanned outage, we aim to respond within two hours and restore the service within five hours. We also work hard to manage the effects on ecosystems caused by our dams. For example, we trap and haul whitebait and eels from downstream systems to upstream of dams, and then vice versa so that they can complete breeding cycles. We manage the flows of water to mimic natural events such as storms on waterways downstream of dams.



Ko te wai te ora o ngā mea katoa
Water is the life-giver of all things

<IR> CAPITALS	OUR INPUTS USED IN THIS GROUP OF ACTIVITIES					TO DELIVER AUCKLAND PLAN OUTCOMES (THE VALUE WE CREATE)				
HUMAN	Engineers and planners	Technicians	Tradespeople	Scientists	Support staff					
SOCIAL & RELATIONSHIP	'Te Kunenga o te Ao Tikanga' courses		Mana Whenua Kaitiaki Forum		Free water education programme (31 schools and 290 lessons)					
NATURAL & ENVIRONMENTAL	Hunua Ranges and Waitakere Ranges fish trap and haul programme	Coastal walkways		Hunua Ranges Plantation Forestry						
INTELLECTUAL	Asset management plans	Strategic Transformation Programme	Water quality bouys							
FINANCIAL	\$209 million operating expenditure	\$151 million capital expenditure								
INFRASTRUCTURE	12 water supply dams	91 water reservoirs	Over 9,000km of water pipes		3 river sources					

Māori Identity and Wellbeing
Enable mana whenua participation in the management of water

Environmental and Cultural Heritage
Provide resilient infrastructure and mitigate negative environmental impacts

Homes and Places
Unlock development opportunities

AUCKLAND PLAN OUTCOMES

Water Supply

Key projects

We've almost finished the Hunua 4 watermain to secure our water supplies. This \$400m, 31km-pipe will connect the Manukau and Khyber Pass Road water reservoirs, providing security of water supply for a growing Auckland. Construction began in 2012 and is expected to be completed in 2020.

We're now building the final 3.5km section of the pipe from Market Road to the Khyber Pass Road reservoirs. Tunnelling under Khyber Pass Road began in May 2019 and is the final section of the pipeline. To minimise disruption, we're using tunnelling, although some sections require open trenching and access shafts for the tunnelling

machine. We're providing advance notice of disruptions, fencing off work areas, working set hours each week and working with the numerous residents and stakeholders along the pipe route.

We're securing water supplies in Auckland's north. The North Harbour 2 watermain will meet growing demand in Auckland's north and secure water supplies by moving treated water from the west to the Albany Reservoirs. Currently, one pipe (North Harbour 1) carries water from Titirangi to the North Shore, Whangaparaoa and Orewa. Watercare can't carry out maintenance on it without disrupting the local water supply, making a second pipe critical. Causeway reclamation has begun, and pipe-laying

is underway beside the North-Western motorway. The project will be done in stages, with completion in 2026.

We have notified our plans to replace the Huia Water Treatment Plant. Huia, Auckland's third largest treatment plant, is nearing the end of its operational life and needs to be replaced so we can continue to supply Auckland with high-quality water from the western water supply dams. We've applied for resource consent for a treatment plant and two reservoirs at Waima, west Auckland. Public submissions on this closed at the end of August 2019.

We're upgrading Huia 1 watermain pipeline. This work enables us to replace ageing infrastructure and cater for future growth in west Auckland, and on the North Shore.

The construction is being done in stages and the current works are at Golf Road in New Lynn.

We're expanding our Waikato Water Treatment Plant. Expanding our Waikato treatment plant gives our system extra resilience. Upgrades completed and commissioned include the raw and treated water pump stations. The project is being delivered in staged work packages with chemical systems work expected to be complete in 2020.

The Warkworth Water Treatment Plant was commissioned in December 2018, drawing from an underground aquifer to double capacity and cater for growth and secure the summer water supply.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform
We provide Aucklanders with a reliable supply of safe water						
The extent to which the local authority's drinking water supply complies with part 4 of the drinking-water standards (bacteria compliance criteria)	●	↔	100.0%	100.0%	100.0%	The reported results are based on the grading achieved in November 2018 for the year beginning 1 July 2017 and ending 30 June 2018 (inclusive). The 2018/19 results will be available after the grading in November 2019 for the year beginning 1 July 2018 and ending 30 June 2019.
The extent to which the local authority's drinking water supply complies with part 5 of the drinking-water standards (protozoal compliance criteria)	●	↔	100.0%	100%	100.0%	The reported results are based on the grading achieved in November 2018 for the year beginning 1 July 2017 and ending 30 June 2018 (inclusive). The 2018/19 results will be available after the grading in November 2019 for the year beginning 1 July 2018 and ending 30 June 2019.
Median response time for attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (minutes)	●	▼	≤60 mins	54 mins	41 mins	Watercare met this target. The median response time for our maintenance crew to attend to urgent issues was 50 minutes, which is within the target of 60 minutes or less.
Media response time for resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (hours)	●	▼	≤5 hours	3 hours	3 hours	Watercare met this target. The median response time for our maintenance crew to resolve urgent issues such as faults or interruptions was 2.8 hours, which is within the target of five hours or less.
Median response time for attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (days)	●	▼	≤5 days	3 days	1 day	Watercare met this target. The median response time for our maintenance crew to attend to non-urgent water issues was 1.3 days, which met the target of five days or fewer.
Median response time for resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (days)	●	▼	≤6 days	3 days	2 days	Watercare met this target. The median response time for our maintenance crew to resolve non-urgent issues was 2.1 days, which is well within the target of six days or fewer.
The total number of complaints received by the local authority about any of the following: a) drinking water clarity b) drinking water taste c) drinking water odour d) drinking water pressure or flow e) continuity of supply f) the local authority's response to any of these issues expressed per 1000 connections to the local authority's networked reticulation system	●	▲	≤10	4	6	Watercare met this target. It relates to the volume of calls we received regarding water quality and supply issues for the year ended 30 June 2019. The number of complaints received per 1000 connections was 4.4, which is well within the target of 10 or fewer.
The percentage of real water loss from the local authority's networked reticulation system	●	↔	≤13%	13.1%	11.9%	Water losses are calculated by deducting water sales volumes and unbilled water usage from the total volume of water produced. Unbilled use falls into three categories – operational usage (pipeline flushing, fire-fighting, etc), meter under-recording, and unauthorised usage. Leaks are one source of water loss, but we have evidence water is being taken from our network illegally through hydrants and fire connections. We plan to establish district metered areas to measure water consumption at a suburb level to give us a more accurate total volume of water analysis and better identification of unbilled uses.
The average consumption of drinking water per day per resident within the territorial authority district (litres)	●	▼	266 litres +/- 2.5%	278	273	In 2008, as part of the Three Waters Strategic Plan, a target to reduce Auckland's average rate of water consumption by 15 per cent by 2025 compared with 2004, was established. As part of this plan, the 2018/19 target was 266 litres (+/- 2.5%). We met target despite demand being higher than expected due to unusually warm and dry summer and winter seasons. Aucklanders used a record-breaking 544 million litres of water on 13 February 2019 – 40 million litres more than the previous record in December 2017. The warm and dry weather also boosted water demand from those on tank supplies, as this water comes from our metropolitan network. This year, we used the Statistics NZ 2018 medium projection which includes non-residents (e.g. consumers living in commercial rest homes, hotels and hospitals in the metropolitan area) for the population figure. Non-residents also account for demand for water supply in Auckland. To ensure we report water consumption accurately, we used the 2018 percentage of people connected to our network, instead of the 2013 percentage used in previous years. Our water efficiency programme continued to engage with Aucklanders through social media, customer newsletters, public events such as home and garden shows, and in-house water audits as part of the Be Waterwise programme offered in partnership with EcoMatters.

Funding impact statement – Water Supply

For the period ended 30 June 2019

\$MILLION	NOTES	ACTUAL JUNE 2019	LONG-TERM PLAN 2019	LONG-TERM PLAN 2018
Sources of operating funding:				
General rates, UAGC, rates penalties		(1)	(1)	(1)
Targeted rates		-	-	-
Subsidies and grants for operating purposes		-	-	-
Fees and charges		159	160	158
Internal charges and overheads recovered		-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	1	66	59	57
Total operating funding		224	218	214
Applications of operating funding:				
Payment to staff and suppliers		82	80	81
Finance costs		15	14	25
Internal charges and overheads applied		-	-	-
Other operating funding applications		-	-	-
Total applications of operating funding		97	94	106
Surplus (deficit) of operating funding		127	124	108
Sources of capital funding:				
Subsidies and grants for capital expenditure		-	-	-
Development and financial contributions		-	-	-
Increase (decrease) in debt	2	24	51	131
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total sources of capital funding		24	51	131
Applications of capital funding:				
Capital expenditure:				
- to meet additional demand		61	95	75
- to improve the level of service		40	27	67
- to replace existing assets		50	52	97
Increase (decrease) in reserves		-	-	-
Increase (decrease) in investments		-	-	-
Total applications of capital funding	3	151	174	239
Surplus (deficit) of capital funding		(127)	(124)	(108)
Funding balance		-	-	-

Variance explanation Actual 2019 to Long-term Plan 2019

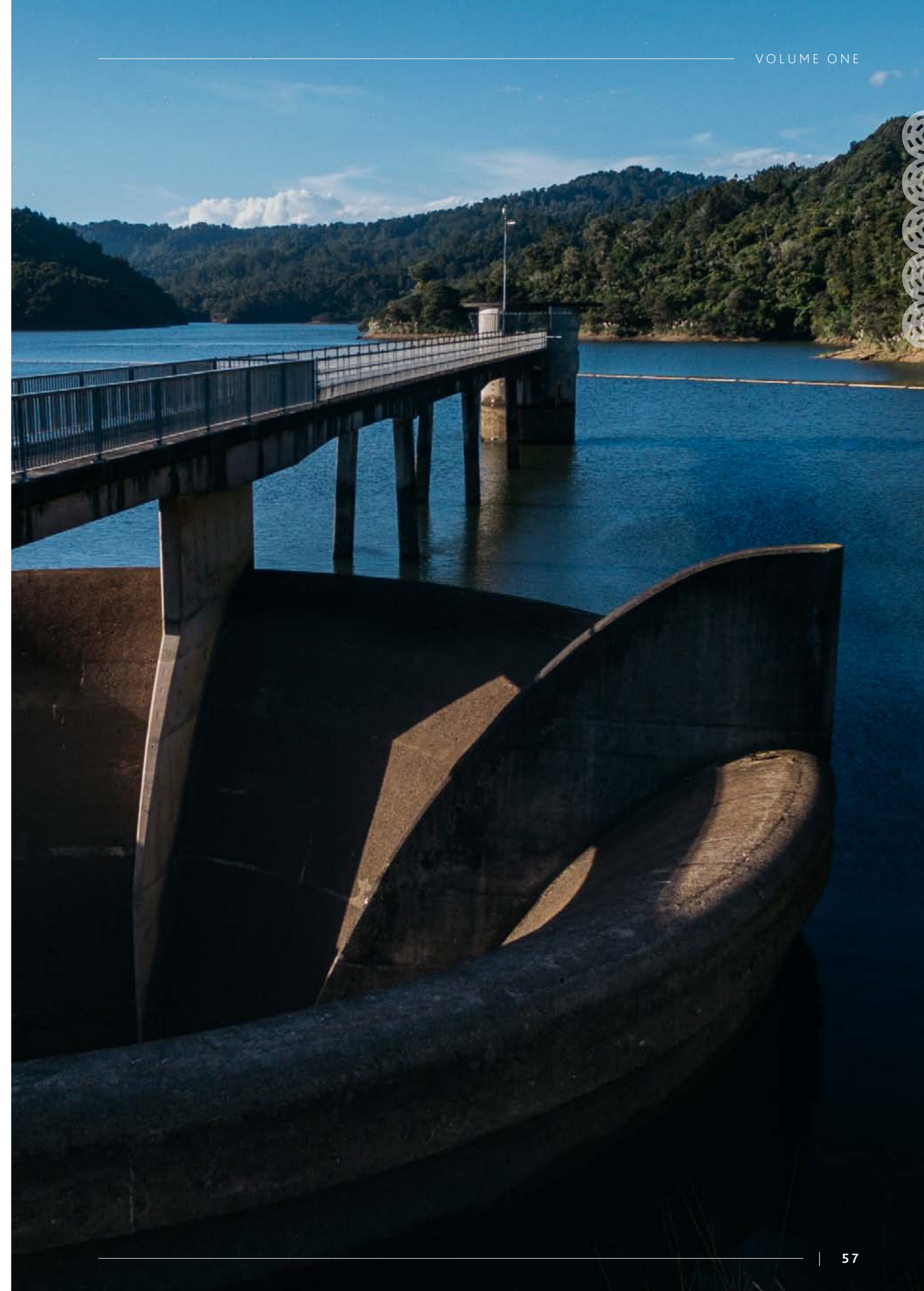
- Other receipts are above plan due to higher Infrastructure Growth Charges received than anticipated, as a result of increased development in Auckland.
- The increase in debt is below plan due to capital expenditure being lower than plan which resulted in a reduced requirement for debt funding.
- Capital projects are constantly reviewed and reprioritised in line with available construction capacity, resource consent timing, and changes in anticipated growth and new development areas. Capital expenditure is below plan mainly due to the following reasons:
 - Hunua 4 water main project: The first tunnelled section in Khyber Pass Road was successfully completed ahead of schedule, however, resource consents have taken longer to obtain than anticipated. This impacted delivery of other parts of the project. The works are

in progress and the project is forecast for completion in 2020/2021.

- Huia No.1 and Nihotupu No.1 water main replacements: Work has commenced, but is behind the plan due to a diversion of resources for cross connection works for the Huia No.2 water main.
- The design for the Waikato Water Treatment Plant upgrade: This project is currently underway and the majority of the spend is expected in 2019/2020.

The above underspends was partially offset by:

- Huia No.2 watermain: Emergency cross connection works to provide an alternative water supply to the West and North areas of Auckland.



Ngā Tikanga Tiaki me te Tuku Wai Para

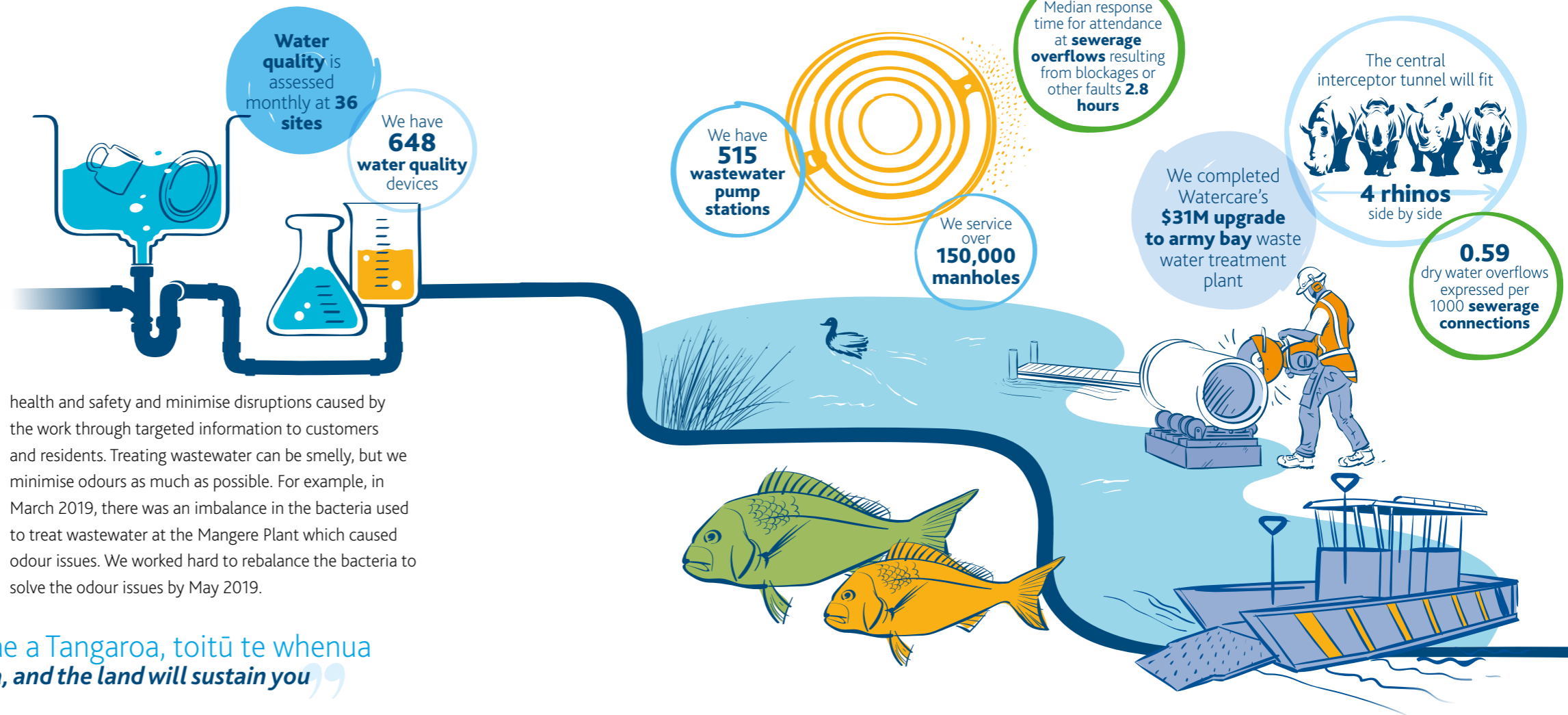
Wastewater Treatment and Disposal

Managing our wastewater is the second part of Watercare’s job.

Wastewater, also known as sewage, is what leaves our sinks, washing machines, showers, baths and toilets at home, work and industry. Most of it is water, but it can also include food scraps, cooking fats and debris. Then there’s chemicals, paint and medicines which can harm our health, waterways and harbours. This makes effective treatment very important.

Every day, Watercare’s 515 wastewater pump stations collect and treat around 396 million litres of wastewater, treating it to a high standard through 18 wastewater treatment plants before discharging. This happens through 8,000km of wastewater pipes.

When undertaking repairs, maintenance, and installations, we mitigate the negative environmental impacts, manage



health and safety and minimise disruptions caused by the work through targeted information to customers and residents. Treating wastewater can be smelly, but we minimise odours as much as possible. For example, in March 2019, there was an imbalance in the bacteria used to treat wastewater at the Mangere Plant which caused odour issues. We worked hard to rebalance the bacteria to solve the odour issues by May 2019.

Toitū te marae a Tāne, toitū te marae a Tangaroa, toitū te whenua
Care for the domains of Tane and Tangaroa, and the land will sustain you

<IR> CAPITALS	OUR INPUTS USED IN THIS GROUP OF ACTIVITIES					TO DELIVER AUCKLAND PLAN OUTCOMES (THE VALUE WE CREATE)				
HUMAN	Engineers and planners	Technicians	Tradespeople	Scientists	Support staff					
SOCIAL & RELATIONSHIP	'Te Kunenga o te Ao Tikanga' courses	Partnered with Plunket to promote proper way of disposing wet wipes	Mana Whenua Kaitiaki Forum							
NATURAL & ENVIRONMENTAL	Omaha Wastewater Treatment Plant grounds. Native vegetation and habitat for fauna		Riparian planting	Pest control	Vegetation and weed removal programmes					
INTELLECTUAL	Treatment processes and models		Advanced treatment technology (membrane bioreactor technology)							
FINANCIAL	\$342 million Operating Expenditure	\$277 million Capital Expenditure								
INFRASTRUCTURE	7,999km of wastewater pipes	Over 150,000 manholes	515 wastewater pump stations	18 wastewater treatment plants						

Māori Identity and Wellbeing
Enable mana whenua participation in the management of water

Environmental and Cultural Heritage
Provide resilient infrastructure and mitigate negative environmental impacts

Homes and Places
Unlock development opportunities

AUCKLAND PLAN OUTCOMES

Wastewater treatment and disposal

Key projects

We have started the Northern Interceptor. This large wastewater pipe will divert flows from north-west Auckland to the Rosedale Wastewater Treatment Plant rather than the plant at Māngere. This utilises the spare capacity at the Rosedale plant and gives Māngere greater capacity to support growth in the central and southern areas. Pipe works have been completed at Wainoni Park and we built a pipeline across Rahui Road and along to Traffic Road. We have begun laying pipe along Sinton and John Glenn Roads and started work at the causeway by Squadron Drive for drilling equipment. Construction is scheduled for completion in 2021.

We've begun upgrading several of our wastewater treatment systems and plants. We need additional capacity to cater for population growth in Pukekohe, Buckland, Tuakau and Pokeno. Upgrading the Pukekohe Wastewater Treatment Plant will also improve the quality of water discharged into Parker Lane stream and the

Waikato River. A new bridge has been built over Parker Stream and a recycled bridge from the Māngere plant has been installed to provide pedestrian access. Construction of stage 1 began in December 2018 and the project is scheduled for completion in 2022.

In the north-east, we have awarded the contract for the construction of Warkworth-to-Snells Transfer Pipeline which will also help cater for population growth and produce high-quality wastewater for discharge. This project will begin in late 2019 and is due for completion in April 2022.

We completed the \$31 million-upgrade to Watercare's Army Bay Wastewater Treatment Plant, which included improvements to an existing pump station, and replacement of an outfall pipe, which extends 1.2km into the Tiri Channel. The refurbishments mean the plant will continue to treat wastewater to a very high standard and can manage growth from across Orewa, Silverdale and Whangaparaoa.

We have signed critical contracts for the Central Interceptor. Wastewater pipes are hugely important to our growing city, and the 13km Central Interceptor (CI) will increase the capacity of the wastewater network, replace ageing infrastructure and reduce wet-weather wastewater overflows. In March 2019, Watercare signed a joint venture contract with Ghella-Abergeldie. This contract also includes the construction of the 1.4km Grey Lynn wastewater tunnel within the original project budget. Construction will start with site works in August 2019 and the whole project is expected to be completed by 2025.



What we achieved

● Achieved ● Substantially achieved ● Not achieved

Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform	
We collect and treat Auckland's waste water in a safe and sustainable way							
The number of dry weather overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system	●	▲	≤10	0.59	0.3	0.4	The number of wastewater overflows from our retail network during dry weather is a measure of the network's capability to meet current demand.
Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: a) abatement notices b) infringement notices c) enforcement orders d) convictions received by the territorial authority in relation to those resource consents	●	▬	a) ≤2 b) ≤2 c) ≤2 d) 0	a) 0 b) 0 c) 0 d) 0	a) 0 b) 0 c) 0 d) 0	0	There were no abatement, infringement or enforcement notices or convictions for the 2018/19 year.
Attendance at sewerage overflows resulting from blockages or other faults: median response time for attendance – from the time that the territorial authority receives notification to the time that service personnel reach the site (minutes)	●	▼	≤60 mins	43 mins	48 mins	50 mins	Watercare met this target. The median response time for our maintenance crew to attend to wastewater overflows or blockages was 43 minutes, which is within the target of 60 minutes or less.
Attendance at sewerage overflows resulting from blockages or other faults: median response time for resolution – from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault (hours)	●	▼	≤5hrs	2.8 hours	3 hours	3 hours	Watercare met this target. The median response time for our maintenance crew to resolve wastewater overflows or blockages was 2.8 hours, which is within the target of five hours or less.
The total number of complaints received by the local authority about any of the following: a) sewerage odour b) sewerage system faults c) sewerage system blockages d) territorial authority's response to issues with its sewerage system expressed per 1000 connections to territorial authority's sewerage system	●	▼	≤50	18.4	19	24	Watercare met this target. It relates to the volume of calls we received regarding wastewater odours, overflows, broken pipes and other network issues for the year ended 30 June 2019. The number of complaints received per 1000 connections was 18.4, which is well within the target of 50 or fewer.

Funding impact statement – Wastewater Treatment and Disposal

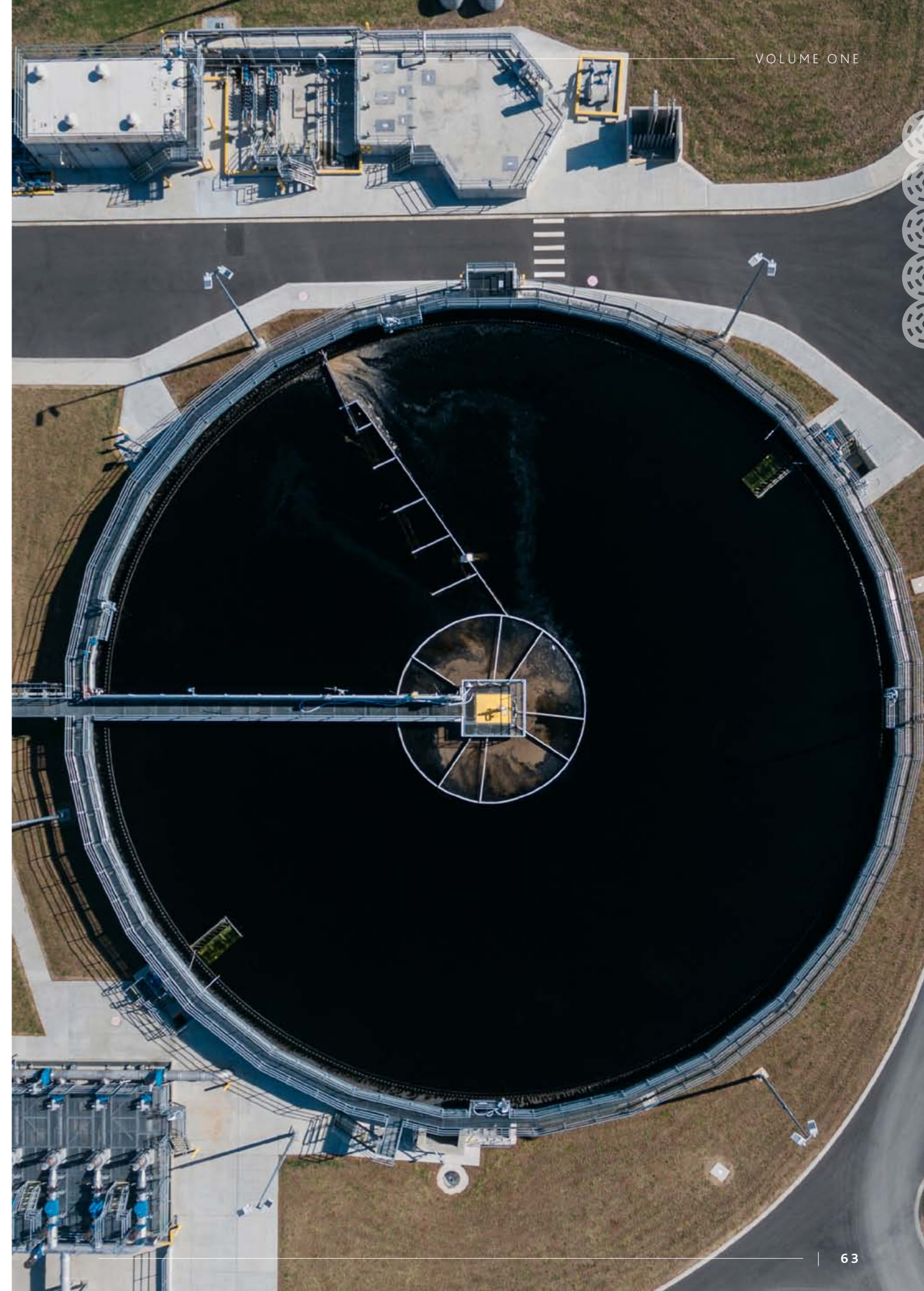
For the period ended 30 June 2019

\$MILLION	NOTES	ACTUAL JUNE 2019	LONG-TERM PLAN 2019	LONG-TERM PLAN 2018
Sources of operating funding:				
General rates, UAGC, rates penalties		(2)	(2)	(1)
Targeted rates		-	-	-
Subsidies and grants for operating purposes		-	-	-
Fees and charges		345	348	332
Internal charges and overheads recovered		-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	1	66	58	50
Total operating funding		409	404	381
Applications of operating funding:				
Payment to staff and suppliers		139	136	143
Finance costs	2	70	77	88
Internal charges and overheads applied		-	-	-
Other operating funding applications		-	-	-
Total applications of operating funding		209	213	231
Surplus (deficit) of operating funding		200	191	150
Sources of capital funding:				
Subsidies and grants for capital expenditure		-	-	-
Development and financial contributions		-	-	-
Increase (decrease) in debt	3	76	108	22
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total sources of capital funding		76	108	22
Applications of capital funding:				
Capital expenditure:				
- to meet additional demand		155	194	97
- to improve the level of service		39	35	39
- to replace existing assets		83	71	36
Increase (decrease) in reserves		-	-	-
Increase (decrease) in investments		-	-	-
Total applications of capital funding	4	277	300	172
Surplus (deficit) of capital funding		(200)	(191)	(150)
Funding balance		-	-	-

Variance explanation Actual 2019 to Long-term Plan 2019

1. Other receipts are above plan due to higher Infrastructure Growth Charges received than anticipated, as a result of increased development in Auckland.
2. Finance costs are below plan due to lower debt at the beginning of the year than planned, and a lower debt requirement than forecasted in the Long Term Plan.
3. The increase in debt is below plan due to capital expenditure being lower than plan which resulted in a reduced requirement for debt funding.
4. Capital projects are constantly reviewed and reprioritised in line with available construction capacity, resource consent timing, and changes in anticipated growth and new development areas.
Capital expenditure is below plan mainly due to the following reasons:

- The tender costs incurred for the Central Interceptor Project were significantly lower than planned, which resulted in a cost savings. In addition, site establishment costs will occur later than planned.
- The physical works for the Glendowie Branch sewer project was slowed due to ground conditions adversely impacting progress. These were partially offset by:
 - Higher than anticipated costs for the Pukekohe wastewater treatment plant upgrade and the Northern Interceptor, as the final contract prices were slightly above the original estimate at the time the Long Term Plan was prepared.
 - East Coast Bays Link sewer upgrade is progressing ahead of plan.



Te Whakahaere Wai Āwhā Stormwater Management

Severe flooding. Gale force winds cause havoc. Auckland Council cleans up after storm.

This is climate change and headlines like this will become more common. We must improve our stormwater system, so it can cope with more events and service our rapidly growing population. The Water Quality Targeted Rate (WQTR) will help reduce wastewater overflows into the Waitemata Harbour, stormwater into the Manukau Harbour, and contaminants in stormwater. We'll improve water quality, create healthy habitats for plants and animals in streams, and proactively monitor septic tanks.

Get this right and we can protect people and property and preserve our waterways and harbours for future generations.

When undertaking repairs, maintenance, and installations, we mitigate the negative environmental impacts, manage health and safety and minimise disruptions caused by the work through targeted information to customers and residents. We work closely with industry and developers to reduce contaminants entering our stormwater system. We are progressively upgrading our networks to prevent the mixing of stormwater and wastewater, which pollutes our waterways.

“E rere kau mai te awa nui e mai te kāhui maunga ki Tangaroa. Ko au te awa. Ko te awa ko au.”
The river flows from the mountain to the sea. I am the river. The river is me.

99% of stormwater manhole call-outs completed within 3 hours during storms

492 ponds

Our water quality targeted rate will improve our **beaches, streams and harbours**

We continued checking **storm water outlets** on beaches to help make them **cleaner and safer**

We upgraded culverts and widened Te Auaunga/Oakley creek to **cope with floods**

We have **16,500km** of permanent streams

We responded to **5,700** maintenance requests

We service over **65,000** catchpits

Safeswim a winner in the Smart Cities Asia Pacific Awards in 2018

Our **beaches** were swimmable **81%** of the time during summer

CASE STUDY

Safeswim going global

We developed Safeswim to help Aucklanders check conditions at nearly 100 beaches around the city and now it could be going global.

We partnered with Surf Lifesaving Northern Region and Auckland Regional Public Health Service to give beach users up-to-the-minute advice on water quality, safety, wind, beaches patrolled by Surf Lifesaving Northern Region and long-term health warnings.

Now, a partnership with global engineering firm Mott MacDonald could see Safeswim become a global product. We've already had interest from cities in Australia and North America. As part of the partnership, Mott MacDonald will establish a third global digital hub in Auckland at Grid AKL.

Data from Safeswim also played a role in our decision to invest at record levels in cleaning up our beaches over the next 10 years.

Safeswim won the Smart Water Category, in the Smart Cities Asia Pacific Awards in 2018.



<IR> CAPITALS	OUR INPUTS USED IN THIS GROUP OF ACTIVITIES				TO DELIVER AUCKLAND PLAN OUTCOMES (THE VALUE WE CREATE)			
HUMAN	Healthy water specialists	Low-carbon living specialists	Sustainable schools advisors	Our contractors				
SOCIAL & RELATIONSHIP	Wai Ora - Healthy Waterways programme	Safe networks programme: water quality sampling investigations	Mana Whenua Kaitiaki Forum					
NATURAL & ENVIRONMENTAL	16,500km of permanent rivers	72 lakes	We monitor 100 rivers, 29 lakes, 80 rainfall sites and 79 groundwater sites	492 ponds				
INTELLECTUAL	Water-sensitive design	Safeswim						
FINANCIAL	\$41 million collected by WQTR	\$104 million operating expenditure	\$122 million capital expenditure					
INFRASTRUCTURE	6,444km of pipes and culverts	436 water quality devices	3 pump stations	Over 150,000 manholes	Over 13,000km of channels (including kerbs)			

Māori Identity and Wellbeing
Enable Māori participation in management, restoration and protection of taonga resources

Environmental and Cultural Heritage
Provide resilient infrastructure and mitigate negative environmental impacts

Homes and Places
Unlock development opportunities

AUCKLAND PLAN OUTCOMES

Stormwater

Key projects

We put the Water Quality Targeted Rate to work, kicking off projects that will improve our beaches, streams and harbours. We began upgrading stormwater systems in Daldy Street and Picton Street in inner Auckland to reduce overflows into the Wynyard Basin and the inner harbour. At Okahu Bay, we're separating our systems and extending the outfall further away from the beach.

A community-led project in Franklin delivered more than 25km of fence line to prevent stock entering waterways. Over the last year, we've given out \$360,000 in grants to 26 community group and landowner projects to protect and restore urban and rural waterways.

We started our new regional compliance system for onsite wastewater systems, creating a new database of more than 40,000 properties and checking 549 properties in Piha and Little Oneroa.

Our urban and rural stream rehabilitation programme is a joint effort with community organisations. It includes Ngaroto Lakes, top-up funding for the Rodney Local Board to improve water quality, working with Franklin landowners to support fencing and planting of the Mauku Stream, and partnering with community groups to restore waterways in the Whau.

We continued checking the stormwater outlets on beaches. Safe Networks screened 215 stormwater outlets on 28 beaches for further inspection and inspected 90ha of storm and wastewater networks to help make our beaches cleaner and safer.

Improving water supply and stormwater systems on Waiheke Island. The water treatment facility at Matiatia Wharf is being upgraded to ensure we can slake the thirst of up to 12,000 visitors a day. Extra tankering/domestic drinking water filling stations are going into the Matiatia Wharf car park and Onetangi Sports Park. Work began to

reduce stormwater and flooding issues including Tahiri Road, Wilma Road, Onetangi, Fourth Avenue, Trigg Hill Road and Moa Road. We trialled 35 LittaTrap devices which sit in stormwater catchpits to capture plastics and other items while reducing the amount of material entering drains and waterways. Looking ahead, we're developing a comprehensive stormwater and catchment plan for the island.

Catchpits in Māngere and Favona now have lockable grates. Catchpits capture surface water, but they can be a safety risk. In this trial, we installed 160 lockable grates, prioritising areas such as sportsfields, parks and cul-de-sacs, supported by an education and communications programme to encourage children to stay safe around drains. We're planning to make the lockable grates standard in high-risk area across our estimated 66,388 catchpits.

We're protecting Takanini from floods. Earthworks for the Awakeri wetlands channel are nearly 80 per cent complete and we're working on boardwalks, weirs and scour protection. This \$100 million project will improve flood-prone areas in Takanini with wetlands surrounded by public recreation areas.

We upgraded culverts and widened Te Auaunga/Oakley Creek to cope with floods and upgraded large parts of Harold Long Reserve/Fearon Park and Walmsley and Underwood Park as part of a \$100 million project to turn this concrete channel into an urban stream for everyone to enjoy.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform
We manage our harbours and waterways through sustainable management of the stormwater network						
Auckland Council Stormwater compliance with resource consents for discharge from its stormwater system, measured by the number of: a) abatement notices; and b) infringement notices; and c) enforcement orders; and d) successful prosecutions received in relation those resource consents	●	0	0	0	0	The objective of this measure is to have no orders, notices or prosecutions. Auckland Council is the monitoring agency for compliance with resource consents.
We manage the stormwater network to minimise the risks of flooding to Aucklanders						
The number of complaints received about the performance of the stormwater system per 1000 properties connected to Auckland Council's stormwater system	●	3 per 1000 properties	0.93	1.8 per 1000 properties	1.0 per 1000 properties	We had 446 faults and blockages reported this year and our stormwater network performed as expected.
The percentage of response time during storms to close stormwater manholes within three hours	●	90%	99%	New measure	New measure	Our response times exceeded target on calls to deal with 101 popping manholes.
The number of flooding events that occur and the associated number of habitable floors affected per 1000 properties connected to Auckland Council's stormwater network ¹		1 per 1000 properties	Not measured	Not measured	Not measured	We can't report effectively or accurately on this measure, as it relies on information from public calls. If a residence is flooded, the council refers the caller to the Fire Service. However, most people call the Fire Service directly and their service records are not concise enough to accurately establish the number or address of flooding incidents. The Department of Internal Affairs (DIA) agrees that the council can't accurately report on these measures. We will work with the DIA to consider options for an equivalent and more accurate measure.
The median response time to attend a flooding event, measured from the time that Auckland Council receives notification to the time that service personnel reach the site (hours)		2	Not measured	Not measured	Not measured	We can't report effectively or accurately on this measure, as it relies on information from public calls. If a residence is flooded, the council refers the caller to the Fire Service. However, most people call the Fire Service directly and their service records are not concise enough to accurately establish the number or address of flooding incidents. The Department of Internal Affairs (DIA) agrees that the council can't accurately report on these measures. We will work with the DIA to consider options for an equivalent and more accurate measure.
We provide safe water quality at beaches and coastal areas for recreation (Auckland swimmability Index)						
The proportion of time beaches are suitable for contact recreation ² during the summer swimming season (1 November to 30 April)	●	78%	81%	New measure	New measure	

1. LGA 2002 mandatory performance measure. 2. Recreational activities that bring people physically into contact with water, such as swimming

Funding impact statement – Stormwater management

For the period ended 30 June 2019

\$MILLION	NOTES	ACTUAL JUNE 2019	LONG-TERM PLAN 2019	LONG-TERM PLAN 2018
Sources of operating funding:				
General rates, UAGC, rates penalties		122	122	81
Targeted rates		41	41	-
Subsidies and grants for operating purposes		-	-	-
Fees and charges		-	-	-
Internal charges and overheads recovered		-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts		-	2	-
Total operating funding		163	165	81
Applications of operating funding:				
Payment to staff and suppliers		30	31	25
Finance costs		17	17	12
Internal charges and overheads applied		14	14	9
Other operating funding applications		-	-	-
Total applications of operating funding		62	63	46
Surplus (deficit) of operating funding		102	103	35
Sources of capital funding:				
Subsidies and grants for capital expenditure		-	-	-
Development and financial contributions	1	32	42	78
Increase (decrease) in debt	2	(12)	(23)	(35)
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total sources of capital funding		20	19	43
Applications of capital funding:				
Capital expenditure:				
- to meet additional demand		42	47	34
- to improve the level of service		44	36	22
- to replace existing assets		35	39	22
Increase (decrease) in reserves		-	-	-
Increase (decrease) in investments		-	-	-
Total applications of capital funding	3	122	121	78
Surplus (deficit) of capital funding		(102)	(103)	(35)
Funding balance		-	-	-

Variance explanation Actual 2019 to Long-term Plan 2019

- Development contribution revenue is below plan due to:
 - Lower contributions received as the implementation of the new Development Contribution Policy, which has higher rates of recovery than the previous policy, was delayed from October 2018 to January 2019.
 - Lower than projected growth in housing, subdivisions and business floorspace across Auckland, resulting in fewer developments being charged development contribution than planned. The growth is still expected to occur but over a longer timeframe.
 - A number of developments did not connect to the stormwater network and instead used alternative means to manage stormwater, therefore these developments were not liable for the stormwater development contribution charge. However reduced connections results in less pressure on stormwater assets and Auckland Council will ultimately spend less to build stormwater assets in the future.
- Debt did not reduce as much as planned due to lower than anticipated development contribution revenue, resulting in additional requirement for debt funding.
- Stormwater projects were delivered according to plan in 2018/2019. Capital expenditure was mainly on critical asset renewals, stormwater network upgrades and the implementation of the water quality improvement programme.



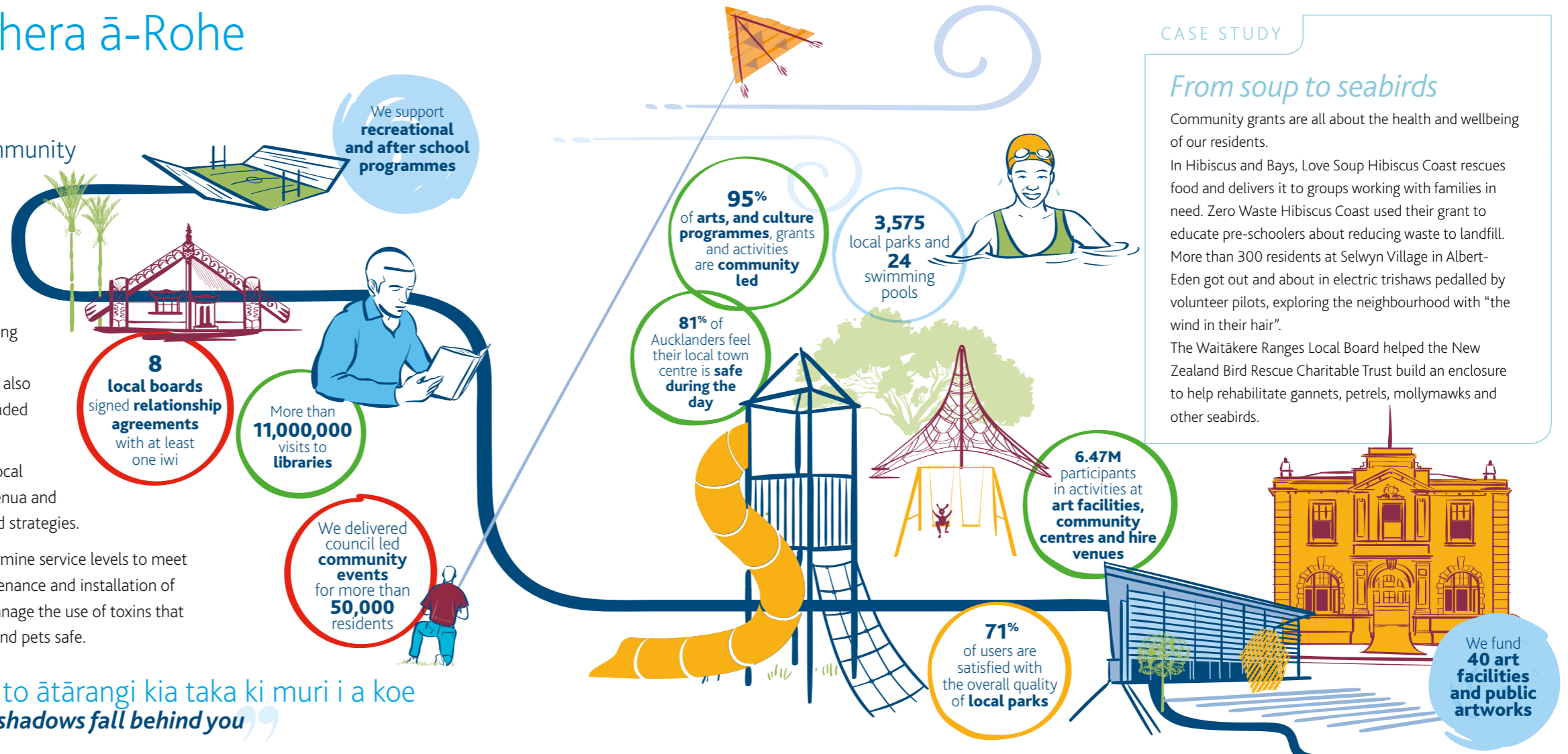
Ngā Ratonga Kaunihera ā-Rohe Local Council Services

Local boards are heavily involved in community services and public spaces which help to create community wellbeing and a sense of belonging.

Activities and services range from library and literacy, sport and recreation, to community-led action and volunteering, and caring for the environment. Local planning and development focuses on street environments, town centres, and local environment and heritage protection. It also includes the Business Improvement Districts which are funded by a targeted rate.

The council supports boards with governance, preparing local board plans and agreements, engagement with mana whenua and Māori, and providing input into regional plans, policies and strategies.

Local boards approve council work programmes and determine service levels to meet community needs to keep disruptions from repairs, maintenance and installation of community infrastructure to a minimum. We carefully manage the use of toxins that we use to control plant and animal pests to keep people and pets safe.



CASE STUDY

From soup to seabirds

Community grants are all about the health and wellbeing of our residents. In Hibiscus and Bays, Love Soup Hibiscus Coast rescues food and delivers it to groups working with families in need. Zero Waste Hibiscus Coast used their grant to educate pre-schoolers about reducing waste to landfill. More than 300 residents at Selwyn Village in Albert-Eden got out and about in electric trishaws pedalled by volunteer pilots, exploring the neighbourhood with "the wind in their hair". The Waitākere Ranges Local Board helped the New Zealand Bird Rescue Charitable Trust build an enclosure to help rehabilitate gannets, petrels, mollymawks and other seabirds.

Hurihia to aroaro ki te ra tukuna to ātārangi kia taka ki muri i a koe
Turn your face toward the sun and the shadows fall behind you

<IR> CAPITALS	OUR INPUTS USED IN THIS GROUP OF ACTIVITIES					TO DELIVER AUCKLAND PLAN OUTCOMES (THE VALUE WE CREATE)				
HUMAN	Librarians	149 Local Board members	Democracy advisors							
SOCIAL & RELATIONSHIP	436 public artworks	Summer reading programmes		12 school holiday programmes	Relationships with community groups					
NATURAL & ENVIRONMENTAL	190 sports parks		More than 3,500 local parks	Pest-free programmes						
INTELLECTUAL	Digital library	Online heritage collection	Smart boards in Local Board offices							
FINANCIAL	Local grants - Smarty Grants	Locally delivered initiatives	\$344 million operating expenditure	\$149 million capital expenditure						
INFRASTRUCTURE	55 libraries		3 mobile bus libraries	191 community halls/centres	15 venue hire locations					

Belonging and Participation
Provide opportunities for Aucklanders to participate in social and civic life, and foster a sense of belonging and inclusion

Māori identity and wellbeing
Provide arrangements to empower Māori kaitiakitanga

Homes and places
Provide public spaces that enhance urban living

Transport and access
Integrate travel choices where people live, work and play

Environment and cultural heritage
Lead environmental action and encourage community stewardship

Opportunity and prosperity
Encourage lifelong learning and training

Local Community Services

We enrich your community with libraries and literacy, arts and culture, parks, sport and recreation, and events delivered by a mix of council services, community group partnerships and volunteers. We promote dual Te Reo/English naming for

community facilities and in activities such as Auckland Libraries' Dare to Explore summer reading programme.

For more information on local board performance, see the relevant local board report for your area in Volume 2.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform	
Provide safe, reliable and accessible social infrastructure for Aucklanders that contributes to placemaking and thriving communities							
Percentage of Aucklanders that feel their local town centre is safe - day time	●	▲	80%	81%	78%	78%	2018 and 2017 figures are un-audited as they were not previously reported.
Percentage of Aucklanders that feel their local town centre is safe - night time	●	●	40%	37%	37%	35%	While crime prevention programmes, safety patrols, and volunteers are active in several town centres, insufficient lighting, crime, the homeless and people who've been drinking make residents feel less safe. Surveys in some areas acknowledge some significant issues are beyond council influence. In other areas, responses suggest the issues raised relate to a lack of feeling safe in the CBD. 2018 and 2017 figures are un-audited as they were not previously reported.
Utilising the Empowered Communities Approach, we support Aucklanders to create thriving, connected and inclusive communities							
The percentage of Empowered Communities activities ¹ that are community led	●		35%	78%	New measure	New measure	This was a new measure, so there is no benchmark available. Across the 21 local boards, the target has been well exceeded and we'll consider raising the baseline target after reviewing the methodology.
The percentage of Empowered Communities activities ¹ that build capacity and capability to assist local communities to achieve their goals	●		30%	74%	New measure	New measure	This was a new measure, so there is no benchmark available. Across the 21 local boards, the target has been well exceeded and we'll consider raising the baseline target after reviewing the methodology.
We fund, enable and deliver arts and culture experiences that enhance identity and connect people							
The percentage of arts, and culture programmes, grants and activities that are community led	●		77%	95%	New measure	New measure	The target has been well exceeded and we'll consider raising the baseline target after reviewing the methodology.
We fund, enable and deliver community events and experiences that enhance identity and connect people							
The number of attendees at council-led community events	●		62,500	53,070	New measure	New measure	Cancellation of events due to weather was the most significant factor in not meeting target. Other factors include a change in the mix of events, location and in event format/programming.
The percentage of attendees satisfied with a nominated local community event	●		73%	74%	New measure	New measure	
We provide art facilities, community centres and hire venues that enable Aucklanders to run locally responsive activities, promoting participation, inclusion and connection							
The number of participants in activities at art facilities, community centres and hire venues	●		5.90M	6.47M	New measure	New measure	We improved our reporting process around data quality and increased the scope of funded partners we collect stats from.
The percentage of art facilities, community centres and hire venues network that is community led	●		57%	57%	New measure	New measure	We met our service levels against a number of operational model changes.
We provide library services and programmes that support Aucklanders with reading and literacy, and opportunities to participate in community and civic life							
The number of internet sessions at libraries (unique sessions over public computing or public WIFI networks)	●		7.90M	7.09M	New measure	New measure	WiFi usage has declined, meaning fewer internet sessions. This may reflect availability of better and more affordable data plans for home use. In-person visits are also declining. Further research is needed to better understand what's happening. For Aucklanders without data access, free library WiFi remains an important means of access to information and participation.
The number of visits to library facilities	●		11.0M	11.01M	New measure	New measure	Although we met our target, we forecast a decline in libraries' visits reflecting an increased patronage of online offers such as Kura Online, new databases, growing e-collections, and online requests and renewals. Other contributing factors might be declining WiFi and computer use, and the rise of more attractive data plans for home use.
Percentage of customers satisfied with the quality of library service delivery	●	▲	85%	95%	90%	91%	Customer experience has remained consistent with the high degree of satisfaction driven mainly by the service delivered by staff. 2018 and 2017 figures are un-audited as they were not previously reported.
We provide recreation programmes, opportunities and facilities to get Aucklanders more active, more often							
The percentage of park visitors who are satisfied with the overall quality of sportsfields	●		74%	76%	New measure	New measure	
The customers' Net Promoter Score for Pool and Leisure Centres	●	▲	29	28	27	25	Focusing on delivering a "remarkable customer experience" contributed to growth in customer experience ratings this year. We're aiming to deliver enhanced service outcomes and align more closely with Community Facilities to resolve customer feedback on facility maintenance and cleaning.

1. Empowered Communities activities support the implementation of the Empowered Communities Approach through - facilitation and delivery of activities and programmes that respond to community priorities, provision of funding to community groups and organisations to deliver activities that achieve local board and regional outcomes.

We provide safe and accessible parks, reserves, and beaches								
The percentage of users who are satisfied with the overall quality of local parks	●	▼	73%	71%		95%	86%	Satisfaction has been dropping in recent years. Contributing factors to this result include growth pressures on open space and/or increasing demand for new activities on parkland, and external factors influencing residents' perception of council services. Continued investment and new parks in new growth areas may help to improve future satisfaction ratings. 2018 and 2017 figures are un-audited as they were not previously reported.
The percentage of residents who visited a local park in the last 12 months	●	▲	83%	82%		79%	83%	We're rolling out programmes to activate local parks which should help increase parks visits in future. 2018 and 2017 figures are un-audited as they were not previously reported.
We showcase Auckland's Māori identity and vibrant Māori culture								
The percentage of local programmes, grants and activities that respond to Māori aspirations	●		11.4%	20.5%		New measure	New measure	We exceeded target as a direct result of focusing on local programmes, activities and community grants that respond to Māori aspirations.

Local Environmental Management

These include local board funded environmental initiatives such as planting, pest control, stream and water quality enhancements, healthy homes and waste minimisation projects.

For more information on local board performance, see the relevant local board report for your area in Volume 2.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform		
We manage Auckland's natural environment								
The proportion of local programmes that deliver intended environmental actions and/or outcomes	●	▲	98.0%	93.0%		91.0%	95.7%	We successfully delivered 160 out of 181 projects. Projects including the Manukau Harbour Forum, freshwater management on Aotea Great Barrier, Ōrākei environmental enhancement and the Our Backyard programme in Wāitakerā were among 12 not delivered. 2018 and 2017 figures are un-audited as they were not previously reported.

Local Governance

We support our 21 local boards to work with their communities, including mana whenua and Māori. We support their input into regional plans, policies and strategies, and offer strategic advice, leadership in preparing annual plans and agreements,

and provide democracy and administrative services.

For more information on local board performance, see the relevant local board report for your area in Volume 2.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform		
We provide opportunities for Māori to contribute to community and civic life								
The number of local boards that have signed a formal relationship agreement with at least one iwi (Out of 21)	●		15	8		New measure	New measure	Eight out of 21 local boards signed a formal relationship agreement with at least one mana whenua. We expect to sign four further agreements in 2019/2020, with the target met by the end of 2020/21

Local Planning and Development

This includes town centre plans and development, supporting Business Improvement Districts, heritage plans and initiatives and the Young Enterprise Scheme.

For more information on local board performance, see the relevant local board report for your area in Volume 2.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform		
We help attract investment, businesses and a skilled workforce to Auckland								
The percentage of Business Associations meeting their Business Improvement District (BID) Partnership Programme obligations	●	▼	100.0%	91.7%		98.2%	93.8%	Four business associations have not complied with its BID Policy obligations. The council BID's team is actively working with those Associations to help it comply with its obligations in the future. 2018 and 2017 figures are un-audited as they were not previously reported.

Funding impact statement – Local council Services

For the period ended 30 June 2019

\$MILLION	NOTES	ACTUAL JUNE 2019	LONG-TERM PLAN 2019	LONG-TERM PLAN 2018
Sources of operating funding:				
General rates, UAGC, rates penalties		318	318	337
Targeted rates		18	19	20
Subsidies and grants for operating purposes		4	4	8
Fees and charges		31	32	30
Internal charges and overheads recovered		-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts		4	3	7
Total operating funding		376	376	402
Applications of operating funding:				
Payment to staff and suppliers	1	290	273	287
Finance costs		51	51	56
Internal charges and overheads applied		54	54	46
Other operating funding applications		-	-	-
Total applications of operating funding		396	379	389
Surplus (deficit) of operating funding		(20)	(2)	13
Sources of capital funding:				
Subsidies and grants for capital expenditure	2	1	-	-
Development and financial contributions	3	30	33	17
Increase (decrease) in debt		137	137	146
Gross proceeds from sale of assets		0	-	-
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total sources of capital funding		169	170	163
Applications of capital funding:				
Capital expenditure:				
- to meet additional demand		41	43	43
- to improve the level of service		18	41	63
- to replace existing assets		90	85	72
Increase (decrease) in reserves		-	-	(2)
Increase (decrease) in investments		-	(2)	-
Total applications of capital funding	4	149	168	176
Surplus (deficit) of capital funding		20	2	(13)
Funding balance		0	-	-

Variance explanation Actual 2019 to Long-term Plan 2019

1. Payment to staff and suppliers is above plan mainly due to higher than anticipated levels of streetscaping and maintenance of local assets. The increase in employee benefits due to the introduction of the living wage was planned in Regionally Delivered Council Services while the expenditure was incurred in Local Council Services.
2. Capital contributions were received from Whau Coastal Walkway Environmental Trust for the Te Whau Pathway Project. This is a collaborative partnership project between the Whau Coastal Walkway Environmental Trust, Auckland Council, Auckland Transport, the Whau and Henderson-Massey Local Boards, Te Kawerau a Maki and Ngāti Whātua Ōrākei.
3. Development contribution revenue is below plan due to:
 - Lower contributions received as the implementation of the new Development Contribution Policy, which has a higher rate of recovery than the previous policy, was delayed from October 2018 to January 2019.

- Lower than projected growth in housing, subdivisions and business floorspace across Auckland, resulting in fewer developments being charged development contribution than planned.
4. Capital expenditure is below plan due to the deferral of spend across local board capital projects. These projects will be funded and delivered in future years. The main reasons for the deferral of spend are:
 - Projects which incur less spend in the initial design and tender phase but will incur higher levels of spend when the physical works begin. These projects include the Otahuhu Town Centre and the Hurstmere Road upgrades.
 - Spend on local board discretionary projects will occur as projects are identified.



Ngā Ratonga Kaunihera i Tukuna ā-Rohetia Regionally Delivered Council Services

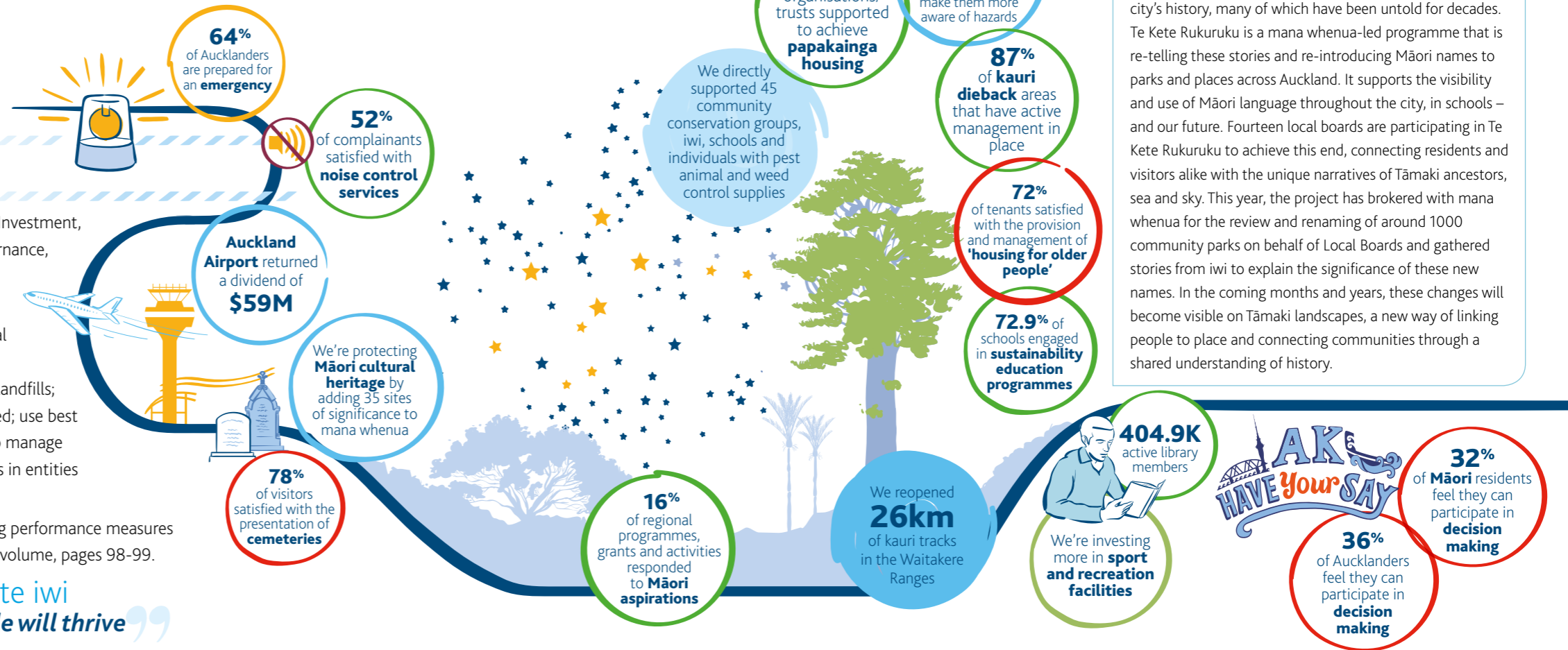
These are service-based activities, designed to create a city with great neighbourhoods, centres, parks and public spaces loved by Aucklanders. We also support the Mayor and councillors in governing Auckland for the benefit of ratepayers, residents and business.

This Group of Activities includes Auckland emergency management, Investment, Environmental services, Regional community services, Regional governance, Regional planning, Waste services, Third party amenity and grant, Organisational support, and Regulatory services.

We engage landowners and developers to protect natural and cultural heritage; regulate to ensure buildings in the region meet appropriate standards; monitor and manage gas and leachate liquid from closed landfills; promote ways for residents to reduce household refuse to be collected; use best practice for refuse collections; carefully manage toxins that we use to manage pest animals and plants; and invest carefully to minimise investments in entities that cause social, cultural or environmental harm.

Last year we received a modified audit opinion for our two consenting performance measures this remains in place for 2018/2019. More detail can be found in this volume, pages 98-99.

Nā tō rourou, nā tāku rourou ka ora ai te iwi
With your food basket and my food, the people will thrive



CASE STUDY

Te Kete Rukuruku

Tāmaki Makaurau landscapes are rich with stories of the city's history, many of which have been untold for decades. Te Kete Rukuruku is a mana whenua-led programme that is re-telling these stories and re-introducing Māori names to parks and places across Auckland. It supports the visibility and use of Māori language throughout the city, in schools – and our future. Fourteen local boards are participating in Te Kete Rukuruku to achieve this end, connecting residents and visitors alike with the unique narratives of Tāmaki ancestors, sea and sky. This year, the project has brokered with mana whenua for the review and renaming of around 1000 community parks on behalf of Local Boards and gathered stories from iwi to explain the significance of these new names. In the coming months and years, these changes will become visible on Tāmaki landscapes, a new way of linking people to place and connecting communities through a shared understanding of history.

<IR> CAPITALS

OUR INPUTS USED IN THIS GROUP OF ACTIVITIES

TO DELIVER AUCKLAND PLAN OUTCOMES (THE VALUE WE CREATE)

Capital	Input 1	Input 2	Input 3	Input 4	Input 5	Outcome
HUMAN	Summer lifeguards and fitness instructors	Park rangers	21 Governing Body members	Consenting officers	Urban planners and engineers	Belonging and Participation Provide opportunities to participate and foster a sense of belonging
SOCIAL & RELATIONSHIP	11 Recreation programmes offered	30 Heritage walks and places	65,168 volunteer hours worked in regional parks	The Southern Initiatives (TSI)	Hauraki Gulf Forum	
NATURAL & ENVIRONMENTAL	One million trees	26km of kauri tracks re-opened	6 community recycling centres	32 regional parks	6 maunga that are pedestrian access only	
INTELLECTUAL	Bi-lingual signage Mana whenua relationship agreements	INSPECT project (APP)	Auckland Design Manual	Robotic Process Automation		
FINANCIAL	13 types of regional grants offered	\$29 million collected by NETR	\$1,422 million operating expenditure	\$416 million capital expenditure		
INFRASTRUCTURE	24 pools and 28 fitness centres	40 art facilities	57 cemeteries	16 transfer (waste) stations		
						Transport and access Integrate land-use and transport decisions
						Māori identity and wellbeing Provide arrangements to empower Māori kaitiakitanga
						Homes and places Unlock development opportunities
						Environment and cultural heritage Lead environmental action and encourage community stewardship
						Opportunity and prosperity Encourage lifelong learning and training

AUCKLAND PLAN OUTCOMES

Auckland Emergency Management

Emergencies can happen at any time and we are here to help the community manage them.

Our priorities are reducing risks from hazards; increasing community awareness, understanding preparedness and participation in emergency management; and enhancing our ability to manage, and recover from, disasters.

This includes developing robust business continuity practices across the group, promoting staff involvement and working with our partners to ensure we respond effectively to, and recover from, hazard events.

Key projects

We worked with our ethnic and faith communities on their resilience.

Faith communities attended our Safety, Security and Wellbeing Forum to ensure they could engage with experts across the council, security industry and public services in reviewing their own security arrangements and access information to build their resilience. We also presented at a summit of ethnic media, as we work closely with them during emergencies. We came away having made useful connections and

understanding how we can work with them to better promote our messages on emergency preparedness and resilience.

We're making our children more aware of hazards.

We launched our hazard model as a public education tool targeted at school children to help create greater awareness and engagement. It'll be promoted by Auckland Museum as part of their school programme.

Are you prepared for a disaster? We're working with Piha and Karekare residents to create a community

resilience plan. Over in the Waitākere Ranges local board, Healthy Waters and Auckland Transport are doing the same along with a door-knocking exercise for homes in the flood plain.

Helping can also be learning. We sent volunteers to support teams fighting the Nelson bush fires in February this year, bringing back useful lessons about community engagement and effective capability.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform
We work with partner agencies and stakeholders to coordinate the response in a hazard event and build resilience in the Auckland community						
The percentage of Aucklanders who are prepared for an emergency	●	▼	65%	64%	66%	Not measured This a subjective measure where the level of preparedness may be influenced by external factors such as weather or hazards and whether people are affected directly or indirectly.
The percentage of Aucklanders that have a good understanding of the types of emergencies that could occur in Auckland	●		75%	81%	New measure	New measure Aucklanders' most commonly experienced emergencies are power, water and wastewater outages and severe weather. This survey was conducted following the Christchurch mosque attacks and this may have affected how well Aucklanders feel prepared for, or understand types of emergencies.

Investment

Auckland Council holds 100 per cent of the shares in Ports of Auckland Limited (POAL) and 21.99 per cent of the shares in Auckland International Airport Limited (AIAL), a New Zealand Stock Exchange-listed entity. We manage these investments to provide an efficient structure for

their ownership.

Prior to October 2018, our investments were managed by our council-controlled organisation, Auckland Council Investments Ltd (ACIL). ACIL was disestablished and now our investments are managed directly by the council.

Key projects

POAL performance for 2018/2019. It returned a dividend of \$45.9 million to the council, \$3.9 million less than the prior year. It achieved a return on equity of 10.9 per cent.

AIAL performance for 2018/2019. It returned a dividend of \$58.6 million to the council, \$2 million more than the prior year. It achieved a return on equity of 9.2 per cent.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform
We manage Council's investment in Ports of Auckland, Auckland International Airport and Auckland Film Studios						
The annual growth in Auckland Council's dividend compared to the Customer Price Index growth	●		CPI plus 1.5%	-1.82%	New measure	New measure The annual growth in our Ports of Auckland dividend wasn't met, as work on automating the container terminal and other infrastructure workers reduced the port's capacity leading to a decrease in net profit. This work is scheduled to be finished by the end of FY2022 and we expect dividends to increase from then. This result and target is based on dividends received from Auckland Council's investments in Auckland Airport and Ports of Auckland, which are held for commercial purposes. It does not include investments held for non-commercial purposes such as interest dividend, local government funding agency and Panuku. CPI for FY2019 was 1.67%.

Environmental Services

Fresh air, clean water, green spaces and biodiversity are connected to our sense of identity, place and wellbeing. Our beautiful natural environment is one of the things that makes Auckland unique in the world. However, our natural environment is being damaged.

We have a programme of work, funded by the Natural Environment Targeted Rate, that will improve the health of our waterways and coastal waters, reduce sediment runoff from housing development and tackle pest plants and animals.

We're working alongside iwi and our community partners to protect our natural environment, promoting reuse and recycling, protecting people and their property from flooding, supporting public health and safety, and managing emergencies, hazards and crises.

Key projects

Our Natural Environment Targeted Rate is already delivering gains for kauri, pest control and community groups. We invested \$5 million to protect kauri from Kauri dieback disease across 26km of track in

our regional and local parks. We've reopened eight tracks in the Waitākere Ranges including the popular Kitekite Falls Track.

We put another \$2 million into pest management to deliver more feral pig, deer, goat and possum control. Ground-based possum control across 10,500ha of the Hunua Ranges has increased the number of breeding pairs of kōkako. We've doubled our efforts to remove weeds such as climbing asparagus and moth plant from 21 regional parks and made significant progress on an expanded programme of pest plant and animal management at 114 high-value sites in local parks.

We provided another \$1.4 million to community groups and landowners in recognition of the part they play in our environmental efforts. The funding will go to tools for conservation management and restoration.

We're keeping our islands safe from unwanted invaders. Our island biosecurity dogs are so successful we've expanded the team to 14 dogs, with three more handlers and a new dog facility. Nine summer

ambassadors helped educate ferry passengers on how to reduce the risk of spreading pests and pathogens, supported by signage at access points and digital messaging on the Met Service marine forecast website. We've doubled our monitoring of Argentine and Darwin's ants on Aotea-Great Barrier and are working to eradicate rhamnus from Rakino Island. We provided funding of \$2.7 million to Te Korowai to Waiheke to help achieve a predator-free Waiheke.

We're doing more to support community

conservation. We directly supported 45 community conservation groups, iwi, schools and individuals with pest animal and weed control supplies worth more than \$407,000. Our pilot Community Coordination and Facilitation Grant saw \$740,000 awarded to 34 successful applicants. We increased our existing Regional Environment and Natural Heritage Grant by \$200,000 to fund more conservation activity and invested in a new multi-agency innovation fund – 9Wire – to fast-track environmental innovations.

Action on marine biosecurity. We've boosted surveillance for marine pests like Mediterranean fan worm at Aotea-Great Barrier and will soon start surveying distribution and numbers of targeted marine pests in the Kaipara and Manukau Harbours.

Continuing our commitment to sustainability.

We continued our Live Lightly, Retrofit Your Home and Sustainable Schools programmes. Live Lightly encourages lifestyle changes that enable Aucklanders to save money, improve health and reduce their carbon emissions. Retrofit Your Home loans cover insulation, clean heating, moisture extraction, water tank installation, energy and water efficiency devices. Our Sustainable Schools programme reached 73 per cent of Auckland schools, helping to develop youth leadership through mentoring, networking and directly delivering community environmental action. We engaged with more than 28,000 Aucklanders through our low carbon living programmes and healthier homes programmes.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform	
We manage Auckland's natural environment							
The proportion of kauri areas on Auckland Council land that have active management in place for kauri dieback disease	●	▼	75%	87%	89%	68%	Improved mapping shows we have more Kauri areas than we thought and we've significantly increased the number of areas being actively managed. Tracks near kauri in 35 local parks have been closed temporarily until they're safe from dieback disease. We've also increased protection for kauri already under active management.
The number of hectares under community pest control	●	▲	130,000	299,000	124,000	124,000	Previously, community groups would self-report the area in which they are conducting pest control or restoration activity, leading to variability in reported results and many cases a reflection of the total area of stewardship rather than the actual area of activity. However, increased investment in capturing information has determined a larger area is under some form of community group stewardship. Also, we have begun mapping the areas of actual pest control and restoration activity, so this has meant that previously provided information is likely to have been underestimated.
The percentage of priority native habitats under active management	●		25%	42%	New measure	New measure	
The percentage of threatened plants and animals under active management	●	▲	38.0%	41.7%	33.9%	34.5%	We have an estimated 400+ threatened species in Auckland and know enough about 127 of them so we can enhance their populations. This also includes island biosecurity which has been enhanced by the Natural Environment Targeted Rate.
We support Aucklanders to adopt a low carbon lifestyle							
Number of Aucklanders engaged in living low carbon lifestyles	●		20,000	28,387	New measure	New measure	
The percentage of schools engaging in sustainability education programmes	●	▲	58%	72.9%	62.7%	72.6%	We're increasing our team capability and taking a more systematic approach to growing the programmes.

Regional Community Services

We provide and maintain parks, cemeteries, libraries, community and recreation centres, housing for older people and essential infrastructure such as coastal walls.

We partner with community groups to build a strong community. For example, we provide glamping in holiday parks and library collections while community groups, funded by us, deliver events in parks and arts and culture programmes in community centres.

Key projects

We opened Te Manawa, our first integrated services hub, at Westgate. Offering library, customer service center, creative spaces, Citizens Advice Bureau and a range of literacy and community-focused programmes and activities. Te Manawa has welcomed over 1,100 visitors per day – double the old Massey Library visits – with over 100,000 visits since opening.

More grant funding to deliver more art and cultural activities. We increased our Regional Grants Programme by \$4.3 million for sector and community-led arts and cultural activities, events, community development and safety.

We're investing more in sport and recreation facilities. We invested an additional \$5 million in eight sports facility projects to see most of them fully funded. We're contributing \$5.6 million to help Auckland surf clubs rebuild and improve their facilities. The upgraded Red Beach facilities opened in 2018 and we're planning to replace club house facilities at Karekare and Kariaotahi. We contributed \$5.5 million to the new stands at the ASB Tennis Centre to support Auckland Tennis to hold the Women's Tennis Association/Association of Tennis Professionals (WTA/ATP) competition.

We're doing more to protect and enhance our maunga. We upgraded the Ohinerau/Mt Hobson track, Maungawhau/Mt Eden and Ōwairaka toilets, completed pedestrianisation projects and made considerable progress on vegetation restoration programme and renewals. We released the draft Tupuna Maunga Strategies for public comment and took over administration of Maungauika/North Head from the Department of Conservation as part of the Ngā Mana Whenua o Tāmaki Makaurau Settlement Act.

We're working with iwi and mataawaka. We are supporting the Ngāti Whātua Ōrākei Reserves Board for the infrastructure work at Pourewa Creek Recreation Reserve. Our Ōrākei Visual Framework was developed and discussed with whanau and the community. It will be used to inform

developments and the cultural narrative on the Whenua Rangatira and Bastion Point in conjunction with Ngāti Whātua Ōrākei. We're supporting Te Poari o Kaipātiki ki Kaipara to improve the health and safety of its facilities at the reserve and investing in infrastructure to enhance public space in front of the reserve.

We are protecting our coastal assets in the face of rising sea levels. We're working on a \$90 million priority plan for protecting existing assets and developing new ones. We completed inundation modelling for the whole coastline, including sea level rise considerations; and maps are being updated.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform	
We deliver region-wide graffiti eradication services to improve beautification of the city and enhance perceptions of safety and wellbeing							
The percentage of all assets that are graffiti free across the city	●	^	95%	96%	94%	94%	This our highest score since 2011 with significant improvements in Waitemata, Puketāpapa, Howick and Maungakiekie-Tāmaki local board areas.
We fund, enable and deliver arts and culture experiences that enhance identity and connect people							
Percentage of eligible capital budget ¹ dedicated to public art	●		1.0%	1.4%	New measure	New measure	We are on track with supporting and investing in public art activities. We acknowledge one of the contributing factors is a reduced eligible capital expenditure programme. This result does not include any CCO public art activities as there was not enough data gathered from the CCOs. Our Arts and Culture team are working to improve the data collection process and monitoring of the Public Art Policy.
We manage Auckland's natural environment and help Aucklanders adopt a low carbon lifestyle							
The number of New Zealand native plants grown for revegetation programmes in the Botanic Gardens	●	v	60,000	60,980	63,750	60,955	
The number of volunteer hours worked in regional parks each year	●	v	80,000	65,168	81,342	84,860	Volunteers don't complete timesheets and we don't have the capacity to introduce this level of administration. We're seeing some decline in participation from corporates and schools, but the reasons are unknown.
We provide and maintain cemeteries, memorial areas and facilities for families, friends and visitors							
The percentage of visitors satisfied with the presentation of cemeteries	●	^	81%	78%	75%	75%	The new cemetery management team is working with service providers and departments to improve standards across all sites. Clear signage and access have been identified as areas for improvements and are currently being reviewed.
We provide library services and programmes that support Aucklanders with reading and literacy and opportunities to participate in community and civic life							
The number of library items checked out (including e-items) (millions)	●	v	14.6M	15.2M	15.3M	15.3M	Checking out of physical items such as books continues to decline but total library items checked out exceeded the year's target by 4 per cent, mainly through digital holdings. Of that total, 16 per cent came from our E-collection, a rate well above international comparisons. This is partly due to initiatives such as simultaneous-use titles in Overdrive, contributing to a 30 per cent increase in use from this platform.
The number of website sessions on Auckland Libraries website (corrected for the percentage of bounces, or non-productive page landings) (millions)	●		7.0M	7.04M	New measure	New measure	Our new website has improved the visitor experience, including summer reading programmes; information on library locations, hours and events; and heritage content via the website and Kura Heritage Collections Online.
The number of active library members (members who have used their membership account at least once in the past 12 months)	●		390.0K	404.9K	New measure	New measure	Our active members grew by 13,500, significantly exceeding target and split equally between new and lapsed members who re-engaged. We'll run a campaign next year to gain new members through a new e-membership and making joining easier. We'll also investigate why some members disengage and develop customer retention strategies.

We provide recreation programmes, opportunities and facilities to get Aucklanders more active, more often								
The percentage of residents participating in sport and recreation at least once per week	●	^	72%	73%		66%	68%	
The percentage of available time that sportsfields are booked (utilisation rate)	●		87%	Not measured		New measure	New measure	Due to system upgrades, we could only collect data for April-June 2019 and therefore are unable to report against this target.
We provide rental services to older tenants and maintain the older persons property portfolio								
Percentage of tenants satisfied with the provision and management of "housing for older people"	●	^	76%	72%		63%	62%	Tenant satisfaction has increased from 63% 12 months ago, and is trending in the right direction. A driver of this improvement is an increase in satisfaction with Haumaru Staff.
We provide safe and accessible parks, reserves and beaches								
The percentage of the public who have used a regional park in the last 12 months	●	v	76%	68%		69%	72%	Track closures and increased hygiene measures put in place may have deterred visitors to our regional parks.
The percentage of park visitors satisfied with the overall quality of their visit	●	^	96%	98%		95%	96%	
We showcase Auckland's Māori identity and vibrant Māori culture								
The percentage of regional programmes, grants and activities that respond to Māori aspirations ²	●		13.9%	16.0%		New measure	New measure	We exceeded target as a direct result of our continued focus on responding to Māori aspirations across the region. This work includes safe communities accreditation, homelessness operational response, regional community development grants and the Matariki Festival.

1. The eligible capital budget is defined in the Auckland Council Public Art Policy.
 2. Arts, culture and events programmes, grants and activities identified to have Māori outcomes including Māori values, kaupapa Māori or mātauranga Māori considerations.

Regional Governance

Regional governance keeps the wheels of democracy turning and ensures elected members can effectively represent their communities. We manage local elections, provide advisory support to the mayoral office, councillors and CCOs, and ensure the Governing Body, committees and other council groups run smoothly.

Key projects

Our elected representatives are feeling more supported. Elected representatives attended a Governance Fundamentals Programme which helped

them better understand our governance model and their shared responsibilities.

We also continued training our staff to improve the quality of advice they provide to elected representatives, with staff attending courses focused on this. Our written reports are reviewed and scored by NZIER for quality – our reports scored an average of 7.38 out of 10, a lift from the 7.11 achieved in 2017, and was the highest achieved amongst the six council's NZIER reviewed reports.

These initiatives have contributed to lifting elected

members' overall satisfaction with advice and support from council staff to 60 per cent, up seven percentage points since 2017. Satisfaction with the overall quality of written advice is 64 per cent, up nine percentage points since 2018, and 68 per cent for verbal, up six percentage points since 2017.

We're strongly promoting diversity across local government. The Elections team is working with community partners to promote diversity for both candidates and voters in October's local body elections.

We supported the CCO Governance team with a survey to help establish a baseline of the demographic make-up of our CCO boards and of directors' perceptions of diversity and inclusion. We provided input for an integrated panel workshop on Age-Friendly Auckland. We participated in the review of our advisory panels, presenting results to the panels and local board chairs' forum to leverage their connections and advice to more effectively reach our diverse communities.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform	
We contribute to resilient, sustainable and thriving marae facilities and infrastructure that support marae as hubs for their communities							
The number of mana whenua and mataawaka marae that received support to renew or upgrade marae infrastructure (out of 32 existing marae)	●		4	10		New measure New measure	
We provide opportunities for Aucklanders to contribute to community and civic life							
The percentage of residents who feel they can participate in Auckland Council decision making	●	▼	50%	36%	38%	34%	Despite enhancements to our consultation process, Aucklanders' perceptions have proven slower and more difficult to shift than anticipated. However, we did make some gains. Enhanced engagement with Asian communities more than tripled their submissions to the last 10-year Budget consultation to just over 3,000.
The percentage of Māori residents who feel they can participate in Auckland Council decision making	●	▼	50%	32%	36%	32%	While Māori participation in decision-making grew from 573 in 2015 to 1623 in 2017/18, this didn't deliver the expected improvements. Perceptions held by Māori communities at large have proven slower and more difficult to shift than anticipated.
The number of iwi that have signed a formal relationship agreement with the Governing Body (out of 19)	●		11	4	New measure	New measure	Four out of 19 iwi have signed relationship agreements with the Governing Body. Another six agreements are expected in 2019/2020, with the target met by the end of FY2021.
The number of complaints regarding council democratic processes upheld by the Ombudsmen or Privacy Commissioner	●	▲	0	13	0	0	One complaint was upheld in full. The other complaints related to the council's delay in making a decision under LGOIMA, or were partially upheld. We have shared learnings from these investigations with key staff across the council and are building them into improvement initiatives.
The percentage of eligible voters who voted in the local elections (3 yearly)			N/A	Not measured	New measure	New measure	This is a 3-yearly measure and did not apply in 2018/2019.
The percentage of post-hearing survey respondents who feel they have had a fair hearing (annual)	●		75%	72%	New measure	New measure	Hearings are chaired by independent commissioners and perceptions may be based on the hearings process. Our current commissioners come up for review soon, and a new contract and set of performance measures are proposed as part of the new contracts. We're also introducing a Quality Practice Programme for all commissioners to ensure all parties are given the opportunity to be heard fairly at a hearing.
The percentage of LGOIMA and Privacy requests completed within statutory timeframes	●		95%	81%	New measure	New measure	We had higher than usual numbers of LGOIMA requests this year and combined with staff vacancies, this affected our ability to meet statutory timeframes. We have created a new position in the LGOIMA team and expect to see improved timeliness in the next financial year.
We support the Māori led housing and papakainga development through the planning processes							
The number of Māori organisations and trusts projects that have been supported to achieve Māori housing and papakāinga development	●		14	18	New measure	New measure	

Regional Planning

We plan for what we're doing today and how we'll accommodate our growing city in the coming decades. It includes strategy and research, unitary and area planning, community and social policies, natural environment and heritage protection, urban design, housing and infrastructure, and the Southern and Western Initiatives.

Key projects

We're resolving the last remaining appeals on the Auckland Unitary Plan. We made considerable progress on appeals. Since 2016, we've resolved 60 of 74 cases in the Environment Court, leaving 14 to be finished. In the High Court, five of 47 appeals need resolution. All cases at Judicial Review were resolved.

We have plans for three new large housing developments. We're opening up land in Warkworth, Drury-Opaheke and Pukekohe-Paerata future urban areas capable of taking more than 40,000 new dwellings and creating 10,000 new jobs. The plans were developed with extensive community engagement and mana whenua involvement. The next step is to confirm the timing and funding of the key infrastructure required to support the development of these important greenfield growth areas.

We're protecting Māori cultural heritage. A Unitary Plan change was notified to add 35 sites of significance to mana whenua. This is the first in a series of plan changes and other initiatives to recognise and protect Māori cultural heritage and is the result of a highly collaborative process with mana whenua.

We added new parks and open space across Auckland. We now have 29ha of new parks and open space created across Auckland, including 65 Hibiscus Coast Highway, 751 and 787 Kaipara Coast Highway, 161 and 167 Bringham Creek Road, 490E Don Buck Road, and 84 Thomas Road.

We refreshed the Auckland Design Manual (ADM). We refreshed the manual to align with the Auckland Plan 2050. The ADM provides urban design guidance to developers and the public, and supports quality design of the built environment. Activities included a Design for Waste Guide to help manage the challenges developers, designers and the council face with higher density developments. We released the first three Universal Design Checklists to help designers create design-friendly features. These checklists covered the design of stairs, lifts and parking. We created a Papakāinga hub with resources for papakāinga housing, including worked examples, case

studies and journal videos of a papakāinga project in the making.

We're making progress on city centre projects. We completed work to prepare Quay Street and the Ferry Basin for redevelopment. Once finished, Quay Street will become a revitalised space that encourages all modes of transport with wider footpaths, seating and easier navigation between ferries, buses, and trains. We completed a business case and design for the Victoria Linear Park, a pedestrian-friendly link between Victoria and Albert Parks. We began Karangahape Road improvements to deliver cycleways in each direction, rain gardens and further landscaping, car parking changes and peak hour bus lanes.

We gave the green light to bold, new city centre plans. Access for Everyone (A4E) proposes three bold new ideas for changing central Auckland. The council approved plans to further pedestrianise Queen Street and will consult on a proposed tree-lined boulevard on the lower part of Grafton Gully, and incorporating Te Ao Māori, cultural practice and identity in city centre planning. A4E divides the city centre into 11 separate low-traffic neighbourhoods to unlock space for people walking,

people cycling, emergency services, mobility access, business services and deliveries. The plans also address the flagship action of our climate action framework – a zero-carbon resilient city centre – by establishing a significant zero emissions area in the city centre.

We're sailing ahead on the America's Cup project. The "Rapaki" and "William C Daldy" vessels have been relocated, the ASB car park vacated, two companies are leaving their sites, and we're relocating the Sealink ferry terminal, the fishing fleet and the seaplane. We've briefed the four local boards – Devonport-Takapuna, Ōrākei, Waiheke and Waitemata – that will be directly impacted along with the Auckland City Centre Advisory Board. Three late challengers have been accepted by the race organisers, adding some pressure to timelines and ability to build facilities. We're working with the Mana Whenua Kaitiaki Forum to discuss their needs from this project.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

	Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform
We meet all planning legislative requirements							
The percentage of unitary and area plan changes and Notices of Requirement processed within statutory timeframes	●	—	100%	100%	100%	100%	All plan changes processed within statutory timeframes.
The percentage of adopted core strategies, policies and plans incorporating Māori outcomes or developed with Māori participation	●	—	100%	100%	100%	100%	All 19 iwi are engaged in the process.
We provide a coordinated council response to major development and infrastructure programmes, including major housing developments							
Percentage of Development Programme Office programmes that identify and engage with key stakeholders including mana whenua and Māori organisations	●		95%	100%	New measure	New measure	
The percentage of City Centre Targeted Rate programme delivered on time and within budget	●		80%	52%	New measure	New measure	In order to minimise disruption in the city centre, the phasing of some projects have changed, resulting in changes to the original anticipated programmes.

Waste Services

How we manage household waste, recycling, hazardous and inorganic waste or public litter bins is key to a healthy natural environment. Standardised services help Aucklanders minimise their waste and reduce their waste disposal costs. New region-wide services, such as booked inorganic collections and Community Recycling Centres, have begun diverting useful materials from landfills. Our goal of Zero Waste by 2040 aligns with Te Ao Māori and the tradition of kaitiakitanga to preserve the mauri of taonga tuku iho.

Most of our work is covered under our Waste Management and Minimisation Plan.

Key projects

We're making progress on managing and minimising waste. We're expanding our focus to the 80 per cent of waste that is commercially managed and produced, such as construction and demolition, commercial organic waste and commercial plastic waste. We're working with government to increase the waste levy and to improve product stewardship, including a mandatory nationwide container deposit scheme.

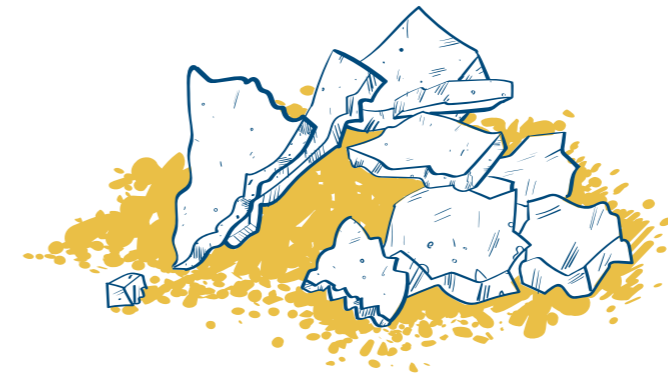
We ran a workshop alongside the Sustainable Business Network and Civil Share on construction and demolition

waste – and it was a sell-out. A working group was formed to think about how to reduce construction and demolition waste.

We're opting for deconstruction for some buildings. We're pulling down buildings, but they're not all going to waste. Timber from the Puhoi Domain Barn helped create outdoor furniture for a school in Tonga affected by Cyclone Gita. We surveyed 30 Eden Terrace buildings to be demolished for the City Rail Link with the goal of doing a "soft strip" to recover materials before demolition. We recovered almost all the kauri and rimu from the former Masonic Hall in Herne Bay for reuse, with a large amount of furniture and fittings distributed to community organisations. Out of 202 tonnes of material, we diverted 195 tonnes from landfill. Greenway Demolition and TROW Group partnered to strip the Birkenhead War Memorial Park grandstand of materials and items for reuse and recycling before demolition. We diverted 240 tonnes of material from landfill, including some 500 linear metres of native timber.

Papakura showing the way in using food scraps service. Since starting in March 2018, we estimate 1,376 tonnes of kerbside food scraps have been diverted from

landfill – about 112 tonnes a month. Papakura's waste to landfill declined 12% on the previous year in relation to food scraps collection alone. We're rolling out the service across the rest of Auckland from 2020/2021.



Our new inorganic collections model is making a real difference. We've diverted 5,609 more tonnes of waste from landfill and resolved some significant health and safety and public illegal dumping issues. Our inorganic collection service received more than 119,104 bookings last year with 139 community groups registered to receive inorganic material from the service.

We have a new construction waste brokering app. Built by Civilshare and supported by our Waste Minimisation and Innovation Fund (WMIF), the app makes it easier for the construction industry to give unwanted materials a new life and avoid sending waste to landfill.

We're tackling illegal dumping. We're working with Manurewa, Clendon and Randwick Park communities to tackle the high level of illegal dumping. We're focusing on building community pride and signs at hotspot locations while community groups are door knocking to raise awareness. We also established an 0800 NO DUMP illegal dumping reporting line.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

	Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform
We help Aucklanders minimise waste to landfills							
The volume of domestic kerbside refuse per capita per annum (kg)	●	▼	150kg	140kg	144kg	144kg	Includes estimates of privately collected refuse volumes and market share.
Total number of Resource Recovery Facilities	●	▬	6	5	5	4	We were slightly behind target due to issues with finding suitable land and obtaining the necessary resource consents for additional sites.
The total waste to landfill per year (kg per capita)	●		877kg	922kg	New measure	New measure	This activity is based around the calendar year, so this result relates only to 2018. Benefits from our Waste Management and Minimisation Plan, especially for construction and demolition waste, will take time to show as reductions in landfilled waste.
We manage land use and development on council's closed landfills to safeguard the region's environment, productivity and economic value of soil							
Percentage of customers satisfied with overall reliability of waste collection services	●	▲	76%	74%	69%	74%	There were no service roll-outs or changeovers this year and the increase in customer satisfaction comes from examining existing processes and finding ways to improve the customer experience. This result includes the "Don't know" survey responses.
Percentage of council-controlled closed landfill discharge consents achieving category one or two compliance ratings	●	▬	98%	100%	100%	100%	These are Auckland Council owned and monitored landfills.

Third Party Amenity and Grants

Auckland Council contributes funding to the Auckland War Memorial Museum and the Museum of Transport and Technology (MOTAT). We also contribute funding to the Auckland Philharmonia Orchestra, NZ Opera, Auckland Theatre Company, Auckland Arts Festival, Stardome

Observatory, Coastguard Northern Region, Surf Life Saving Northern Region, Auckland Rescue Helicopter Trust, and Watersafe Auckland / Drowning Prevention Auckland through the Auckland Regional Amenities Funding Act. This supports those organisations in their delivery of services

and facilities to Auckland residents.

Council also provides funding for the Independent Māori Statutory Board as required by the Local Government (Auckland Council) Act 2009.

Key projects

We are undertaking a review of Auckland's major cultural heritage institutions. This review is currently underway. This review will look at both strategic investment priorities, and the funding and governance structures of the cultural heritage sector and its institutions.

There are no performance measures for this activity

Organisational Support

We support the council's operating functions and the daily services it provides to decision-makers such as the Governing Body and local boards, and Aucklanders using our services. These include finance, procurement, corporate property, IT, people and performance, legal and risk, and technical services. We directly support quality interactions such as customer services and communications and engagement between the community and the council.

Key projects

We're meeting our targets to save money. We saved \$24.6 million in operating costs against a target of \$23 million last year. Most of these savings were met by a strong focus on prudent financial management, with the rest spread across various initiatives including the introduction of Robotics Process Automation improvements to our digital booking system for venues

and facilities. We continued our Value for Money programme to identify potential improvements to the way we deliver services to achieve greater effectiveness and efficiency for Aucklanders. We completed reviews on Information and Communication Technology; Customer Service, and Finance. To date, the entire programme has identified \$538m of opportunities for benefits with \$270m already realised.

There are no performance measures for this activity

Regulatory Services

Regulation helps underpin Auckland's successful development and contributes to Auckland being a safe place. Our teams deliver consenting and inspection services for resource, building, and development engineering consents. We license food and alcohol premises, manage bylaws, control dogs and noise, provide property information, and enforce compliance for non-compliant development.

Key projects

We caught the dumper. Illegal dumping of waste is a growing problem, so we were pleased a scrap metal business owner was sentenced under the Resource Management Act 1991 to three months' home detention and ordered to pay over \$17,000 in reparation to the council. He made several night-time visits to the Waitākere Regional Park to dump leaking oil drums which he had been paid to dispose of. This included 18 oil drums dumped next to a reservoir and only rapid action from our pollution

response staff prevented contamination of our water supply.

Inspections are reducing swimming pool risk.

Swimming pools are a significant risk to children and we've worked hard to reduce risk in this area, increasing staff numbers and working with other parts of the council to improve processes. We've now inspected 96 per cent of Auckland's pools, up from 80% last year.

Our new booking system makes it easier for you to talk to the right person.

We've introduced a new booking system allowing customers to book in-person meetings in advance. Many of our customers still like the personal touch of visiting our service centres in person to discuss building or resource consent-related issues, but at times were frustrated by delays when demand exceeded staff capacity. Since launching in April 2019, we've booked over 2,000 customer meetings.

We're continuing to reduce harm from alcohol. We successfully conducted seven enforcement actions against several liquor stores for matters such as sale to minors and irresponsible promotion. This helps reduce alcohol harm by ensuring those serving alcohol are more responsible.

We made dog registration even easier. We made online re-registration easier and 70 per cent of customers used this channel last year. We also introduced email and text notifications and the ability to choose a disc or strap licence tag online.

We came to grips with e-scooters: We managed the first public trials of e-scooters, navigating a complex legislative environment. In February, we suspended a trading licence following several incidents of harm. Since then, we have authorised several providers to conduct a second trial through to the end of October 2019 under more stringent conditions to keep Aucklanders safe.

We're supporting Māori housing initiatives. We granted \$150,000 to each of three Māori Housing initiatives to contribute to feasibility, planning, regulatory and development costs. The Papakura Marae kaumatua housing project will establish six kaumatua units on the existing marae site. Detailed design work has begun. The project is primarily funded by government agencies with the council providing some grant funding toward regulatory and planning costs. We granted funds to Te Mahurehure Marae Housing project which will establish 12 two-storey units at the marae. Our funding contributes to project feasibility costs with most funding being self-funded or sourced through central government agencies. We're supporting Māori-led land development by helping determine feasibility without the need for consultants. We prepared 20 information packages which included a detailed land assessment and potential land-use options.

Digitisation is making our inspectors more efficient.

Our new Inspect app enables inspectors to complete their checklists digitally and have the results transferred automatically into our system. The e-checklists are also linked to the consent monitoring and swimming pools enclosures Codes of Practice. This project built on our earlier Book and Schedule application allowing the public to book inspections at a time suitable to them. This project won the team award at the council's 2019 Te Pou CEO awards.

Our work on the new food regulations is A-grade.

An external audit of council's food safety services by the Ministry for Primary Industries says we're leading the way nationally in most areas of the implementation of the Food Act. Our Environmental Health team has established two best-practice groups which focus on verification and enforcement.

We made the move to new food regulations. We continued to transition tens of thousands of food premises across to the new regulations, focusing on those with higher risks. We successfully passed our external accreditation visit and had our authority extended to verify lower and higher risk food businesses. This recognises how well we have implemented the new legislation.

We have continued to promote online applications for people wanting consents or licences, responding to their needs. In December, we introduced a new application to streamline the processing of online applications for building and resource consents and other licences. This will speed up our service and pave the way for online updates on applications in the future.

We're working closely with Housing New Zealand (HNZ) and Homes, Land and Communities (HLC) on several projects. We added HNZ and HLC into our qualified partner programme and, given their volumes, we established dedicated teams to manage their applications. We're also working on quality improvement and standardisation initiatives to further streamline the consenting process. A consistent approach to environmental and social outcomes and application content will help quality housing to be developed more quickly to address our housing shortage.

Around 15 per cent of our approved resource and building consents last year were connected with regenerating significant HNZ brownfield areas through Kainga Ora (HNZ and HLC).

We've approved a new park in Mt Roskill South and development of the greenway in Northcote is imminent. We have a cost-share agreement with HLC for stormwater infrastructure on Freeland Reserve.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform	
We help reduce harm from noise and other nuisances							
Percentage of complainants satisfied with the noise control services	●	▼	51.0%	52.3%	54.0%	59.4%	Customers are satisfied with the initial contact with council but are frustrated with the time taken to attend the call and the lack of information regarding the action taken.
The percentage of verified noise complaints issued with a formal notice	●		90%	95%	New measure	New measure	In most cases where the noise has been verified as excessive, it has stopped while the noise control officer is on site. For this reason, no formal notice has been served.
We make it easy for customers to apply for consents and we process these in a timely and professional way							
The percentage of non-notified resource consent applications processed within 10 working days	●		20%	21%	New measure	New measure	
The percentage of notified resource consent applications processed within statutory time frame	●	▲	100.0%	75.4%	50.7%	44.8%	Notified consents are complex and the time required to process them has a large effect on performance.
The percentage of building consent applications processed within 10 working days	●		20%	9%	New measure	New measure	Performance improved during the second half of the year with April, May and June 14%, 13%, and 13% respectively.
We register dogs and respond efficiently when animals cause harm or nuisances							
The percentage of cases of non-compliance for menacing dogs that reach compliance within 3 months	●		90%	89%	New measure	New measure	This is a new measure that is taking time to bed in. Seven of the 12 months met target and of 1,029 dogs classed as menacing, 94% were desexed by 30 June 2019.
We regulate the safe operation of premises selling food and/or alcohol							
Percentage of licensees satisfied with the food and hygiene licensing service	●	▬	70%	80%	80%	82%	This result reflects the team's work in supporting our food businesses to successfully transition to the new food safety legislation. Customers are praising our helpful and friendly staff, with most finding the process quick and easy.
Percentage of licensees satisfied with the alcohol licensing service	●	▬	67%	85%	85%	83%	This result reflects positive liaison with customers while working to reduce alcohol-related harm. Customers are praising our helpful and friendly staff, with most finding the process quick and easy.
The percentage of food premises that improve from a D or E grade to an A, B or C grade when revisited*	●		95%	100%	New measure	New measure	We note that there has been a decrease in the number of premises that have received a D/E grade this year with the Food Act 2014 being fully implemented and a new Food Safety Bylaw being introduced. Not all food businesses in Auckland are verified and graded by Auckland Council, some are verified by non-council agencies. The result has been determined from 35 premises that have received a D or E grade and have subsequently been re-graded by Auckland Council this year.
The percentage of off-licence premises that pass a Controlled Purchase Operation targeting underage drinkers	●		90%	92%	New measure	New measure	

*revisited refers to re-verification of the grade

KEY ISSUES

KEY ISSUES

Building and non-notified resource consents key issues

These measures show how long it takes to process applications, from when a complete consent application is received through to when the consent is issued. They do not measure the quality of the technical decisions, which are the basis on which consents are issued.

Following data accuracy issues in the 2017/18 year, we continued testing to check if the issues had been resolved and found that they remain and accordingly we have been unable to rely on the system data for this year. To work out our result for 2019, we have recalculated the consent processing time manually based on a representative sample of consent documentation and other evidence. The statistical

samples for building and resource consents provide us with a 95 per cent level of confidence that the results reported are accurate.

A conservative approach followed in respect of evidence for every date the statutory clock was started, stopped or "suspended". Where we were unable to locate the required evidence, or it was otherwise unclear the consent has been classified as not meeting the statutory timeframes.

The results based on the sample show that 56 per cent of Resource Consents and 60 per cent of Building Consents were processed within the statutory timeframe of 20 days.

2019 performance information

The disappointing results of the last 12 months continue to underline the complex and challenging consenting environment brought about by an enabling Unitary Plan and the significant number of complex commercial and residential apartment and terrace housing developments driven by the growth of Auckland.

To address the substandard performance levels; the Regulatory Services Directorate is embarking on a business optimisation programme focusing on our Customers, our People and our Tools and Capability. We will focus on significant improvements to our end to end systems and processes and have already started on the Lodgment process and the Request for Information process.

In addition, there has been some automating of information processes, implementation of some calculation fixes and have provided quick reference guides for staff who are using the system. We have clarified our business processes, so our staff know when to start and stop the "clock" we use when tracking consenting timelines. We will be providing additional targeted training to our staff to ensure they understand new process and system requirements in addition to training provided on the correct processes when processing and recording consenting information. We have also introduced new assurance steps to check the accuracy of the information in our consenting systems on a continual basis.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform	
We make it easy for customers to apply for consents and we process these in a timely and professional way							
The percentage of customers satisfied with overall quality of resource consents service delivery	●	▲	55.0%	53.1%	49.0%	57.8%	Slightly under target. Customers were positive about the competency and helpfulness of staff when contact is made. Key drivers for dissatisfaction included delays in processing and the effort required in applying.
The percentage of non-notified resource consent applications processed within 20 statutory working days	●	▼	100%	56%	67.0% modified audit opinion	77.1%	See above for 2019 performance information.
The percentage of customers satisfied with the overall quality of building consent service delivery	●	▼	60.0%	45.4%	50.0%	55.1%	Customers were positive about the services provided by call centre staff and inspectors. Key drivers for dissatisfaction included delays in receiving invoices or Code of Compliance Certificates, larger invoices than expected, and requests for further information (RFIs) they felt could have been resolved by checking the application earlier.
The percentage of building consent applications processed within 20 statutory working days	●	▲	100%	60%	52.0% modified audit opinion	80.0%	See above for 2019 performance information.

2018 performance information

In 2018 there were concerns about the accuracy of our information for these two performance measures and they received a modified audit opinion reflecting that Audit NZ could not obtain assurance that the results were accurate.

Last year when we sampled our consents to check our consenting systems' accuracy, we discovered significant discrepancies. We have decided to focus our efforts on improving systems and controls to ensure the integrity of consenting information for

2018/2019, rather than fixing errors in the 2018 data set. This means the modified audit opinion remains in place for the 2018/2019 comparative performance information in this report.



Funding impact statement – Regionally Delivered Council Services

For the period ended 30 June 2019

\$MILLION	NOTES	ACTUAL JUNE 2019	LONG-TERM PLAN 2019	LONG-TERM PLAN 2018
Sources of operating funding:				
General rates, UAGC, rates penalties	1	434	446	414
Targeted rates		136	135	107
Subsidies and grants for operating purposes	2	20	13	9
Fees and charges	3	478	490	482
Internal charges and overheads recovered		216	216	185
Local authorities fuel tax, fines, infringement fees and other receipts	4	115	83	94
Total operating funding		1,398	1,383	1,291
Applications of operating funding:				
Payment to staff and suppliers	5	1,054	1,024	855
Finance costs	6	59	72	98
Internal charges and overheads applied		147	147	130
Other operating funding applications		-	-	15
Total applications of operating funding		1,260	1,243	1,098
Surplus (deficit) of operating funding		138	140	193
Sources of capital funding:				
Subsidies and grants for capital expenditure	7	38	53	-
Development and financial contributions		53	57	76
Increase (decrease) in debt	8	(182)	348	88
Gross proceeds from sale of assets	9	42	24	-
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total sources of capital funding		(49)	482	164
Applications of capital funding:				
Capital expenditure:				
- to meet additional demand	10	186	420	65
- to improve the level of service	10	169	238	72
- to replace existing assets	10	61	107	93
Increase (decrease) in reserves	11	134	32	59
Increase (decrease) in investments	12	(461)	(176)	68
Total applications of capital funding		89	622	357
Surplus (deficit) of capital funding		(138)	(140)	(193)
Funding balance		-	-	-

Variance explanation Actual 2019 to Long-term Plan 2019

- Rates revenue is below plan due to rates objections, which reduced the amount of rate revenue collected, and fewer rates penalties charged than anticipated, as more ratepayers are paying on time. Additionally, rates revenue is lower for Regionally Delivered Council Services due to a centrally-held assumption around under-delivery of capital projects.
- Subsidies and grants for operating purposes are above plan due to additional subsidies received from the Ministry of Environment for carrying out more qualifying waste minimisation activities and higher than planned subsidies received from the Ministry of Business, Innovation and Employment for America's Cup administration related costs.
- Fees and charges are below plan due to lower than planned volumes at Ports of Auckland which resulted in lower revenue

from port operations. This was due to operational constraints resulting from the straddle carrier automation project as well as the consolidation of shipping line services, which led to services being withdrawn from the market and resulted in fewer calls to Auckland. This was partially offset by higher than anticipated consenting revenue, which is due to higher volumes of consents processed and the prevalence of more complex consents as a result of the new Unitary Plan.

- Local authorities fuel tax, fines, infringement fees and other revenue is above plan mainly due to higher rental income received from renegotiated rental agreements and unbudgeted rental income on new leases. These included rental revenue from Onehunga Wharf and Haumaru Housing.

Continued ➔

- Payment to staff and suppliers is above plan due to higher than anticipated costs driven by increased Waste Solutions service requirements and uplift in volume and complexity of resource and building consents as a result of the implementation of the new Unitary Plan. This was partially offset by lower than planned employee benefits, due to staff vacancies during the year and the plan including the living wage increase for Local Council Services in Regionally Delivered Council Services.
- Finance costs are below plan as the level of debt during the year was lower than anticipated in the plan.
- Capital subsidies are below plan due to lower contributions received from the central government (MBIE) for America's Cup infrastructural work. Council and MBIE agreed to share the costs incurred in constructing the infrastructure for the 36th America's Cup. Construction progress by the Wynyard Edge Alliance was slower than anticipated, which resulted in less contributions received from MBIE. The remaining subsidies for the work will be received in future years.
- The decrease in debt is due to lower than anticipated capital expenditure, which reduced the requirement for debt funding.
- General asset sales are higher than anticipated in the plan due to the sale of 20 Donnelly Street brought forward from future years.
- Capital expenditure is below plan mainly due to:
 - The development of Downtown Public Spaces was partially deferred to 2019/2020 and 2020/2021 to time the delivery with America's Cup and City Rail Link works.
 - America's Cup infrastructure development is a multi year funded project to deliver the infrastructure required for the 36th America's Cup. The final work programme reprioritised the majority of the spend to 2019-2020. Successful projects delivered in 2018-2019 included the completion and handover of Base A to Emirates Team New Zealand, the completion of platforms for Bases C & D and the dredging in the outer Viaduct Harbour.
 - The Regional food scrap collection and processing service is in the procurement phase and the spend will occur before the rollout in 2020/2021.
- Increase in reserves is above plan as the current year settlements of weathertightness claims for multi unit buildings included claims which were planned for settlement in future years.
- The large decrease in investments is primarily due to the decrease in the Auckland Council Group's cash holdings, which were significantly high at the beginning of the year due to pre-funding from a debt issuance in late 2017/2018.



Ngā Ratonga Whakahaere ā-Tari i Raro i te Mana o te Kaunihera

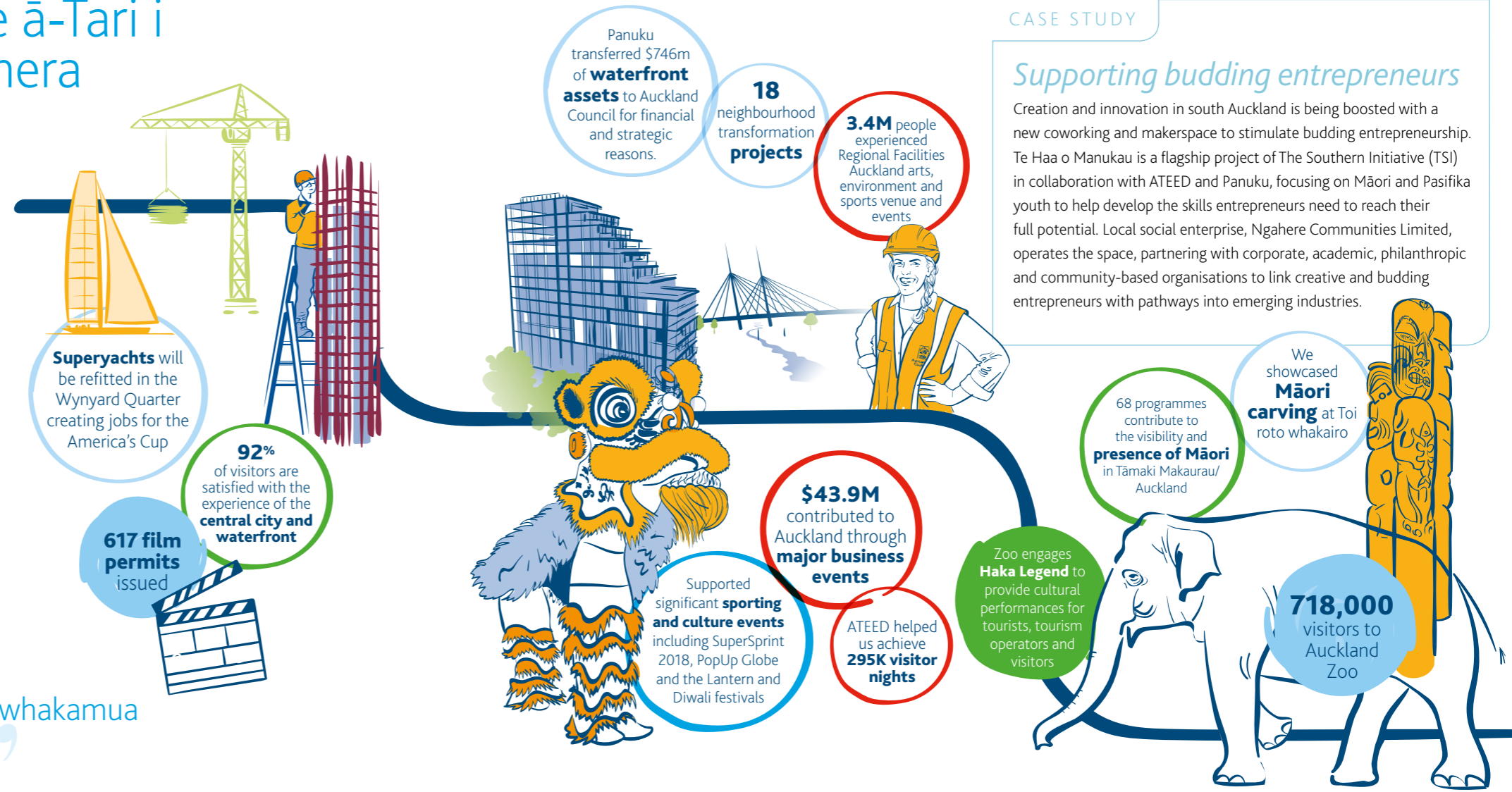
Council Controlled Services

Council-controlled services include property development services, provision of major events and major facilities, and commercial investments. Each activity is governed by an independent board of directors or similar governance group.

These activities are delivered by council-controlled organisations; Panuku Development Auckland, Auckland Tourism, Events and Economic Development (ATEED), and Regional Facilities Auckland (RFA).

Town centre developments can cause disruption to local communities, and Panuku targets information to local residents and puts on special activities to ensure town centres remain vibrant and safe places when they are redeveloped. RFA and ATEED manage health and safety and ensure traffic management systems are in place to minimise the impact of large scale events on local communities. When large concerts and sports are held in our stadia, RFA partners with AT to provide free public transport to and from the stadia to minimise the impact on traffic congestion.

Manaaki whenua, Manaaki tangata, Haere whakamua
Care for the land, care for the people, go forward



CASE STUDY

Supporting budding entrepreneurs

Creation and innovation in south Auckland is being boosted with a new coworking and makerspace to stimulate budding entrepreneurship. Te Haa o Manukau is a flagship project of The Southern Initiative (TSI) in collaboration with ATEED and Panuku, focusing on Māori and Pasifika youth to help develop the skills entrepreneurs need to reach their full potential. Local social enterprise, Ngahere Communities Limited, operates the space, partnering with corporate, academic, philanthropic and community-based organisations to link creative and budding entrepreneurs with pathways into emerging industries.

<IR> CAPITALS	OUR INPUTS USED IN THIS GROUP OF ACTIVITIES						TO DELIVER AUCKLAND PLAN OUTCOMES (THE VALUE WE CREATE)				
HUMAN	Zookeepers	Our volunteers	Marina staff	Property specialists	Events managers						
SOCIAL & RELATIONSHIP	Haumarū Housing for older people	International concerts, conferences, exhibitions and events to Auckland	4 learning groups at Auckland Art Gallery	Relationships with developers	Mana Whenua Kaitiaki Forum						
NATURAL & ENVIRONMENTAL	RFA measure its operational emissions	ATEED's Environmental Management System (EMS)									
INTELLECTUAL	Wynyard Quarter Smart	Maori Responsiveness Plans	140+ innovative businesses in GridAKL	932 businesses supported through the Regional Business Partner							
FINANCIAL	Grants and donations	Reinvested proceeds from Transform and Unlock programmes	Admission and ticket, and rental revenue	\$281 million operating expenditure	\$194 million capital expenditure						
INFRASTRUCTURE	18 neighbourhood transformation projects		Strategic assets owned/managed by RFA (Art Gallery, Zoo, Aotea Centre)	16,000 artworks worth \$289m owned by RFA on behalf of the public							
						Belonging and Participation Provide opportunities to celebrate and showcase Auckland's diversity	Transport and access Activate urban regeneration that facilitates all modes of transport	Māori identity and wellbeing Reflect Māori identity and culture	Homes and places Unlock development opportunities	Environment and cultural heritage Provide opportunities to interact with cultural heritage	Opportunity and prosperity Raise Auckland's profile to attract investment

Development Auckland

Panuku Development Auckland (Panuku) creates vibrant, liveable places with high-quality housing and business developments, active and well-designed town centres with good transport connections.

Panuku creates strategic and commercial value from our underutilised property portfolio and is also responsible for our waterfront development. Panuku facilitates investment through collaboration with the private sector, third-party sector, iwi and the government as partners in urban redevelopment. It manages a \$3 billion property portfolio in its role as a council-controlled organisation.

Key projects

Panuku transferred assets. On 26 June 2019, Panuku's waterfront net assets (totalling \$746 million) were transferred to Auckland Council for financial and strategic reasons. By transferring the assets, AC will have greater control of areas such as spatial development, planning, environmental management and stakeholder relationships.

Developers are delivering new housing. Residents have moved into the 72-unit development in Racecourse Road in Avondale. At Hobsonville Airfields, 102 units were completed by June 2019, 17 of 510 units on a neighbouring site have commenced construction and Panuku is reviewing masterplan options for two mega lots including employment, mixed use and community uses, in partnership with HLC. Down at Ormiston, 10 homes

at 187 Flat Bush School Road are due to be finished this year. In Link Crescent, Whangaparaoa, 11 units are due for completion by the end of 2019.

We've made our first steps towards regenerating Takapuna's town centre. Development has started on a five-storey, 420-space parking building on Takapuna's Gasometer site. By consolidating parking, the project will allow the redevelopment of the Anzac Street car park site into a vibrant public space surrounded by shops and restaurants and apartments.

We've unlocked Henderson housing for older people. The four-level, 40-unit Haumarua Housing apartment development at Henderson Valley Road is making good progress and we expect the first tenants to move in in late 2019.

We're transforming Onehunga's laneways. The laneway beside the Onehunga Police Station is the first of eight spaces in the town centre being upgraded with new paving, artwork, lighting and landscaping. This improves the public space, walkability and safety. We're working on designs for laneways connecting Waller Street and Upper Municipal Place, and the Waiapu Lane Precinct.

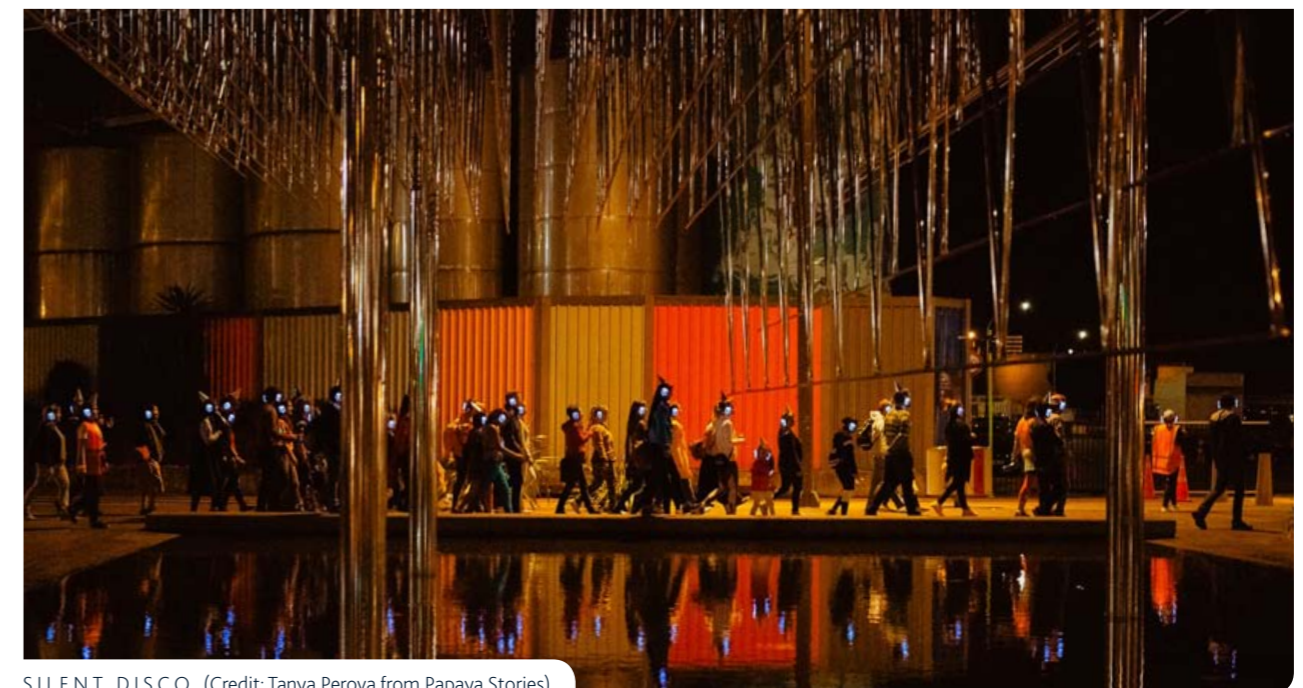
Superyachts will be refitted in the Wynyard Quarter. A marine centre, including a superyacht refit facility, along with commercial buildings and apartments will be developed in the Wynyard Quarter, creating jobs and apprenticeships ready for the America's Cup races.

Manukau Institute of Technology is getting a new 9,000 square metre tech hub in Manukau Station Road catering for more than 1,200 students and 100 staff while also creating more high-value jobs for the area.

We settled on the Civic Administration Building. The agreement to develop the iconic Civic Administration Building (The CAB) into apartments and hotel as part of Civic Quarter mixed-use precinct was settled.

The Barrowcliffe housing project got the go-ahead. We are working with Te Akatai Waiohau and NZ Housing Foundation to develop housing for more than 300 families next to the Puhinui Stream in the centre of Manukau.

Pukekohe has joined our Transform and Unlock programme. Panuku's high-level project plan provides a framework for Pukekohe as it faces rapid growth and increased population. Enhancing the town centre will create a central hub for southern Auckland and northern Waikato communities.



SILENT DISCO (Credit: Tanya Perova from Papaya Stories)

What we achieved

● Achieved ● Substantially achieved ● Not achieved

	Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform
We make the waterfront and town centres dynamic, culturally-rich, safe and sustainable places for Aucklanders and visitors to enjoy							
The percentage of visitors surveyed satisfied with their experience of the public spaces on the city centre waterfront	●	▲	80%	92%	90%	93%	Our target was lowered this year as we had anticipated an adverse impact on visitor satisfaction from disruption caused by America's Cup enabling works, construction activities and other Waterfront projects such as the Promenade stage 2, but this didn't eventuate.
The percentage of Aucklanders surveyed who have visited the city centre waterfront in the past year	●	▬	73%	72%	72%	73%	Visitor numbers remain consistent.
The number of significant Māori initiatives implemented per annum	●	▲	50	65	49	48	This target was set two years ago for the 10-year Budget and since then we've put more focus into increasing activities relating to Māori outcomes.
Percentage of marina customers surveyed satisfied overall with marina facilities and services	●	▼	88%	91%	92%	93%	A lower target was set for 2018/2019 because we anticipated adverse impacts on satisfaction caused by America's Cup enabling works, construction and other waterfront projects.
We manage and maintain Council's properties, assets and services to optimise financial returns							
The return on investment on like-for-like properties managed for Auckland Transport and Auckland Council	●	▼	≥2.25%	2.4%	3.06%	3.1%	Return on investment has decreased compared to last year mainly due to increased property values from the three-yearly valuations. This forms the denominator of the return on investment result.
The monthly average occupancy rate for tenantable properties	●	▲	≥95%	97.8%	97.5%	98.0%	We exceeded target mainly due to a buoyant lease/rental property market enabling higher occupancy
Return on equity on commercial assets and services	●	▲	8.25%	11.4%	11.2%	12.7%	We exceeded target mainly due to the valuation gain from the three-yearly marina valuation. We accounted for a lower increase in marina value in the budget.

Economic Growth and Visitor Economy

Auckland Tourism, Events and Economic Development (ATEED) promotes Auckland as a place to work, invest, study and visit.

ATEED's economic development activities including business support, business attraction and investment, local economic development, trade and industry development, skills employment, and talent and innovation and entrepreneurship.

It works to make tourism sustainable through destination marketing and management, major events, business events such as meetings and conventions, and international student attraction and retention.

Key projects

We're targeting young people for tourism jobs. Our "Go with Tourism" platform is designed to convince young people to choose careers in tourism and connect them with quality employers. It also provides a strong focus on pathway opportunities for Māori and Pasifika youth. By year-end, more than 700 young people had registered their interest and more than 170 employers were ready to be matched with job seekers.

We launched an Auckland visitor experience app for WeChat. Our tourism team developed an innovative app for the influential China-based social media WeChat platform so that Chinese-speaking residents can share their local knowledge and experiences with people in China.

We're targeting high-value Union Pay card holders.

ATEED is working with UnionPay International, the world's largest bankcard scheme, to attract more high-value Chinese visitors to New Zealand during shoulder and off-peak seasons. ATEED will produce unique and sustainable Auckland tourism packages for high-value UPI cardholders.

We supported significant sporting and cultural events.

These include events from the ITM Auckland SuperSprint 2018 and PopUp Globe to the Lantern and Diwali Festivals.

Our work is winning awards.

ATEED won accolades for its Tripartite Business Programme and its Māori Innovation Challenge, DigMyIdea, from Economic Development New Zealand. Both initiatives went on to receive international recognition, winning bronze awards for "Excellence in Economic Development" at the 2018 International Economic Development Council awards.

We hosted one of our most important international business events.

We brought technology businesses, political leaders, and insightful industry experts to the doorstep of export-ready Auckland businesses for Tripartite 2019. This was Auckland's second hosting of the Tripartite Economic Alliance partner cities of Los Angeles and Guangzhou, drawing nearly 100 international delegates and more than 250 local delegates representing 209 local companies. The two-day event was coincided with Techweek19 to put an international spotlight on our dynamic tech sector.

During Tripartite 2019 Auckland, the three cities signed significant agreements including the R&D and promotion of infant formula and nutrition powders, beverage distribution, an e-commerce cross-border logistics project, technology transfers, innovation and high-level staff trainings, food labelling to ensure traceability from source to consumer, and most importantly Pacific Rim emergency preparedness.

We boosted creation and innovation with the opening of Te Haa o Manukau.

South Auckland's natural talent for creation and innovation was given a significant boost with this new coworking and makerspace designed to stimulate budding entrepreneurship. Te Haa o Manukau is a flagship project of The Southern Initiative (TSI) in collaboration with ATEED and Panuku Development Auckland. Local social enterprise, Ngahere Communities Limited, is operating the space, partnering with corporate, academic, philanthropic and community-based organisations to link creative and budding entrepreneurs with pathways into emerging industries.

We're focused on achieving improved economic outcomes for Māori.

ATEED is working with the Whāriki Kaitiaki Roopu to strengthen the governance and autonomy and network-owned goals for their business network. We're working the Young Enterprise Scheme and Te Wānanga o Aotearoa on how we might expand DigMyIdea nationally, support Māori tech business development and encourage more Māori into the tech sector.

We're promoting Māori culture and leadership.

We held six Māori culture and leadership days at Ōrākei Marae

as part of the Rukuhia Global Leadership Programme. The programme has been so successful, we intend to transfer it to Ngāti Whātua Ōrākei later in 2019.

We're preparing for the future Auckland.

The Future Ready Summit in May 2019 brought together nearly 300 experts, employers, industry, education providers and youth to prepare, debate and discuss the future of work and what it means for Auckland. Key points included the challenges and opportunities around future skills needs for both business and residents. The research highlighted that projected population growth would drive new jobs for the next decade in most industries, particularly construction, professional services, health care, food service and education.

Working with partners to develop and deliver initiatives that promote Māori Economic Development, with a focus on building an eco-system of support for Māori businesses, developing the Māori creative sector, and developing youth entrepreneurship and employment pathways.

We're actively innovating and preparing businesses for technological change.

We hosted the first InnovateAKL project, the Smart Cities Challenge, and exciting activities at the Hatchbox Public Innovation Lab in the Madden Street building. Google NZ moved into GridAKL during the year while they wait for their permanent Wynyard Quarter home, adding another significant presence to the precinct's international reputation as the region's noteworthy Asia-Pacific innovation hub.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform
We support the sustainable growth of the Auckland visitor economy through destination management and marketing, major events, business events and international education attraction and support programmes						
The contribution to regional GDP from major events and business events attracted or supported	●	\$49.0M	\$43.9M	New measure	New measure	The exclusion of Auckland franchises from the ATEED major event portfolio and cancellation of the 2019 Pasifika and Tāmaki Herenga Waka Festivals also affected results.
The number of visitor nights generated as a result of an ATEED intervention ¹	●	340,000	295,282	New measure	New measure	We didn't meet target mainly because of the lack of significant one-off events in the ATEED portfolio over the year, the exclusion of Auckland franchises from the ATEED major event portfolio and the cancellation of two cultural festivals.
We deliver information, advice, programmes and initiatives to support the creation of high value jobs for all Aucklanders						
Number of businesses that have been through an ATEED programme or benefited from an ATEED intervention ¹	●	3,000	3,303	3,537	4,178	This measure includes businesses that went through an ATEED programme or intervention but doesn't capture the wider downstream benefits of each intervention. While we exceeded target, the result is slightly down compared to last year.
Number of Māori businesses that have been through an ATEED programme or benefitted from an ATEED intervention ¹	●	120	244	188	183	We exceeded target so significantly mainly because of an increase in the number of Māori businesses involved in the Whāriki Māori Business Network. Businesses include those benefitting from Māori tourism product development work, the Regional Business Partner programme and Whāriki Māori Business Network activity.

1. Intervention is a programme or service delivered by ATEED. The targets reflect ATEED's emerging strategy which is likely to result in the delivery of fewer larger interventions.

Regional Facilities

Regional Facilities Auckland (RFA) enriches life in Auckland by engaging people in the arts, environment, sport and events. With our six divisions – Auckland Art Gallery, Auckland Conventions, Auckland Live, Auckland Stadiums, Auckland Zoo and New Zealand Maritime Museum – we strive to create rewarding visitor experiences and positive outcomes for Auckland. Our innovative and creative programmes delight more than three and a half million visitors a year as we present engaging and accessible experiences across the city every single day.

Our landmark venues include Aotea Centre, Aotea Square, Auckland Art Gallery Toi o Tāmaki, Auckland Town Hall, Auckland Zoo, Bruce Mason Centre, The Civic, Mt Smart Stadium, New Zealand Maritime Museum, North Harbour Stadium, Queens Wharf and Western Springs Stadium.

Key projects

We're working on giving you a better zoo experience. The biggest development in the zoo's history, the South East Asia Jungle Track, is on schedule to open in phases from December 2019 and features a new café and function venue, Te Puna, overlooking the zoo's lake.

We're making good progress in refurbishing the Aotea Centre. Since reopening in March 2019, the centre has hosted major events and festivals, including the Auckland Arts Festival, Auckland Writers Festival, the NZ International Comedy Festival, university graduations and international conferences. Interior improvements include accessibility enhancements, new wayfinding that features Māori and Braille, and updated lighting, floor and wall treatments. In recognition of Te Ao Māori, internationally renowned New Zealand artist Lisa Reihana has been

commissioned to create a digital art installation for the refurbished centre. Work to the exterior is due to be complete mid 2020.

We're on schedule with stadium works. Reconfiguring the main North Harbour Stadium field for baseball commenced and is on schedule for completion by November 2019. Work on the lower west stand and south stand at Mt Smart Stadium are complete. We're also running seismic assessments on all stadiums and any work will have to be accommodated in future asset management strategies.

We've increased the prominence of Te Ao Māori and Te Reo Māori within RFA's facilities. We're seeing hearing and speaking more Māori. All business units with direct customer service responsibilities have implemented Te Reo Māori, waiata and tikanga Māori staff training. We have Māori signage and public announcements in both Te Reo Māori and English. Auckland Stadiums offers

customers the option of bilingual signage when hiring the facilities, with all four of this year's major concerts using this service. The Aotea Centre upgrade includes Māori signage in its new tri-lingual wayfinding.

The NZ Maritime Museum and Te Toki Voyaging Trust have formed a formal partnership. The Museum provides support to home waka hourua Aotearoa One and Haunui. RFA chooses Māori business and suppliers where possible. As an example, Auckland Zoo engages Haka Legend to provide cultural performances for tourists, tourism operators and visitors.

Auckland Live and Conventions included a Māori movement programme by Hawaiki Tu as part of Auckland Live's Fringetown programme for the 2019 Auckland Fringe Festival in February. Auckland Live and Conventions gained support from Ngāti Whātua o Ōrākei to pōwhiri and welcome international companies and local artists. Pōwhiri are often conducted at Ōrākei Marae.

What we achieved

● Achieved ● Substantially achieved ● Not achieved

Outcome	Year-on-year change	2019 Target	2019 Result	2018	2017	How did we perform
Regional Facilities Auckland deliver arts, wildlife, collections, sports and events that provide experiences that are engaging and embraced by Aucklanders						
The number of people who experience Regional Facilities Auckland's arts, environment and sports venues and events	●	3.50M	3.36M	New measure	New measure	The Viaduct Events Centre was leased to Team NZ during the second quarter, reducing overall visitor numbers.
The net promoter score for Regional Facilities Auckland's audiences and participants	●	18	43	New measure	New measure	The target has been well exceeded and we'll consider raising the baseline target after reviewing the methodology.
The percentage of operating expenses funded through non-rates revenues	●	65%	57%	New measure	New measure	We didn't meet target, however tight control over expenditure did mitigate some of the variance to budget.
The number of programmes contributing to the visibility and presence of Māori in Tāmaki Makaurau - Auckland	●	14	68	New measure	New measure	The target has been well exceeded and we'll consider raising the baseline target after reviewing the methodology.



Funding impact statement – Council Controlled Services

For the period ended 30 June 2019

\$MILLION	NOTES	ACTUAL JUNE 2019	LONG-TERM PLAN 2019	LONG-TERM PLAN 2018
Sources of operating funding:				
General rates, UAGC, rates penalties		144	146	131
Targeted rates		15	14	-
Subsidies and grants for operating purposes		3	2	4
Fees and charges	1	42	53	86
Internal charges and overheads recovered		-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	2	83	100	65
Total operating funding		288	315	286
Applications of operating funding:				
Payment to staff and suppliers	3	202	217	199
Finance costs		35	34	35
Internal charges and overheads applied		-	-	2
Other operating funding applications		-	-	-
Total applications of operating funding		237	251	235
Surplus (deficit) of operating funding		51	64	51
Sources of capital funding:				
Subsidies and grants for capital expenditure		-	-	10
Development and financial contributions		2	2	3
Increase (decrease) in debt	4	15	72	(20)
Gross proceeds from sale of assets	5	126	153	53
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total sources of capital funding		143	227	46
Applications of capital funding:				
Capital expenditure:				
- to meet additional demand		40	67	20
- to improve the level of service		79	108	37
- to replace existing assets		75	116	40
Increase (decrease) in reserves		-	-	-
Increase (decrease) in investments		-	-	-
Total applications of capital funding	6	194	291	97
Surplus (deficit) of capital funding		(51)	(64)	(51)
Funding balance		-	-	-

Variance explanation Actual 2019 to Long-term Plan 2019

1. Fees and charges are below plan due to lower revenue resulting from reduced admission prices to reflect ongoing construction in the South East Asia precinct of the Zoo, and reduced ticketing revenue due to the postponement of concerts. Additionally, lower revenue was generated due to reduced capacity to hold larger conventions, as the Viaduct Events Centre was provided to Emirates Team New Zealand free of charge.
2. Other receipts are below plan mainly due to the reclassification of lease revenue received in advance to the Increase (decrease) in investments line. Additionally, lower rental revenue was received due to less occupancy at the Kumeu Film Studio and the postponement of concerts for Auckland Stadiums, and lower sponsorship revenue was received for the Art Gallery and the Zoo.
3. Payment to staff and suppliers is below plan mainly due to lower costs of sales incurred during the year, mainly driven by fewer shows and events held.
4. Increase in debt is below plan due to lower capital expenditure, which reduced the requirement for debt funding.
5. Proceeds from sale of assets are below plan as the sale of property related to the Manukau Transform and Unlock location was recognised in 2017/2018 and other planned sales were delayed due to negotiations and market conditions, partially offset by sales not planned to occur in 2018/2019, including 35 Graham Street.
6. Capital expenditure is below plan mainly due to:
 - Negotiations for property acquisitions taking longer than anticipated, resulting in acquisition delays at the Transform and Unlock priority locations, including the Northcote Town Centre.
 - Delays in the developments at Westhaven due to longer than anticipated timing of obtaining resource consents. Westhaven Promenade has commenced, but Westhaven Marina Village will only start in 2019/2020.
 - Slower than projected redevelopment of the South East Asia precinct at the Auckland Zoo, due to later timing of physical works than planned.



THIS IMAGE: Manukau Heads Lighthouse, Awhitu Peninsula

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