Mahere ā-Pae tawhiti 2024-2034
Puka Whakawhiti Kōrero

Long-term Plan 2024-2034

Consultation Document

AK HAVE YOUR SAY

Auckland Council
Te Kaunihera o Tāmaki Makaurau

Wāhanga Tuatahi: Whakataki

Part one: Introduction

◀ Ōtara Market greengrocer

AK HAVE YOUR SAY

Parts of this document

About this document

This Long-term Plan (LTP) 2024-2034 Consultation Document seeks your input on how Auckland Council should work to improve the daily lives of Aucklanders, and how this work should be paid for.

This document is based on the best available information at the time of publication. While it does not include an audit report, it has been informed by expert independent advice and been subject to both internal and external legal review.

Through this consultation document, we are seeking your feedback on various proposals and options relating to our Long-term Plan 2024-2034, as well as some proposed changes to some of our key policies such as our Revenue and Financing Policy, Local Board Funding Policy, and CCO Accountability Policy.

We hope it will help you to Have Your Say on our plan to improve Auckland.

Have your say on our long-term plan

This is your invitation to have your say on the options and trade-offs in our long-term plan.

It's important we hear from all of our communities, so there are a variety of ways you can find out more information and Have Your Say. These are set out on page 136, and include written and online forms, face-to-face events, phone, social media, and webinar options.

There are also translated summaries available of this document in:

- Te Reo Māori
- Samoan
- Simplified Chinese
- Traditional Chinese
- Korean
- Tongan
- Hindi
- New Zealand Sign Language video.

A feedback form is included on page 137. You can give us your feedback until 11.59 PM on 28 March 2024.

For further information, including extensive **Supporting Information** for this Consultation Document, you can:

- visit akhaveyoursay.nz/ourplan
- phone 09 301 0101
- visit your library or local service location.

Final decisions will be made in June 2024 and the final Long-term Plan 2024-2034 will be available on **aucklandcouncil.govt.nz** in July 2024.

So please, **Have Your Say**.

Consultation Timeline

Consultation open to the public	Public consultation closes	Deliberations	Adoption of LTP
28 February 2024 This is when you can Have Your Say	**28 March 2024** We need to hear from you by 11.59 PM on 28 March 2024	**May 2024** Public feedback will be considered by Governing Body and local boards	**By 30 June 2024** Governing Body adopts the final LTP, having considered the public feedback and input from local boards

He kupu nā te Koromatua

Message from the mayor

The Auckland Council has reached its teenage years. Now is the time for us to grow up: assert Auckland's role in driving our own future, tackle our big financial challenges and focus on strengthening the long-term financial and physical resilience of the region.

The tragic impacts of the Auckland Anniversary weekend floods and Cyclone Gabrielle last year showed us that we lack the physical and financial resilience that a city like Auckland needs.

The decisions of the past have determined our current budgetary woes but the decisions that we make now will shape the decades ahead. We need to decide what are the problems we are trying to fix, and if what we are doing doesn't fix those problems then we stop doing it. We must get better value from our strategic assets and make provision for our biggest risks.

I am determined to put the council in a position to affordably deliver the basic infrastructure and services expected by Aucklanders, which help them live their lives better and especially get around easier.

"...we want Aucklanders to have their say if they want council to do less and spend less, or do more and spend more. These choices will have a direct impact on rates increases and service levels."

We will work with government to create a new working arrangement that recognises the size and importance of Auckland, representing one third of the country's population and GDP. We must address the need for new funding arrangements noting that growth delivers substantial increases in income tax and GST revenue for central government and only increased costs for local government.

Putting us on a sustainable financial path is necessary if we want to make the investment required for Auckland to be a beautiful, thriving, and safe place to live. This means our LTP needs to focus on areas where we will have the most impact for the next 10 years.

As a council we face several unavoidable bills in the next 10 years that this budget must provide for, as well as providing for unforeseen risks. We also have big unknowns around what is happening with water reforms and the government has announced it is cancelling the Regional Fuel Tax, which have big financial implications.

The Auckland Anniversary floods and Cyclone Gabrielle demonstrated that Auckland must confront the long-term resilience risks posed by climate change, which include the increased risk of damage to the council's physical assets and Auckland homes and businesses, as well as the risk to council's access to capital and insurance. Other major environmental challenges have appeared, including the spread of exotic Caulerpa seaweeds that threaten one of our greatest treasures, the Hauraki Gulf.

These are big problems. In previous years, decisions have been made to paper over funding gaps with debt and commit to new mega-projects while underfunding the renewal of assets like roads, pipes, and community buildings. These chickens have come home to roost, and this LTP deals with them.

Given our financial challenges, we cannot offer a whole lot of new spending in this budget. Instead, I am asking the council group to focus on doing more with what we already have. I want the organisation focused on two mantras:

- *What is the problem we are trying to fix?* If there isn't a problem then we should stop doing it. Let's fix what is broken, finish what we started, and optimise what we have.

- *Better, faster, cheaper* – let's look to do things differently, rather than assume things need to cost so much, and remove barriers to pragmatic solutions.

This LTP proposes some big strategic changes. This includes a proposal to lease Auckland's port operations and invest the potential multi-billion dollar proceeds into a council-owned, diversified regional wealth fund. The council's remaining shareholding in Auckland International Airport (AIAL) could also be transferred to this proposed Auckland Future Fund.

The potential benefits of this are multi-layered, including reduced risk exposure, getting a better return on investment, and providing for a safety net with the financial ability to respond to large-scale risks. A portion of the fund's returns would be reinvested, to preserve and grow the fund, with the rest providing cash to keep rates increases lower than would otherwise be needed.

This LTP also proposes other actions including:

- Releasing waterfront land from the Port of Auckland for public use.
- Making public transport faster, more reliable, and easier to use – with a weekly $50 cap on buses, trains, and inner harbour ferries.
- Refreshed fiscal and budget responsibility rules, including a range of cost savings.
- Keeping rates affordable – with a new target to keep rates rises within 1.5 per cent of inflation from 2027-2028.
- Fairer funding options for local boards.

We have taken a very different approach to developing this LTP compared to the past and this time we are presenting a range of choices for Aucklanders to have a say on in this consultation document. The central proposal will deliver my vision of affordable, resilient, and future-focussed infrastructure, services and funding tools. However, we want Aucklanders to have their say if they want council to do less and spend less, or do more and spend more. These choices will have a direct impact on rates increases and service levels. Nothing is free.

Wayne Brown
Mayor of Auckland

Overview and purpose

This is your opportunity to help shape our long-term plan.

The **key financial challenges** we are responding to:

Adapting to economic fluctuations

Paying for growth

Rising cost of asset ownership

Storm response and resilience

A limited funding system

We want you to consider the choices and trade-offs that are presented in this document. We have some specific feedback questions, but as you read this document, we invite you to think about some general **questions:**

- What makes a good Auckland and what is **the role of the council?**
- What are the things you want to ensure that Auckland is **beautiful, thriving and safe?**
- How do we make council activities and services **affordable and fit-for-purpose** to meet the changing needs of our communities, both now and into the future?
- What actions will ensure we have a thriving economy that supports **growth and opportunities for all?**
- How do we improve Auckland's long-term **financial and physical resilience,** including recovering from and preparing for, severe weather events?
- How will the council support Aucklanders and the region to **reduce greenhouse gas emissions?**

To balance the budget for our long-term plan we need to choose the right mix of the following tools:

- **Asset Sales - disposing of surplus property assets**
- **Government Funding – local and central government fairly sharing the cost**
- **Debt – using borrowings in a sustainable way to pay for long life assets**
- **Rates – balancing affordability with the need to pay for all the things we need to deliver for Auckland**
- **Capital Investment – choosing what assets we build or buy**
- **Spending on services and activities – doing more or less, faster, or slower, or doing things more cheaply**
- **Changes to Port operating model and shareholding in Auckland International Airport Limited (AIAL)**
- **Establish an Auckland Council-owned investment fund.**

In this document we set out a **central proposal** to deliver activities and services over the next decade to support a beautiful, thriving and safe Auckland.

- Our central proposal includes rates increases for the average value residential property of **7.5 per cent, 3.5 per cent and 8 per cent** respectively for the first three years, and then no more than 3.5 per cent each year after that.
- We are also proposing **changes to some targeted rates,** and a previous plan to slowly reduce the share of rates that business properties pay would no longer go ahead.
- There are also **choices and trade-offs** for how we fund the activities and services proposed, such as creating an investment fund - Auckland Future Fund.
- The proposed **Auckland Future Fund** aims to reduce the extent to which we rely on rates to fund our plans and diversify our revenue sources. This includes a proposal to transfer all the council's remaining shares in Auckland International Airport Limited (AIAL) into the fund, and enable the fund manager to decide to sell any or all of the shares. As the objectives for the fund would involve spreading the fund across a range of investments to diversify risk, it is almost certain that most of the remaining AIAL shares, if not all, would be sold over time.

  We also propose leasing the Port of Auckland operations and using the funds from this to help create the fund, while keeping the port land and wharves under council group ownership.

We want to know if you agree with this central proposal or if you think we should:

- **Pay more, get more** with higher rates increases would enable us to deliver more and better service levels than is possible under our central proposal, but would require higher levels of rates and debt, including rates increases up to 14 per cent for residential ratepayers in the first year.
- **Pay less, get less** with lower rates increases and less use of debt but would require cuts to some activities and service levels, or slowing down improvements, compared to the central proposal.

The different options all have different implications for:

- **the services we provide**
- **the outcomes for Auckland**
- **how much Aucklanders will need to pay**
- **the key risks that we face.**

▶ **For more information** see Part Three: Options and trade-offs and Part Four: Council Services in this document.

We need your input to help us make the right choices.

From the Chief Executive – Phil Wilson:

"Our elected representatives are facing our strategic and pressing budget challenges head-on. They have chosen to take a fresh approach to tackle our budget planning with more rigour, more public involvement and greater accountability than ever before. The organisation is behind this and ready to deliver for Auckland.

As Auckland Council's new chief executive I see this as an opportunity to take a refreshed look at how our organisation works and make sure we are well-equipped to bring the long-term plan to life and deliver on the aspirations of our communities."

Wāhanga Tuarua:
Ngā wero mai ki a mātou, ā mātou kōwhiringa rautaki me tō mātou ahunga

Part two: Our financial challenges, strategic choices and direction

◀ Children at the Henderson Christmas Festival

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What is the problem we are solving?

Adapting to economic fluctuations

We have recently seen a transition from years of record low inflation and interest rates to higher levels that are more in line with long-term historical averages.

Inflation has averaged 2.4 per cent over the past 10 years, but then peaked at 7.3 per cent in June 2022. While trending down from this peak, inflation remains high and isn't expected to return to around 2 per cent until the 2026/2027 financial year.

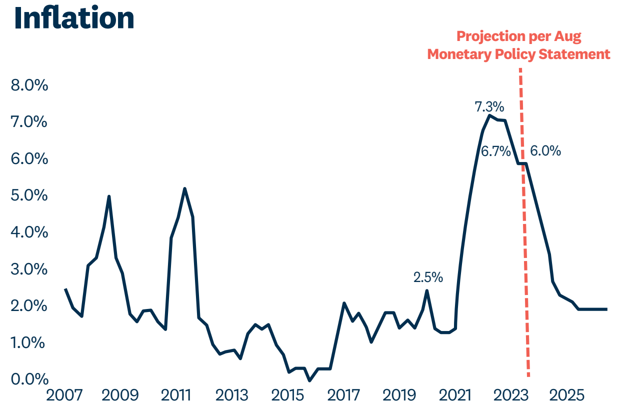
The Reserve Bank has increased the Official Cash Rate (OCR) steadily over the past two years to control inflation.

The high level of inflation leads to an increase in the council's costs such as:

- staff costs across the group (salary increases are influenced by a number of factors, but in many cases Consumers price index (CPI) is a significant factor due to contractual obligations).
- contracted costs for outsourced services such as public transport provision, utilities, maintenance and waste services.
- construction costs and interest expense.

While the council has addressed some of this pressure through cost savings, it has become harder to do this without completely reviewing the activities and services we provide to the community, including which activities and services are delivered and the council's role in delivering them.

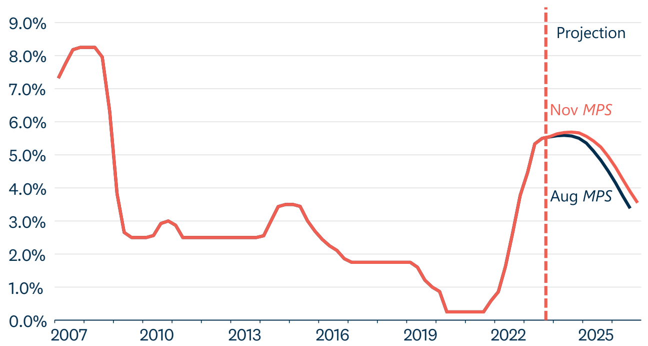
Inflation



*Data source: RBNZ

Interest rates (OCR)

(quarterly average)



Source: RBNZ estimates

Paying for growth

Population growth drives demand for infrastructure and services. Auckland's population has grown substantially over the 10 years to the end of 2022, from 1.4 million to over 1.7 million at an average of 2 per cent annually.

It is forecast to continue to grow, with a further net 200,000 Aucklanders expected by 2034.

This creates demand for council activities and services, which is partially funded through the additional rates received from the new properties.

The rapid growth is also creating substantial demand for infrastructure investment such as transport, water services, parks and community facilities in both brownfield (previously built on) and greenfield (never built on) areas.

While we want to support growth in priority areas, we need to take a prudent approach to spending in this long-term plan.

Rising cost of asset ownership

Our capital investment in the current 2023/2024 financial year has more than doubled from a decade ago, as decisions of previous council to increase assets now need to be funded. The more we borrow to grow our assets to respond to population growth and other demands, the more we are exposed to rising interest rates.

We fund the cost of capital investment with debt as a fair way of spreading the costs over future generations. We also need to fund the additional costs of operating and maintaining more assets as well as providing for the cost to renew or replace assets as they wear out (we refer to this as funding depreciation).

As we build more assets and borrow greater debt, the rates funding required to support our assets increases rapidly. This means that even if our other costs only grow at the rate of inflation, our overall operating costs will rise at a faster pace than the rate of inflation.

The most significant example of these increases is the $5.49 billion City Rail Link (CRL) project, the capital cost of which is being funded equally by Auckland Council and central government. It is currently estimated that the council will need to fund around $220 million of operating costs in relation to the CRL from the first full year of operation, which is expected to be the 2026/2027 financial year. While previous budgets have included some of these costs, the estimated impact has increased due to a number of factors including capital cost projections and interest rates. The specific numbers are uncertain but it is clear that once the CRL is open there will be a large step up in our funding requirement compared to previous years.

We have also not fully funded depreciation, which allows for how much the value of those assets decline, or depreciate, during the year from operating revenues. This means we have, on average, been borrowing more to renew our existing base. In addition, because we have not been able to renew all of our assets as quickly as we would ideally have liked to, deferred work and the impact of inflation have resulted in higher projected renewal costs going forward.

Storm response and resilience

In early 2023, Auckland experienced the Anniversary Day floods and Cyclone Gabrielle. These devastating events showed the effects of climate change are getting more frequent and more severe in Auckland.

The events have had big impact on the council's finances both in terms of storm response costs and the need to improve our storm response and resilience. The council also established a Recovery Office to support affected communities and work on how we recover, such as arranging for geotechnical work so that we can make decisions on future needs. The major remediation and renewal-related capital costs will need funding over the next few years.

The direct impact of storm-related costs on our operating budget is around $55 million in the first year of the plan. These costs, combined with some temporary measures used to address the budget gap for the Annual Budget 2023/2024 (such as using $85 million of borrowing as a one-off measure), mean that it is not possible to keep the rates increase to the rate of inflation in that first year without making substantial and immediate cuts to council services.

Auckland Council has also agreed to a cost-sharing deal with the government to fund more than $2 billion to support flood recovery and resilience efforts, including costs relating to property buyouts.

A key part of the plan to improve flood resilience is the Making Space for Water programme on page 38 of this document.

A limited funding system

The council uses a number of different tools to fund and finance its activities but these are often limited by legislative or other constraints. Rates increases are limited by affordability concerns and the use of debt is limited by the need to keep our borrowing prudent and sustainable. Auckland Council has therefore continually advocated for new tools, such as a bed night visitor levy, and reforms to some existing tools, such as development contributions.

We have a Development Contributions (DC) policy to charge developers part of the cost of new assets such as roads, pipes and parks needed in development areas, but this only funds part of the growth costs. The council is seeking changes to the law relating to development contributions and targeted rates so we can adequately recover the costs of growth. This includes allowing us to charge development contributions based on an estimate of average infrastructure costs.

The council is also working with the Ministry of Housing and Urban Development and Kāinga Ora – Homes and Communities to support the intensification of priority areas with significant Kāinga Ora landholdings. This work includes an indicative package of infrastructure investment to access a Housing Acceleration Fund.

There is an opportunity now for the council to work with the new government to reset the relationship, and work differently with the Crown to find structural fixes for the funding issues and growth challenges we share.

Regional Fuel Tax

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

How the LTP sets strategic choices

The LTP sets out the council's pathway to Auckland's future while managing its finances sustainably and prudently.

It is a blueprint for the role council will play in contributing to outcomes for the region. The combined investment and policy direction form a comprehensive vision. The LTP can also help define the relationship between the council, Aucklanders, central government, iwi and partners.

It details what the council plans to do, why we will do it, and how these activities fit together with everything the council plans to deliver for Auckland. The final plan will form the basis for accountability to the community.

This LTP isn't just a budget. It considers what makes a good Auckland to balance the diverse economic, social, cultural, and environmental needs of all Aucklanders, the role of council in achieving our vision, and where we want to make choices to achieve that.

The Auckland Plan 2050 outlines the major challenges that we face and sets direction for tackling these challenges.

It might seem Auckland Council is slow at making changes, but if we look at our history, we've actually changed a lot since we were formed in 2010 by combining eight different organisations.

Auckland is growing because it's a popular place to live. As we grow, our community is getting more diverse and keeps changing. Technology is also evolving fast, changing what's possible and what people expect from us. Climate change-driven severe weather events are increasing and Auckland's regional emissions are not falling fast enough to meet regional and national commitments. The resilience of our infrastructure is being tested and council's insurance premiums are increasing.

The cost of living is increasing. The pressure on our environment and on vulnerable Aucklanders is growing. The council's services and activities need to adapt to serve our people and environment better.

We need a council that can handle big challenges. Auckland will likely face future shocks or challenges, and we need to be ready to handle both sudden and long-term issues. It also needs to change over time to stay effective in our changing world.

In this situation, we must make choices about what's most important. This means the council might have to delay some projects and actions for now, in favour of the most important ones. We have limited resources, so we can't do everything at once, even if each project could help us reach our goals.

Simply put, the council cannot afford the same level of activities and services without changing its financial settings or vice versa. That is at the heart of this LTP. Do we raise more rates and increase our ability to invest in infrastructure and services for Auckland? Or do we keep rates rises lower, reduce services, delay investment and therefore limit cost to the ratepayer?

The council must focus on what it can control and put its efforts where they will make the biggest difference for Auckland and its people.

Direction

The development of the LTP has been directed by the mayor and councillors. This includes:

the mayor setting a **vision,**

outlining a focus for the LTP on the **role of Auckland Council**,

the mayor and councillors defining **Our priorities**, and

establishing **Our focus.**

Our vision

We want to create an Auckland that is beautiful, thriving, and safe, for all Aucklanders. This includes:

- a stunning natural environment – harbours, beaches, forests, maunga, islands, urban trees – that can be accessed and enjoyed by Aucklanders across the region.
- a transport system and development pattern that enables us to live in decent houses in nice communities and move around the region easily, affordably and in a way that meets our climate commitments.
- decent and affordable public services, amenities, and infrastructure.
- a diverse and dynamic city, which honours the place of Māori and includes a rich array of cultural and sporting events, museums, galleries and built heritage.
- a thriving economy that supports growth and opportunities for all.

The role of Auckland Council

While the council is only one player in making Auckland successful, we can have a big impact when we focus our efforts. The following are three big areas where we want to shift the dial in this LTP.

1. **Getting back to basics**
   Focussing on the areas where we can make the most difference and have the most benefit.
2. **A fundamentally different relationship with the government**
   A new type of relationship based on partnership and mutual respect with central government so that the council can provide regional leadership and delivery.
3. **Simplified governance that empowers local decision making.**
   This proposes making changes to our Local Board Funding Policy to:
   - better enable local boards to make meaningful, sustainable decisions for their communities
   - fix long standing issues, so the local boards are funded more fairly.

Priorities – better, faster, cheaper

This prioritises progress on five areas:

1. **Stop wasting money**
   Improve the cost effectiveness of our activities providing both short-term savings and long-term financial reform, to build public confidence in the council's fiscal discipline and cost control.
2. **Get Auckland moving**
   Set a path for better public transport, including an integrated transport plan to deliver a better transport system, and reduce the cost and inconvenience of temporary traffic management.
3. **Fix Auckland's infrastructure and build a resilient Auckland**
   Finish large infrastructure projects to maximise the value of our existing infrastructure. This includes making the region more resilient to reduce the impact of future flooding.
4. **Take back control of council-controlled organisations (CCOs) and Auckland's future**
   Improve governance and oversight to deliver greater value for Aucklanders.
5. **Making the most of our harbours and environment**
   Recognise the value of land where the Port operates and look at transferring management of prime land fronting the Waitematā Harbour to the council.

Policy initiatives

To enable the Auckland Council's role and strategic priorities, the LTP proposes improvements to policy initiatives and settings for:

- **Fiscal Rules** – to ensure we prudently manage spending.
- **Group Budget Responsibility and Transparency** – to clearly communicate to Aucklanders the value of our activities.
- **Operating Cost Discipline** – to be driven by efficiency and value for money.
- **Capital Expenditure Discipline** – to ensure we finish programmes that we have started, fix what is broken, and get the best out of what we have.
- **Housing Growth and Infrastructure Alignment** – to better coordinate funding tools and support from central government and align spending to communities with growth.
- **Capital Efficiency** – drive cost-benefit improvements.
- **Making Better Use of our Balance Sheet** – use the council's significant assets more effectively.
- **CCO Accountability Policy**
  We are proposing to make some amendments to our CCO Accountability Policy to reflect changes in legislation, or new or updated council policies or plans. Any changes to CCO activities made through decision-making on the Long-term Plan 2024-2034 will also need to be reflected in the final CCO Accountability Policy. See Section 5.2 in the Supporting Information for more information.

Our focus

Ultimately this LTP is about Auckland and Aucklanders, and council delivering outcomes for our region. An outcome-focused approach to investment is included to deliver on our priorities.

In terms of decision-making for this LTP, a key principle is the need for prioritisation and trade-off decisions, which are significant given our budget challenges.

Wāhanga Tuatoru: Ngā Kōwhiringa me ngā Āhuatanga Tuku

Part three: Options and trade-offs

- **What might Do More mean?**
- **What's in the central proposal?**
- **What might Get Less mean?**

◀ Family fun at the Pukekohe A&P show

AK HAVE YOUR SAY

What's in the central proposal?

The services and activities provided in the central proposal are outlined here, with details on funding provided later in this document.

- Capital investment of **$39.3 billion over 10 years**
- Operating spending of **$72.0 billion over 10 years**.

The proposal would strengthen Auckland's physical and financial resilience, while tackling some big budget challenges.

Overall rates increases for the average value residential property:

- 7.5 per cent in year one
- 3.5 per cent in year two
- 8 per cent in year three
- no more than 3.5 per cent a year after that.

This includes some changes to rates including not lowering the share of rates paid by businesses as previously planned and changes to some targeted rates.

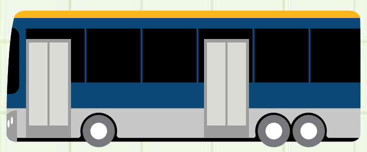
The central proposal also includes establishing the **Auckland Future Fund** using our Auckland International Airport shareholding and the proceeds of an operating lease of Port of Auckland, aiming to lessen the burden of rates increases, a $50 million annual cost reduction target by year three for Auckland Council delivered services and a $30 million asset recycling target per annum ($300 million over 10 years).

You can find more information **about the Auckland Future Fund** in the Part five of this document.

What's in the central proposal?

Transport

- A total capital spend of around $13.4 billion for Auckland Transport
- Support for the City Rail Link (CRL) and improving some of the level crossings
- Making public transport faster, more reliable, and easier to use through investing in a rapid transit network
- Renewals and maintenance of the existing transport infrastructure
- Introducing capped weekly public transport passes
- Network optimisation such as dynamic lanes
- Reducing the cost and disruption of temporary traffic management
- Development of a 'time-of-use' scheme to help manage traffic congestion
- Limited work supporting priority housing areas



Water

- A capital spend of around $13.9 billion for Watercare
- Prioritising urgent renewals and maintenance works to support resilience of water and wastewater networks
- Investment to support the growth of Auckland by developing a diverse water system
- Continue Central Interceptor project including Point Erin Tunnel, which will reduce wastewater overflows and clean up waterways once completed
- Reinstate and extend the Water Quality Targeted Rate to fund expanded programmes including:
  - Western Isthmus through the Waterview catchment separation works and Point Chevalier stormwater separation works
  - Eastern Isthmus by completing the Lower Khyber Pass separation works to increase the capacity of the stormwater network
- Strengthen Auckland's resilience against flooding through investing in the Making Space for Water programme, partly funded by a $380 million co-funding contribution from the government
- Increasing public awareness and engagement in flood prevention and increasing the stormwater network maintenance

CENTRAL

Residential rates increases:

FY25	FY26	FY27
7.5%	**3.5%**	**8%**

CAPEX	OPEX
$39.3b	**$72.0b**

Parks and community

- A total capital spend of around $4.2 billion
- Continuing a shift from a traditional asset focus to a service focus, so that council can better adapt to changing community needs and improve funding sustainability
- A greater focus on growing partnerships
- Continuation of the already budgeted $700 million operating budget to support council investments to deliver differently (including $35 million over three years to address the deficit in indoor sports facilities in Auckland)
- Improve fairness of funding of local boards

City and local development

- Complete urban regeneration projects in priority locations and investigate inclusion of new areas
- Restore Eke Panuku's $100 million Strategic Development Fund which will enable faster and better regeneration outcomes
- Renew critical assets, particularly on our waterfronts
- Continue to deliver the city centre targeted rate programme
- Complete the Midtown Regeneration Programme and the Karanga-a-Hape Station

Economic and cultural development

- Considering options for redevelopment of North Harbour Stadium precinct
- Work with central government on new funding tools such as a bed night visitor levy to enable more investment into visitor attraction and economic development activities
- Continue to provide natural and cultural heritage experiences through our regional facilities
- Continue to provide the existing free and subsidised entry to programmes and events
- Deliver the Lantern, Pasifika and Diwali festivals

Environment and regulation

- Reinstate the Natural Environment Targeted Rate (NETR) to previously planned levels to raise around $32.6 million in 2024/2025 for protecting and restoring our natural environment (with $200,000 specifically targeted to dealing with the invasive caulerpa seaweed)
- Support volunteers and community in looking after our environment, pest management and native biodiversity programmes
- Improvements to waste diversion, particularly in construction and demolition waste
- Delay introduction of any new or enhanced environmental services

Council support

- Transformation programme (changes) to consolidate service functions and reduce duplication across the council group organisations
- Investment in fit-for purpose technology to improve our services and provide a better experience for Aucklanders
- Increase Māori outcomes funding by $3 million per annum from year four of the plan (a total increase of $21 million)
- An asset sales target of $300 million
- Supporting emergency services to be ready and effectively respond in times of crisis
- Working with central government to deliver the 'Auckland Deal'

What might Get More mean?

A Pay More, Get More Scenario would significantly increase activities and services, and speed up delivery of investments. The services and activities provided in the more scenario are outlined here, with details on funding provided later in this document.

Overall increases in the average value residential property of:

- up to 14 per cent in year one,
- 10 per cent in years two and three
- 5 per cent thereafter.

This would include a $20 million annual cost reduction target by year three for Auckland Council delivered services, which is $30 million less than the central proposal, but without a $300 million asset recycling target.

A More Scenario

Transport

- A total capital spend of $24 billion for Auckland Transport
- Accelerated programme for electric ferries (decarbonise ferries)

- Adding more electric trains which will reduce transport emissions
- Removing rail crossings that hold up traffic therefore reducing the level of congestion
- Upgrade of key roading corridors at Lincoln Road and New North Road
- Increasing levels of public transport services that support greater access to public transport
- Investment in the Airport to Botany busway (Stage 3 and 4) and future integration works for rapid transit network mega projects
- More investment in residential speed management and road safety programmes to reduce deaths and serious injuries
- Developing urban cycleways and walking connections to support greater mode shift and reduce reliance on cars

Water

- Accelerating the Making Space for Water programme for delivery within six years if possible, rather than to deliver within 10 years as under the central proposal
- Increase investment in renewal assets to improve the resilience and efficiency of our assets
- Bring forward investment to wastewater assets to further reduce outflows and improve compliance with discharge consents
- Work on reducing the gaps in the wastewater infrastructure in Clarks Beach, Waiwera, Red Hills and Warkworth

Parks and community

- Capital funding of around $5 billion to support the retention of the current asset portfolio
- Maintain the current delivery model for community services which would require more investment into renewals, (noting that not all assets would be renewed) and also needing more funding for maintenance and other running costs
- Additional investment could be made into new assets such as buying new parks and building new assets (community centres, development of new parks)
- More funding set aside for fairer funding of local boards; full equity could be achieved without reallocating budgets between local boards

MORE

Residential rates increases:

FY25	FY26	FY27
14%	10%	10%

CAPEX	OPEX
$52.0b	$76.5b

City and local development

- Start more (4-6) new urban regeneration programmes in addition to current 19 programmes (compared to 2-3 in the central proposal)
- Strategic Development Fund facility increased to fund the acquisition of land or property for new urban regeneration locations

Environment and regulation

- Greater protection and restoration of our natural environment, compared with the central proposal
- More support for community initiatives
- Increasing the Regional Environment and Natural Heritage (RENH) contestable grant programme
- Additional climate funding to support the reduction of Auckland's regional carbon emissions
- Resuming the Natural Environment Targeted Rate at the previously planned level and increase it by 3.5 per cent per year in line with inflation

Economic and cultural development

- Reinstate major events and economic development funding to pre-COVID-19 levels
- Resume active bidding for major events and concerts, attract more overseas investments
- Development of additional initiatives like the Aotea Entertainment Precinct
- Expanding employment initiatives and increasing support for technology, screen and creative industries

Council support

- Accelerate delivery of the transformation programme that's included in the central proposal
- Information and technology investments to deliver services more efficiently
- Asset sales target of $300 million would not proceed and surplus properties could be retained for future use, or sold to reinvest in new facilities that are not currently in the budget

What might Get Less mean?

A Pay Less, Get Less Scenario would have to significantly reduce activities and services, focusing primarily on meeting statutory (legally required) minimums. The services and activities provided in the less scenario are outlined here, with details on funding provided later in this document.

Overall rates increases for the average value residential property:
- 5.5 per cent in year one
- 3.5 per cent in years two and three
- no more than 1 per cent above CPI inflation after that.

This would include a $120 million annual cost reduction target by year three for Auckland Council delivered services, which is $70 million more than the central proposal, and an asset sales target of $300 million over three years instead of 10 years as in the central proposal.

A Less Scenario

Transport
- Capital expenditure of $11 billion for Auckland Transport
- Reduced investment in public transport services including ferry wharf facilities
- Reduced spending in transport improvement projects and safety programmes slowing down our goal of reducing deaths and serious injuries on our transport system
- Delay in introduction of new bus services reducing frequency of services and access to public transport for some
- Minimal investment in local board initiatives
- Removed investment for supporting priority housing areas reducing our ability to respond to growth challenges

Water
- Reduced investment in the Making Space for Water programme would result in focusing on maintenance works only and provide less resilience against flooding
- Not taking the full advantage of the government's $380 million co-funding
- Not increasing water and growth charges would delay critical capital projects, such as investment in water and wastewater treatment plants
- Central Interceptor Extension to Point Erin would not go ahead
- Wastewater overflows into harbour would continue for longer
- Operational cost reductions through review of stormwater maintenance service levels

Parks and community
- Transitioning away from the asset-based investment could be more difficult and we would be more reliant on aging and deteriorating assets
- A greater number of assets would not be renewed or repaired when needed
- A reduction in community services and grants over time
- Limited investment in new land or growth, and investment only in priority areas
- Reduced ability to adapt to changing customer needs
- Significant reallocation of funding across local boards meaning some boards might not be able to deliver previously-agreed projects
- Stopping or reducing some services to achieve larger operational cost reductions over three years

City and local development
- Less investment in urban regeneration projects including stopping or deferring one or more previously approved projects
- The sale of existing sites would continue but planned investment in public realm projects would be stopped except for projects that are already underway

Environment and regulation
- Resuming the National Environment Targeted Rate without increases
- Reducing the environmental monitoring and pest control programmes, community-led actions and support
- Major reductions in investment to meet Regional Pest Management Plan goals including cuts in Kauri dieback management and reduced areas of pest plant and animal control
- Non-statutory waste services like the inorganics collections would be stopped or reduced
- Stopping or reducing some services to achieve larger operational cost reductions over three years

LESS

Residential rates increases:

FY25	FY26	FY27
5.5%	3.5%	3.5%

CAPEX	OPEX
$33.5b	$69.2b

Economic and cultural development
- Stopping or reducing economic development would impact Auckland growth in tourism, technology and screen industries, visitor attraction and marketing
- Reduced support for major events, including business events
- Focus on urgent renewals and completing contracted works, deferring other developments or low-priority renewals
- Opening hours of regional facilities may need to be reduced to save on costs

Council support
- Stopping or reducing some services to achieve larger operational cost reductions over three years
- Reduced investment in fit-for purpose technology
- Reduction in governance support and heritage programmes
- Māori outcomes funding would not be increased, and projects delivered over a longer timeframe
- Set an asset sales target of $300 million over three years, instead of the 10 years under the central proposal

Wāhanga Tuawhā: Ngā ratonga Kaunihera

Part four: Council services

◀ Silo Park

AK HAVE YOUR SAY

Council services

In this consultation document, we present options and trade-offs for how we prioritise and fund our activities and services.

When we talk about trade-offs, we mean giving up or getting less of one thing in exchange for another, or funding it in one way (e.g. rates) versus another (e.g. debt).

This section provides an outline of trade-off options in seven areas of council-funded services and activities.

They are:

- transport
- water
- parks and community
- city and local development
- environmental management and regulation
- economic and cultural development
- council support.

For each area we explain the level of service you can expect to receive from our central proposal, and the different options and trade-offs. Our performance measures framework outlines how we measure our performance.

Central proposal

Our central proposal focuses on:

- making do with what we have
- providing for more spending over the next 10 years where it is needed most.

Options and Trade-offs

We calculate the options and trade-offs based on:

- pay more – do more/get more
- pay less – do less/get less.

Measuring our performance

As part of this LTP, we monitor and assess the council group's performance against the community outcomes set out in the Auckland Plan 2050. Our aim is to have a lower number of higher quality performance measures focussing on quantity, timeliness and the quality of our performance. The focus is to:

- improve performance transparency and accountability
- improve clarity in relation to the performance of the council group's services and activities
- better enable the public to assess council's delivery against its identified levels of service and community outcomes
- empower local boards with increased decision making, to set service levels and be accountable for locally funded services.

Key principles and compliance criteria considered in the performance measures framework includes:

- demonstrating public accountability and what's important to the community
- targets that are linked to investments
- reduction in the total number of measures
- consistent measures across the council group for climate mitigation and adaptation, Māori outcomes and financial performance
- leverages the Statement of Intent (SOI) measures.

Our approach to setting targets is based on, where appropriate, proposed funding levels, time series trends and key assumptions. Where we are proposing to remove existing performance measures from the LTP, we will continue to monitor and report on these as part of other reporting mechanisms.

The central proposal at a glance

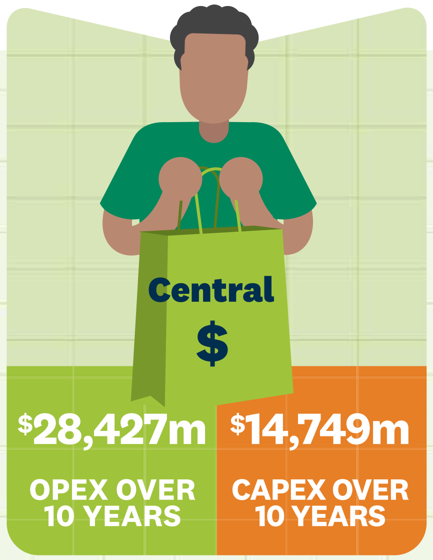
	OPEX 10-year operating expenditure	CAPEX 10-year capital investment	
Transport	28,427 ($M) 40% of total operating expenditure	14,749 ($M) 38% of total capital investment	See page 32 for more information
Water	15,456 ($M) 21% of total operating expenditure	17,169 ($M) 44% of total capital investment	See page 35 for more information
Parks and community	12,130 ($M) 17% of total operating expenditure	4,245 ($M) 11% of total capital investment	See page 39 for more information
City and local development	1,725 ($M) 2% of total operating expenditure	1,177 ($M) 3% of total capital investment	See page 42 for more information
Environmental management and regulation	7,362 ($M) 10% of total operating expenditure	531 ($M) 1% of total capital investment	See page 44 for more information
Economic and cultural development	2,826 ($M) 4% of total operating expenditure	576 ($M) 1% of total capital investment	See page 47 for more information
Council support	4,070 ($M) 6% of total operating expenditure	875 ($M) 2% of total capital investment	See page 50 for more information
TOTAL	$71,996M	$39,322M	

Ngā tikanga kawe

Transport

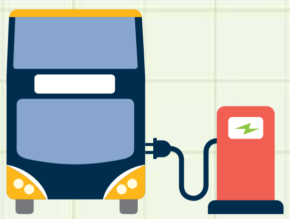
We help Aucklanders move around the city by maintaining and operating over 7000 kilometres of local roads and operating an extensive network of train, bus and ferry services across the region. We deliver a comprehensive programme of investments that help alleviate congestion, improve public transport and other modes, address safety issues and provide improved resilience to natural events.

THE CENTRAL PROPOSAL



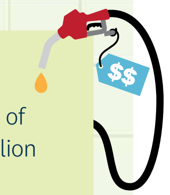
A key priority for transport is to make the most of our existing assets and planned spend, including the council's significant investment in the City Rail Link (CRL) and other large rapid transit network projects. There will be a particular focus on renewals and maintenance to ensure roads and other network assets are kept in good order. We are proposing a total capital spend of $13.4 billion[1] for Auckland Transport to ensure we can address these priorities.

There will be a new focus on smaller-scale changes to more quickly improve performance of our roads and public transport services, including dynamic lanes and bus lanes. We will look at ways to make public transport faster, more reliable and easier to use. Rapid transit investment will focus on busways, following the successful example of the Northern Busway.



Transport investment will remain as one of the council's most important tools for emission reduction, such as the ongoing addition of electric vehicles to our bus and ferry fleets. Getting more people on to public transport also helps reduce emissions.

While we propose to invest more in transport, we have limited financial resources and face a rapid increase in costs, so ensuring maximum value from every dollar spent is critical. To meet the cost challenges, we propose to reduce investment in some lower value initiatives, reduce bus services with lower patronage and grow our revenue from public transport, parking and enforcement, including an increase in the number of paid parking areas and charge for some Park and Ride spaces. We will also ensure we drive efficiencies and manage our operating costs.



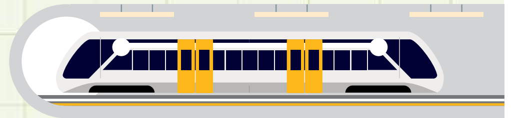
Regional Fuel Tax

The government has announced the cancellation of the regional fuel tax (RFT) resulting in a $600 million reduction in available funding under the central proposal. Projects will need to be re-scoped, deferred or stopped as a result. Auckland Transport will need to undertake a detailed reprioritisation of its capital programme, which will also need to consider changes in government transport policy.

1. This figure excludes the council's investment in the City Rail Link ($474 million over 10 years) and housing-related infrastructure supported by the Housing Acceleration Fund ($866 million).

▶ **For more information** see Supporting Information pages > Groups of activities > Roads and footpaths, Public transport and travel demand management

Highlights of the central proposal



- introduction of a $50 weekly cap for public transport covering bus, trains and inner harbour ferries
- enable payment for standard adult public transport fares with Apple and Google Pay, debit cards and most credit cards in addition to the current HOP card, and transition to the National Ticketing Solution (NTS)
- ensure our assets remain fit for purpose and provide for flood recovery and network resilience by fully funding the council's share of roading and public transport renewals
- fully fund the unsealed roads improvements programme, with the annual investment programme increasing from year three of the plan
- optimise the transport network and use of dynamic lanes to reduce congestion
- complete existing rapid transit network projects including CRL and the Eastern Busway
- support the CRL with the expansion of the electric train fleet and removal of the level crossings required for day one operation
- continue to improve elements of the bus network, including in the city centre and more widely to add capacity and improve overall speed and reliability
- focus rapid transit investment on busways, including improvements to the Northern Busway, further bus improvements along the North-Western motorway and interim bus improvements connecting the airport and Botany
- progress road corridor projects such as Glenvar Road (Torbay), Hill Street (Warkworth) and the Lake Road/Esmonde Road improvements project
- investment in cycling will be focussed on completing existing projects and delivering lower cost cycleways
- undertake limited work supporting investment in priority housing areas, including $866 million of transport investment for the Auckland Housing Programme areas supported by the Housing Acceleration Fund
- investigate the feasibility of a low-cost bike ferry connecting Northcote and the city centre
- develop a 'time-of-use' pricing scheme to help manage traffic congestion.

To meet the current cost challenges and support delivery of the proposed initiatives, we will also need to:

- continue to find efficiencies and make savings on Auckland Transport's (AT's) internal costs
- remove or reduce lower performing bus services
- delaying paying the full requested increase in KiwiRail track maintenance costs
- introduce premium fares for some ferry services that are expensive to operate
- expand enforcement activities, including the types of infringements for vehicles that incorrectly use bus and transit lanes
- introduce higher charges to third parties (e.g. utility companies) who require closure of the road network for temporary access and use of the AT network
- charge for Park and Rides with a focus on those that are generally full and are well served by connecting bus services.

Specific project details of the transport programme will be considered and publicly consulted on (by AT) through the Regional Land Transport Plan (RLTP) process. The LTP will, in relation to transport, set the funding levels and key priorities for the transport programme.

The affordability of the programme is dependent on obtaining contributions from the National Land Transport Fund (NLTF). The LTP assumes that Auckland Council funding is matched by funding from the NLTF or other central government sources.

How we measure our performance

- The percentage of public transport trips that are punctual
- Percentage of the sealed local road network that is resurfaced
- Number of cycle movements past 26 selected count sites
- Total public transport boardings.

Trade-offs: Transport

The other options/scenarios developed for you to consider are:

PAY MORE – GET MORE		PAY LESS – GET LESS
Increase the level of capital expenditure by up to $10.6 billion in transport projects, totalling $24 billion for Auckland Transport over the LTP. Increase operating expenditure to provide a higher level of council funding, paid for through higher general rates. The additional investment could fund the following key projects:		Reduce capital expenditure in transport by $2.4 billion over the proposed LTP programme, delivering a smaller $11 billion programme for Auckland Transport. This would allow very little investment in new projects beyond maintenance and renewals, committed spending and legal requirements. Reduce the level of operating funding to Auckland Transport which would impact the ability to continue to deliver the same level of bus services, impacting patronage growth and climate outcomes. At this level of investment a number of projects or programmes would either be reduced or removed:
• an accelerated programme of ferry decarbonisation • the fourth tranche of electric trains and depot improvements • Airport to Botany busway (Stage 3 and 4) and future integration works for rapid transit network mega projects • Auckland Transport to maintain and increase current levels of public transport services provided, including bus services in more remote/less accessible areas • accelerated roll out of low emission buses	PUBLIC TRANSPORT	• reduced investment in ferries and ferry wharf facilities - could impact operations • reduced spend on improving access to rail and busway stations • reduced investment in bus services, including removal of Eastern Busway stage 4 (Botany Station) as well as key projects to address downtown bus congestion and bus charging • future rapid transit network (RTN) investigations and northern busway growth removed • removal or reduction of around 20-25 per cent of existing bus service costs • further delays in the introduction of new bus services • a review and optimisation of ferry services with low fare recovery • removing the council-funded extension of the SuperGold subsidy programme for afternoon peak services (e.g. 3pm-6.30pm). SuperGold cardholders would still be able to travel for free during non-peak times. • stopping the roll-out of low emission buses
• further removal of rail crossings • Lincoln and New North Road corridor upgrades • additional downtown and midtown bus improvements • additional cycling and walking connections • higher levels of support for ongoing KiwiRail track maintenance costs • accelerate investment in the unsealed roads improvement programme	ROADS AND FOOTPATHS	• Takanini level crossings and some other rail improvements removed • removal of Glenvar and Lake Road improvements • around a 50 per cent reduction in the local board transport capital fund and cycleways • investment in support for priority housing growth areas removed
• more investment in residential speed management and road safety programmes.	ROAD SAFETY	N/A
N/A	RESILIENCE	• reduced investment in network resilience and bus transit lane improvements.

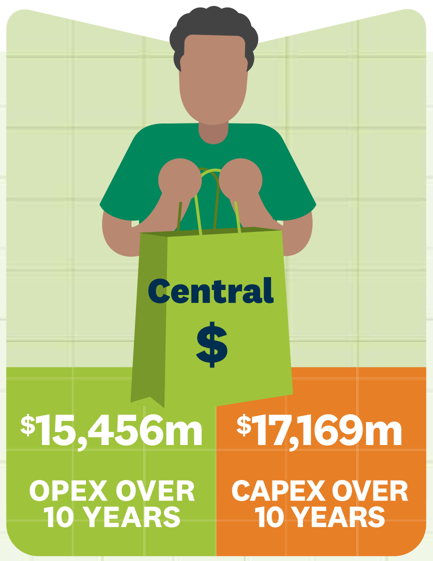
Ngā tikanga kawe

Water

Watercare's water functions include supplying safe drinking water and treating wastewater to a high standard so that it can be safely discharged into the environment. Auckland Council manages stormwater to minimise flooding and protect waterways, and provide infrastructure that supports the growth of Auckland.

The government has repealed all legislation relating to the establishment of new water services entities, leaving water infrastructure and services under council ownership and control. The government's policies relating to water services will be further developed in 2024. The government plans to work with councils to ensure the funding for water services is sustainable and will look to create a new class of financially independent council-controlled organisations to support balance sheet separation.

THE CENTRAL PROPOSAL



Watercare supplies more than 450 million litres of water to Auckland every day and will continue to collect, treat and dispose of wastewater daily over the long-term plan period.

Watercare has renewed, improved and built new infrastructure for Aucklanders. To ensure people continue to enjoy dependable water services, we will maintain our focus on a building programme to upgrade and deliver new infrastructure in a cost-efficient way to support our growing city.

Watercare's programme includes developing a resilient and diverse water system for the future and protecting the environment. We are proposing a total capital spend of $13.9 billion for Watercare to ensure we can address these priorities, and $3.3 billion for council's stormwater projects which will be delivered by Auckland Council.

While the government works on alternative policies and legislation, the council has directed Watercare to maintain their debt to revenue ratio at or below 340 per cent, to ensure the group stays within its overall debt limits.

This requires Watercare to restrict its level of borrowing to fund the building programme. In the short term , this directive requires Watercare to reduce the amount of borrowing it had planned for 2025. This shortfall in debt funding makes it necessary to increase prices by significantly more than previously signalled.

Watercare proposes to increase water/wastewater services and growth charges by 25.8 per cent next year. The council expects that 100 per cent of growth costs will be recovered from developers over the LTP period.

We also propose to continue with the second stage of the Northern Interceptor project, which spans from Westgate to Hobsonville, to divert wastewater flows from Whenuapai, Redhills, Kumeū, Huapai and Riverhead catchments to the Rosedale Wastewater Treatment Plant.

Auckland Council (Healthy Waters department) will continue to build and maintain the infrastructure to manage stormwater runoff entering our streams and harbours. Our actions to improve our water quality will continue. We propose to reinstate the Water Quality Targeted Rate and extend it to 2033/2034 to fund an expanded programme of projects including improving water quality in the:

The Central Proposal continued on following page...

The central proposal continued...

- Western Isthmus through the Waterview catchment separation works and Point Chevalier stormwater separation works
- Eastern Isthmus by completing the Lower Khyber Pass separation works.

There is strong support from Aucklanders to deliver the Making Space for Water programme (see page 38). Even with the cost sharing agreement with the government, our financial situation as well as our delivery constraints restrict our ability to deliver the programme over the six-year period that was initially consulted on with the public. This means we are proposing to deliver the programme over 10 years.

Highlights of the central proposal

- upgrade of the aging Huia Water Treatment Plants Huia and the Nihotupu 1 raw water main to ensure uninterrupted supply and better service
- construction of the 33 kilometre North Harbour watermain from Titirangi to Albany, to complete by 2030
- construction of a 16 kilometre watermain from Ardmore Road to Redoubt Road, including an additional 50 million litres (ML) treated water storage reservoir at Redoubt Road
- planning for a new Waitemata Harbour Crossing to be tunnelled under the harbour to service the growth in the lower North Shore suburbs, with expected completion in 2033
- delayed construction of the North Harbour 2 watermain until 2025 for completion by 2030
- extending the Central Interceptor to Point Erin to allow connections and to improve water quality in Herne Bay and St Marys Bay
- construction of the second stage of the Northern Interceptor, including trunk sewers for local catchments
- re-establishing the volcanic cone on Puketutu Island to the shape it was prior to the island becoming a quarry
- complete the Paerata Culvert flood protection upgrade works
- large construction projects for wastewater treatment facilities and their related transmission and pumping infrastructure including:
  - Southwest scheme servicing the Clarks Beach area
  - Southern Auckland wastewater servicing scheme for Hingaia Peninsula, Opaheke and Drury
  - Warkworth/Snell Beach wastewater infrastructure scheme
- development and implementation of the Western Isthmus Water Quality Improvement Programme for priority catchments areas in areas of central Auckland
- deliver the Making Space for Water programme over 10 years to strengthen resilience to flooding through a number of initiatives
- renew and upgrade critical assets such as the East Tāmaki dam and the Paremuka dam culverts
- continue work to restore the health and mauri of the Kaipara Harbour through the Kaipara Moana Remediation Programme, a joint initiative between Auckland Council, Northland Regional Council, the government and Kaipara Uri
- undertake limited work supporting investment in priority housing areas, including $475 million of stormwater investment for the Auckland Housing Programme areas supported by the Housing Acceleration Fund.

For more information see Supporting Information pages > Groups of activities > Stormwater management, Water supply, Wastewater management

Trade-offs: Water

The other options/scenarios developed for you to consider are:

	PAY MORE – GET MORE	PAY LESS – GET LESS
WATER AND WASTEWATER	If the government find a solution which enables Watercare to borrow more without impacting the group's debt ratio and avoid big hikes in water pricing Watercare will be able to invest around $1 billion more in the first three years of the LTP. This would enable the bring forward investment in wastewater assets to: • further reduce outflows and improve compliance with discharge consents • reduce the reliance on wastewater being tankered for neighbourhoods with gaps in the wastewater infrastructure, such as at the Clarks Beach, Waiwera, Red Hills and Warkworth. Increase investment in asset renewals to improve the resilience and efficiency of Auckland's water assets.	If water and growth charges were kept at levels indicated in the 2021 LTP, a large portion of the capital programme (over $1 billion) would need to be deferred in the first three years of this LTP. The impact of this would be that: • investment would be focussed on compliance projects (water quality) and, to the extent funding allows, some renewals • growth and level of service projects would be delayed • there would be no investment in infrastructure to support near term growth • water and wastewater treatment plant investment would be delayed, which would result in a less resilient network • wastewater overflows into the harbour and waterways would continue for longer. Renewals work would be further cut which in turn leads to higher unplanned maintenance costs, higher operating costs through leakage and more frequent outages. With the reduced funding, the Point Erin Central Interceptor Extension could not progress. This would impact Auckland's water quality and the council would need to carry out an alternative stormwater separation project in the Herne Bay area.
MAKING SPACE FOR WATER	Increased investment in the Making Space for Water programme to strengthen Auckland's resilience to flooding could deliver the same initiatives as proposed in the central proposal, but possibly accelerating delivery of the programme within six years instead of across 10 years.	Reduced investment in the Making Space for Water programme would result in focusing on maintenance works only. This means no further significant investment could be made on physical works / improvements that reduce the risk of flooding in known high-risk areas. Existing level of enforcement for flood mitigation and overland flow path management would continue, including increased compliance monitoring funded though the council's storm response fund. This option would not take full advantage of the funding for Making Space for Water and other resilience projects proposed under the Storm Recovery Funding Package agreement with the Crown.

How we measure our performance

- The major flood protection and control works that are maintained, repaired and renewed to the key standards defined in the local authority's relevant planning documents (such as its activity management plan, asset management plan, annual works program or long-term plan)
- The percentage of real water loss from the local authority's networked reticulation system
- 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)

Making Space for Water

*The 'Making Space for Water' programme has been developed as part of Auckland Council's flood recovery programme.

It proposes seven operational initiatives including delivery of critical works, repair and rebuild to help build resilience for the stormwater network and reduce the impact of future flooding events. The proposed work comprises increased maintenance, stream rehabilitation, culvert and bridge upgrades, overland flow path management, and the roll out of "blue-green" networks in critical flood-risk areas (which are stormwater solutions that enhance parkland and open space).

The work is part of a cost-sharing arrangement with the government to fund flood resilience and recovery work, and the council's share of the Making Space for Water projects will be 38 per cent of the proposed cost.

The seven initiatives are:

1. **Blue-green networks** in critical flood-risk areas: Stormwater solutions (stream excavation, widening, and realignment), enhancing parkland or open space, and property acquisition and removal.
2. **Overland flow path management:** Work to repair, maintain, and monitor overland flow paths, and educate property owners.
3. **Rural settlements:** Responding to three waters needs in storm-affected communities including marae and papakāinga, and supporting community resilience planning.
4. **Flood intelligence:** Investment in planning and modelling tools to enhance council decision-making.
5. **Stream rehabilitation:** Vegetation management, slope stabilisation, bank battering, stream channel modification, and advice for property owners.
6. **Community-led flood resilience:** Advice for property owners in high-risk areas, industry-specific advice, public events, and awareness campaigns.
7. **Increased maintenance:** Maximising stormwater networks' efficiency, including street sweeping, catchpit cleaning, and weed clearance from streams.

Consultation with Aucklanders on the Making Space for Water programme was carried out in August 2023 and feedback favoured support for the programme and funding as included in this document. Alternative options that were considered as part of consultation included retaining the status quo and an option to provide enhanced maintenance. For more details on the Making Space for Water programme and the alternative options we considered, please see Section 3.5 of the Supporting Information.

Do less options for Making Space for Water include accepting no further increase in resilience against flooding with maintenance only in the programme over 10 years. This option would not take full advantage of the government's agreed co-funding.

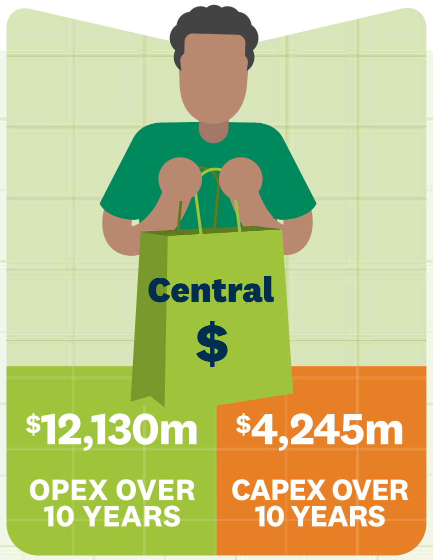
Do more options include accelerating the programme to deliver faster than the 10 years under the central proposal, potentially down to six years if feasible.

Ngā papa rēhia me te hapori

Parks and community

We strengthen Auckland communities by providing, managing and supporting open spaces, parks, sports, recreation, community arts programmes, libraries, venues, community services, Māori and Pasifika programmes, and via working with partners and funding grants.

THE CENTRAL PROPOSAL



The 2021-2031 LTP provided direction for Parks and Community to transition to delivering services in a more financially sustainable way with lesser reliance on assets.

This 2024-2034 central proposal continues this approach, so that council can implement services that better meet the evolving needs of our communities, while reducing our reliance on our aging community infrastructure.

To achieve this approach, we propose a capital budget of $4.2 billion, and $700 million operating budget included to support this transition. This will also assist council to deliver digital channels and integrated services.

We will work with local boards with their respective investment priorities, as most of the community services and assets decisions are made by the local boards.

The current funding mechanism for local boards is largely based on historic funding levels, mostly driven by the assets within each local board area. This has created unbalanced funding among local boards, considering their different population and geographical size.

We also propose to shift to a fairer funding model, where some local boards will receive additional funding to deliver for their communities. Other local boards, where there is a disparity of funding, would need to make changes in their priorities to manage within a reduced budget.

Over the 10 years, the central proposal requires councillors and local boards to reprioritise community services within the budget and reduce the asset portfolio so that funding can be directed to more effective and efficient service delivery. See more about the local board funding in Part eleven of this document.

A contribution towards the council's $50 million savings could come from:

- changing the way we deliver community services, through initiatives such as:
  - process improvements
  - procurement opportunities
  - service changes to maintenance contracts
  - greater use of technology
  - better workforce planning across facilities
- delaying the introduction of any new or enhanced discretionary services until the existing ones are completed
- working only on highest priorities and reducing activity and resources in areas of:
  - planning
  - monitoring
  - education
  - communication and public engagement
- reducing the services offered in the experience centres, or rethink how these centres provide for community experiences in regional parks at a lower cost
- implementation of Value for Money reviews to deliver more efficient regional and local services (e.g., pools & leisure).

Highlights of the central proposal

- continuing to transition the parks and community portfolio from an asset to a service approach to allow greater service flexibility to adapt to changing and diverse community needs
- limit capital spending to $4.2 billion over 10 years, which avoids $2.7 billion in capital expenses, $100 million in operating expenses and will support further efficiencies in service delivery
- continue the already budgeted $700 million in funding to support council to deliver differently via partnerships, digital tools and greater consolidation of services, and by funding $35 million toward indoor sports facilities
- improve fairness of funding of local boards, see Part eleven for more information
- undertake limited work supporting investment in priority housing areas, including $110 million of community investment for the Auckland Housing Programme areas supported by the Housing Acceleration Fund.

How we measure our performance

- Library opening hours / service uptime
- Number of community facilities rated Poor or Very Poor
- The percentage of sporting and recreational facilities available

For more information see Supporting Information pages > Groups of activities > Local council delivered services, Regionally delivered council services

Trade-offs: Parks and community

The other options/scenarios developed for you to consider are:

PARKS AND COMMUNITY SERVICES AND ASSETS

PAY MORE – GET MORE

Continue the delivery of community services with priority on asset-based delivery.

- Capex funding could increase by $600 million, resulting in $4.8 billion capital funding over the LTP to support the retention of a greater portion of the asset portfolio and continue investment in new assets to expand the community asset portfolio.
- Maintenance, running costs and depreciation are anticipated to continue to increase over time at a greater rate, resulting in further operating funding requirements.
- Increased levels of funding could allow for additional investment for open space acquisition, development of land and new assets. However, the full renewals requirement could still not be funded so significant prioritisation could be needed to keep assets operational.
- Service levels may be impacted over time as the scale of the asset portfolio will limit the council's ability to invest beyond critical levels to address compliance and health and safety risks.

PAY LESS – GET LESS

With less funding the current approach of transitioning away from the asset-based investment could be more difficult to pursue.

To manage within constrained funding, we could fund the proposed $4.2 billion in capex, however remove the $700 million in existing budget to fund approaches to deliver differently via partnerships, digital services and integrated services. This would likely result in:

- a reduction in services and grants over time, so that required savings and the depreciation and interest expenses from a higher-cost asset-base can be funded
- service offerings being delivered through deteriorating assets
- greater asset disposals to fund asset renewals and repairs
- limited investment in new land or growth, and investment only in priority areas
- reduced ability to adapt to changing customer needs, including via technology or partnerships, or invest in facility upgrades or climate change mitigations.

LOCAL BOARDS

PAY MORE – GET MORE

Change to the Local Board Funding Policy and the funding of local boards could be increased to achieve full equity. This could mean that:

- local boards who are funded above equitable levels are not required to reallocate funds to those boards who are below the equitable funding levels
- local boards below the equitable levels of funding will receive greater funding to invest in more services for their local communities
- to achieve full equity, close to $900 million would be required in additional operating funding and $1 billion in capital funding over 10 years.

PAY LESS – GET LESS

The Local Board Funding Policy and the funding of local boards could be changed without additional funding. This would require a significant reallocation from local boards that are funded above the equitable level of funding to boards who receive lesser funding. Likely implications include:

- significant budget movements among local boards
- local boards below the equitable levels of funding will receive greater funding to invest in more services for their local communities
- local boards above the equitable level of funding could lose funding, and may not be able to deliver projects previously agreed, asset renewals or services without increasing fees, imposing local targeted rates or rationalising assets

PAY LESS – GET LESS

Much larger operating savings would be required from the council, which would require more extensive service and asset level reviews, with some services stopping or reducing to legally required minimum levels. The effects of this scenario could include:

- reduced regional services (e.g. grants funding, programming and regional events, open space and facility maintenance, service opening hours)
- reduced opening hours or local service offerings.

Pokapū Tāone me te Whanaketanga ā-Rohe

City and local development

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

THE CENTRAL PROPOSAL

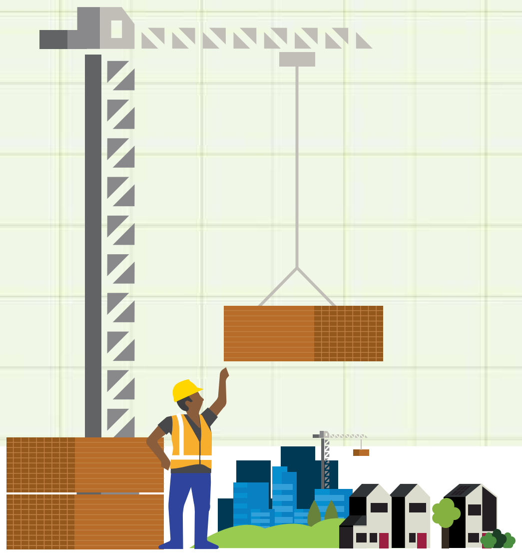
$1,725m OPEX OVER 10 YEARS

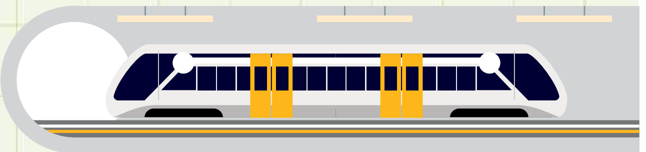
$1,177m CAPEX OVER 10 YEARS

As the city grows, the council needs to build and develop supporting infrastructure and respond to direction from central government. The council will focus and align major investment in space-shaping programmes, and continue to identify and unlock development opportunities (part of our urban regeneration programme) to enable new homes, create walkable, well-connected, low-carbon communities and attract investment.

We will enable and support development around major transport investment to maximise value for money, reduce emissions and support better use of existing assets to the extent we can, given our inability to determine where growth occurs. This includes supporting residential and employment growth in the city centre and other city-shaping projects and the realisation of the City Rail Link.

Infill development is also changing Auckland. Urban regeneration plays an important part in ensuring development of areas are planned well and improvements to the built environment strengthen communities and the economy.





Highlights of the central proposal

- restore Eke Panuku's $100 million Strategic Development Fund which will enable faster and better regeneration outcomes
- continue to regenerate our neighbourhoods in Takapuna, Northcote, Henderson, Avondale, Maungawhau, Panmure, Onehunga, Papatoetoe, Manukau, Pukekohe, Ormiston, city centre, waterfront and the port precinct
- begin the phased transformation of Wynyard Point open space - Te Ara Tukutuku
- enable two to three new development locations as current regeneration programmes are completed to increase the vibrancy, safety, and success of these centres
- renew critical assets, particularly on our waterfronts
- continue to deliver the city centre targeted rate programme
- complete the Midtown Regeneration Programme and the Karanga-a-Hape Station neighbourhood improvement programme to enhance the urban environment and support growth around CRL station
- complete master planning of the port land including options for future use of Queens Wharf.

How we measure our performance

- Percentage of annual spend against annual budget for the City Centre Targeted Rate
- Capital project milestones approved by the Eke Panuku Board achieved.

Trade-offs: City and local development

The other options/scenarios developed for you to consider are:

PAY MORE – GET MORE

Higher investment in urban regeneration activities by commencing more (4-6) new programmes and regenerate 16-18 locations over this LTP. This would be over and above the central proposal which includes two to three Transform and Unlock programmes.

Increase the Strategic Development Fund facility to support the new urban regeneration locations.

URBAN REGENERATION

PAY LESS – GET LESS

Less investment in urban regeneration activities resulting in stopping or deferring one or more of the approved Transform and Unlock programmes (urban regeneration programmes).

Importantly, property disposal to achieve both revenue and strategic outcomes continues, subject to market demand under the 'get less' options.

Planned investment in public realm projects would be stopped beyond anything already underway and the placemaking programme would be ended.

▶ **For more information** see Supporting Information pages > Regionally delivered council services, Council controlled services

Ngā Mahi Whakahaere, Whakarite hoki ā-Taiao

Environmental management and regulation

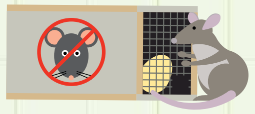
We work with other agencies to nurture and monitor Auckland's natural environment and protect it from threats. We look after the green spaces and unique environments, including Auckland's cultural heritage. We keep Aucklanders and whānau safe through our consenting, licensing and compliance functions. We also collect and dispose of Auckland's rubbish and process food scraps and recycle to minimise waste to landfill.

The council acknowledges the importance of protecting and enhancing the natural environment. We will continue to monitor and safeguard the natural environment and make it accessible to you.

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

Volunteers play an important role in looking after the environment and we will continue to support volunteers to play an active role in the development, funding and caring for our green spaces.

Getting the most out of our regulatory powers to achieve good neighbourhood and climate outcomes is also a priority for the council. We will optimise our regulatory powers to support these outcomes by using planning regulations,



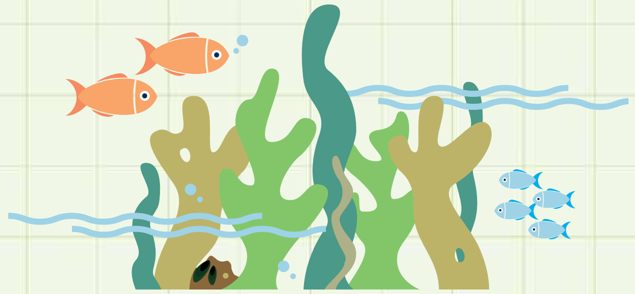
urban design and other mechanisms to ensure that new development aligns with the vision for liveable, low emission, resilient and vibrant neighbourhoods.

A contribution towards the councils $50 million savings could come from:

- delaying the introduction of any new or enhanced discretionary services and only prioritising new initiatives once existing ones are completed
- reducing some offerings to environmental/ sustainability education programmes such as support for school engagement on environmental issues.

Highlights of the central proposal

- resume the Natural Environment Targeted Rate (NETR) at the previously planned level to raise $350 million over 10 years
- allocate $200,000 to support the response to stop the spread of the exotic *Caulerpa* seaweeds – funded from the NETR, so some scaling back of other programmes could be necessary



- continue to work closely with community groups, schools and iwi to improve water quality and biodiversity through local board investment
- provide resources and digital conservation tools to support communities that are interested in or already carrying out conservation and climate activity
- partner with a region-wide network of community organisations to deliver emissions reduction and resilience outcomes at a local level and foster Māori-led community partnerships

- support restoration and local Pest Free Auckland initiatives that engage the community in managing pest animals, plants and pathogens, and restoring and connecting native ecosystems
- provide marine biosecurity education and engagement programmes, carrying out increased surveillance and monitoring of marine pests
- guide decision-making and support the council's regulatory and policy functions to maintain indigenous (native) biodiversity and manage biosecurity pressures
- continue providing the food scraps service and move to a rates-funded refuse (general rubbish) kerbside collection service across the region
- improve waste diversion and work on commercial waste reduction, particularly construction and demolition waste, and continue to focus on illegal rubbish dumping and enforcement

- continue to protect and renew critical closed landfill assets in accordance with the asset management plan requirements
- make improvements to the consenting process and digital interactions to free-up time for complex customer needs and feedback (through simplification, automation and analytics)
- continue providing regulatory services which reduce risk and harm
- fund safety initiatives and increased capacity for animal shelters.

How we measure our performance

- The proportion of rural mainland Auckland under sustained management for possums
- Food scraps diverted from landfill (tonnes per annum)
- Percentage of Priority 1 Animal Management Requests for Service attended to within 60 minutes
- The proportion of priority native habitats on regional parks under sustained management for pest plants
- Number of native plants planted

Trade-offs: Environmental management and regulation

The other options/scenarios developed for you to consider are:

PAY MORE – GET MORE		PAY LESS – GET LESS
Resume the Natural Environment Targeted Rate (NETR) at the previously planned level and increase it by 3.5 per cent per year in line with inflation to raise $412 million over 10 years. This is $62 million more than the central proposal and the additional investment would enable us to:		Resume the Natural Environment Targeted Rate at a lower level compared to the central, raising $245 million over 10 years. This is $105 million less than the central proposal.
• deliver most of the programmes committed to in the Regional Pest Management Plan (RPMP) and maintain support for community initiatives • increase levels of support and grow community stewardship of green spaces and partnership support for mana whenua, exercise kaitiakitanga (guardianship) and support larger, landscape-scale initiatives.	**PEST MANAGEMENT**	We would need to significantly scale back existing programmes, which would consequently reduce the council's ability to deliver on the Regional Pest Management Plan commitments, noting that Pest Management programmes can often take many years to achieve pest management outcomes. We would need to review the plan and consult on amendments that reflect the available funding.
Increase investment in community-led actions for community stewardship of public and private green spaces and partnership support for mana whenua to exercise kaitiakitanga including: • expanding on the existing NETR-funded Expanding Community Action programme • increasing the Regional Environment and Natural Heritage (RENH) contestable grant programme • additional community-led landscape-scale plant and animal pest control contestable funding • investment in a digital volunteer management tool such as 'Volunteer Connect'.	**COMMUNITY ENGAGEMENT**	Reduce investment in community-led actions for community stewardship of public and private green spaces and partnership support for mana whenua to exercise kaitiakitanga by reducing the general rates funded Regional Environment and Natural Heritage (RENH) contestable grant. This could result in less pest control, species protection and potential for reduced connection within and between community groups, as well as reduced community partnerships.
Additional climate funding, rising to $100 million each year from year three, towards initiatives that support the reduction of Auckland's regional carbon emissions.	**CLIMATE ACTION**	Retain climate funding as per the central proposal.
N/A	**WASTE MANAGEMENT**	Contribution towards a higher savings target than the central proposal could result in reducing or stopping non-statutory waste services (illegal dumping and hazardous waste contracts), reusable and recyclable items diverted from landfill (inorganic collections), and less tidy streetscapes.
N/A	**REGULATORY AND RESEARCH**	Contribution towards a higher savings target than the central proposal could also result in: • reducing monitoring and enforcement activities • delayed or reduced production of maps and hazard studies / plans.

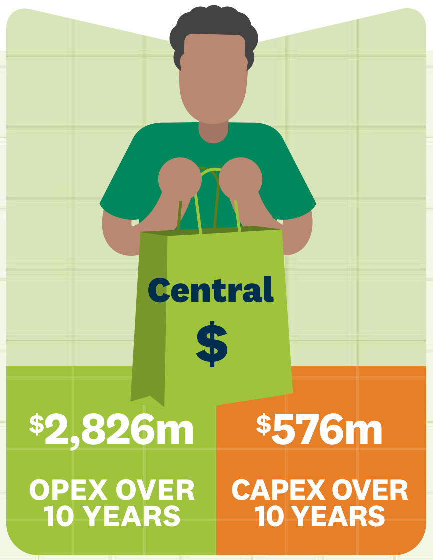
▶ **For more information** see Supporting Information pages > Groups of activities > Local council delivered services, Regionally delivered council services

Te Whanaketanga ā-Ōhanga, ā-Ahurea hoki

Economic and cultural development

Arts, nature, sports, live performances and events enrich the lives of Aucklanders and visitors. We promote Auckland as a place to live, work, invest, study and visit. We support the creation of quality jobs for all Aucklanders.

THE CENTRAL PROPOSAL



Our cultural institutions including the Auckland Art Gallery, Auckland Zoo, New Zealand Maritime Museum and Stadia are important regional facilities that enrich the lives of Aucklanders and stimulate tourism and economic activity. However, more work is required to achieve the maximum value and ensure the financial sustainability of these facilities.

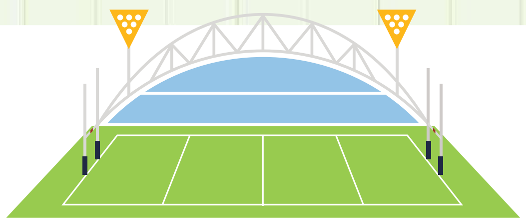
We face substantial maintenance and renewal costs for our existing stadium venues. Some of these venues are under-used and don't make enough money to cover their operating costs.

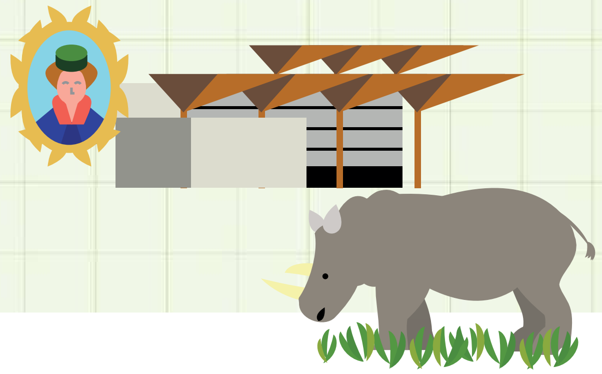
The council is consulting on options for how to get the best community outcome from the North Harbour Stadium precinct. For more information, see Part ten of this document.

Under the central proposal, economic development and destination initiatives including destination marketing and major events, such as the Diwali festival, will continue to be funded, but at a reduced level (compared to pre-COVID-19 funding levels).

We will undertake work to secure funding, either from central government or other external funding, to enable more to investment into economic development and visitor attraction initiatives to fill a $5 million gap due to government funding that is expiring in the current year.

The council has signalled that over the longer term these activities should not be funded by general rates and work will progress to introduce an alternative funding tool such as a bed night visitor levy. Without this mechanism or sponsorship / partnering with the private sector, only the basic suite of events and minimum level of economic development projects will be delivered.





Highlights of the central proposal

- continue providing natural and cultural heritage experiences for visitors to the Auckland Zoo, Auckland Art Gallery, and New Zealand Maritime Museum, and continue supporting ongoing wildlife, visual arts and heritage conservation and asset development activities
- enable international and domestic musicals, concerts, sporting events and art exhibitions for Auckland residents and to attract out-of-town visitors, and investment in Auckland's economy
- continue to provide the existing free and subsidised entry to programmes and events across a wide range of facilities, events and venues – ensuring equality of access

- continue maintenance and base renewal of our portfolio of assets with a focus on de-carbonisation of heritage assets and other de-carbonisation initiatives
- work across the council family to support key economic place-based developments, policy developments and major infrastructure projects that support the regional economy, and provide economic intelligence to support economic outcomes, jobs and investment for future Auckland
- continue attracting business, talent, and foreign investment into key Auckland sectors (tourism, technology, screen)
- partner to attract major and business events to Auckland and deliver the Lantern, Pasifika, and Diwali Festivals

- drive Climate Connect Aotearoa – Auckland's climate innovation hub with a focus on reducing greenhouse gas emissions and building awareness about efficient climate actions.

How we measure our performance

- Ticketed attendance at Auckland Live, Auckland Zoo, Auckland Art Gallery, NZMM, and Auckland Stadiums venues and events
- The contribution to regional GDP from major events and business events attracted or supported
- The number of programmes, initiatives and events contributing to the visibility and presence of Māori in Auckland, Tāmaki Makaurau.

Trade-offs: Economic and cultural development

The other options/scenarios developed for you to consider are:

	PAY MORE – GET MORE	PAY LESS – GET LESS
ECONOMIC DEVELOPMENT	Reinstate major events and economic development funding to pre-COVID-19 levels. This would enable: • expansion of the suite of annual events • resuming with active bidding for major events and concerts • resuming the visitor and overseas investment attraction initiatives • expansion of employment initiatives • reinstating further support for local board economic development projects • increased support for technology, screen and creative industries.	A material reduction in economic development and many of the visitor attraction initiatives. Investment in these areas would only be provided to the extent of non-rates revenue that is generated. This would include reductions in the spending on: • support for economic growth areas and events attraction • bidding, including business events • capability to support growth in the creative and screen industries, technology and advanced manufacturing.
REGIONAL FACILITIES	Increased capital expenditure would fund the central proposal plus an additional $90 million of capex over 10 years to develop other new initiatives, such as Aotea Entertainment Precinct.	Reduction in capital expenditure would: • reduce the funding for completing contracted works and urgent renewals in the short-term • defer other development and lower priority renewals. Opening hours of facilities may need to be reduced to save costs, decreasing levels of service.

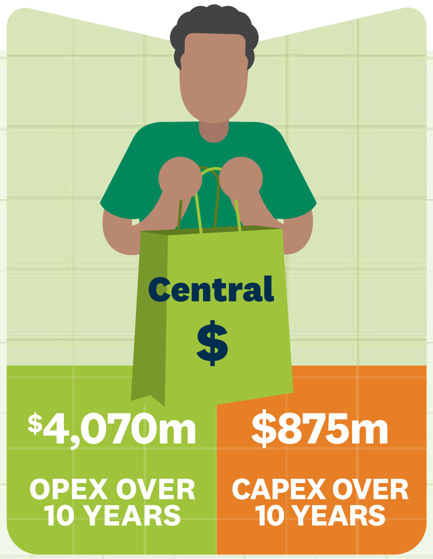
For more information see Supporting Information pages > Groups of activities > Council-controlled services

Te Tautokona o te Kaunihera

Council support

We support Auckland Council to deliver services and elected representatives to make decisions. We provide emergency management for the region and grants for large regional amenities. We also manage the council's investments, including the Port of Auckland Limited.

THE CENTRAL PROPOSAL



Our key priority is providing the support for the work of elected members and local communities, and ensuring that we comply with statutory requirements (which are relevant to meetings, information management and all council's statutory services).

Also, we will continue to work in partnership with emergency services and other organisations to ensure effective coordination of civil defence and emergency management.

We are aware that trust and confidence in local government is declining. To help change this, we will invest in fit-for-purpose technology to improve our processes and make it cheaper to deliver our services. This will allow us to provide a quicker and easier experience for Aucklanders when you need to engage with us. With a better use of technology, we will be able to further reduce operational running costs.

We also want to increase the support and provide more opportunities for and with mana whenua and Māori communities, and improve the local business environment through work with our partner associations.

As required by specific levy legislation, the council also makes significant investments in cultural institutions and organisations that it does not own or govern, such as:

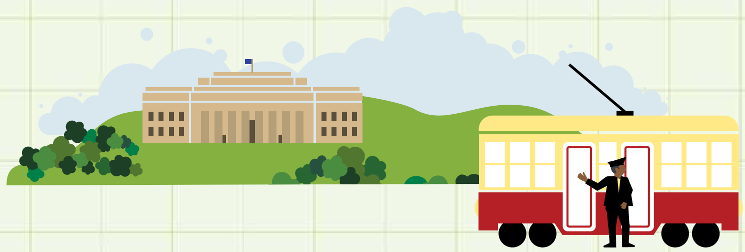
- Auckland War Memorial Museum
- Museum of Transport and Technology (MOTAT)
- Auckland Regional Amenities Funding Board (ARAFB).

We will work with those organisations to progress work to modernise the legislation and governance relationship with the council.

A contribution towards the council's $50 million savings (by year three of the plan) would come from:

- assessing and supporting the implementation of commercial revenue opportunities or higher fees and charges
- increasing the scope and speed of group shared services
- cost savings identified by elected members through annual service and financial performance reviews (section 17A reviews to assess the value for money of regional and local services)

We will set a target for selling surplus property assets of $300 million over 10 years in line with our savings plan.



Highlights of the central proposal

- accelerate group shared services and consolidation of service functions to reduce duplication across the council organisations

- increase Māori outcome funding by $3 million per annum from year four of the LTP to a total of $171 million over 10 years, accompanied by a review of our partnerships with mana whenua iwi and Māori communities
- develop and deliver local board plans and their work programmes
- providing support with the regional strategies, policies, plans, bylaws and central government proposals
- identify, advise and protect heritage places for town centres and local areas
- renew research and monitoring sites and equipment
- work with our Business Improvement Districts and Business Associations to improve our local business environment and boost the regional economy
- make it easier for the public, including our diverse communities, to engage with the council
- provide the council with high quality legal advice
- strengthen the council's risk management framework
- ensuring council is ready and equipped to support an effective emergency response in times of crisis.

How we measure our performance

- The percentage of Aucklanders who are prepared for an emergency
- The number of mana whenua and mātāwaka marae that received support

Trade-offs: Council support

The other options/scenarios developed for you to consider are:

PAY MORE – GET MORE

Surplus property assets would be retained for future possible use or sold to invest in new facilities that are not currently included in the budget.

A lower level of savings required ($20 million) compared with the central proposal ($50 million) by year three of the LTP.

Rather than reducing services, this could be achieved by mainly focusing on things like:

- further back-office efficiencies including making quicker progress on group shared services benefits
- implementation of the value for money (section 17A reviews) programme to deliver services more efficiently beyond those programmes already planned.

PAY LESS – GET LESS

Set an asset sales target of $300 million over three years instead of the 10 years under the central proposal.

Much larger operational cost reductions would be required from Auckland Council. More extensive service level reviews would be required with some reducing to legally required minimum levels.

The areas that are likely to be significantly affected include reductions to:

- governance support
- fewer core strategies and implementation oversights
- the additional Māori outcomes funding in the central proposal
- delivery or focus on meeting minimum requirements for heritage programmes
- stopping or reducing non-statutory reporting on financial strategy and Local Board financials, such as less financial reporting and support to the local boards.

For more information see Supporting Information pages > Groups of activities > Local council delivered services; Regionally delivered council services

▲ Mother and daughter reading, Te Paataka Koorero o Takaanini

Wāhanga Tuarima:
Te Haumitanga Matua

Part five: Major investment

◀ Glen Innes to Tāmaki Drive Shared Path

Overview

Making changes to our two largest investments could improve the council's physical and financial resilience.

Our major investments

Auckland Council currently owns just over 11 per cent of Auckland International Airport Limited (AIAL), which is the NZX-listed company that owns and operates Auckland Airport. The council sold a 7 per cent stake in September 2023 for $836 million as part of the council's Annual Budget 2023/2024.

The council also owns 100 per cent of Port of Auckland Limited (POAL), which is the company owning and operating Auckland's commercial freight and cruise ship harbour facilities. The Port of Auckland is situated on the Waitematā Harbour, on 77 hectares of mostly reclaimed land on the Auckland waterfront. This land is currently used as operational areas for containers, cars and other cargo.

In recent years we have seen significant fluctuations in return from these two investments due to a range of commercial factors and the impact of the COVID-19 pandemic. These investments are important components of the council's financial strategy and therefore it is crucial we assess whether they could be leveraged for greater cash returns to fund council operations, reduced risk and better long-term financial sustainability.

Objectives of a proposal

- **Protecting the value of the council's intergenerational assets:** maintain real asset value over the long-term.
- **Provide self-insurance/resilience:** support the council's ability to better respond to shocks and to be able to fund more expenditure in response to climate change, to contribute to costs associated with a natural event, or provide liquidity in the event of a major financial disruption.
- **Enhance cash returns:** improved cash returns from investments to fund council operations, above the council's long-term cost of capital over the long run.
- **Deliver diversification:** spreading the investments over a range of assets, both in terms of where they are and what they are, to reduce the risk of them losing value.
- **Improve flexibility:** ability to rebalance investments to reflect changing community needs and investment objectives
- **Strategic outcomes:** continue to deliver on the council's strategic objectives for the airport and the port.

Key decisions for the council

In looking at this issue the options the council is considering hinge around three key questions:

- Do we establish a regional wealth fund (the Auckland Future Fund) to manage our financial investments?
- Do we transfer our AIAL shareholding into the fund?
- Do we change the way the port is run by leasing the operations, while maintaining ownership of the land and wharves? If so, do we invest the proceeds in the fund?

Our proposed option

1. Auckland Future Fund with AIAL shares and port lease proceeds (Option 1)

Establishing an Auckland Future Fund ("the fund") as a regional wealth fund that is professionally managed in line with investment objectives and policies set by the council. The fund could improve the council's long-term financial resilience by making provision, and self-insuring, for some of the risks posed by climate change and other major environmental and economic challenges.

Transferring the council's remaining AIAL shareholding into the fund (with provision being made in our AIAL Shareholding Policy for any or all of those shares to be sold). As the council's objectives involve diversifying risk, it is almost certain that most, if not all, of the AIAL shares would be sold over time.

Granting an operating lease of around 35 years to an external party to operate the port. The council would receive an upfront payment for this lease, which would be invested into the fund. All port land and wharves would remain in council group ownership and at the end of the lease the port operations would transfer back to the council group.

The central proposal for our budget package that is described elsewhere in this consultation document assumes this option for our major investments. If the council proceeds with another option this will have financial impacts, including on rates increases and debt position. These impacts are discussed in more detail in the following sections.

Other options for consideration

2. Enhanced status quo (Option 2)

No establishment of an Auckland Future Fund. No transfer or sale of the remaining shares in AIAL, and POAL would continue to operate the port.

The council would continue to work with POAL to improve its financial performance and enhance its returns to the council as the 100 per cent shareholder.

3. Auckland Future Fund with AIAL shares only (Option 3)

Establishing an Auckland Future Fund and transferring the council's remaining AIAL shareholding into the fund, as in the proposed option (option 1).

POAL would continue to operate the port (as set out under the enhanced status quo option, Option 2). Under this option, those returns would not be invested in the Auckland Future Fund.

4. Auckland Future Fund with AIAL shares and POAL dividends (Option 4)

Establishing an Auckland Future Fund and transferring the council's remaining AIAL shareholding into the fund, as in the proposed option.

POAL would continue to operate the port (as set out under the enhanced status quo option, Option 2), however POAL dividends would be invested into the Auckland Future Fund.

Overview of options assessment

A summary table is included as Figure 1 below, and a more detailed options assessment can be found on page 60.

Auckland Future Fund

What are we proposing?

We are proposing to establish an Auckland Future Fund as a regional wealth fund, to be managed by a professional investment manager under a clear set of investment objectives and policies set by the council. Rules and restrictions would be put in place, including in relation to the circumstances in which the funds can be accessed in the future. For example, the council's present thinking is that the fund would only be able to be accessed to:

- provide liquidity to support ongoing council operations in the event of major financial disruption
- fund significant expenditure to urgently respond to the impacts of climate change and other major environmental and economic challenges
- cover some of the cost of a major natural disaster or insurance type event
- invest in significant new assets or investments with substantial intergenerational benefits related to managing council's financial and physical risks posed by climate change and other environmental challenges
- provide partial council self-insurance.

In the event of a major disaster, insurance event, or a decision to make a significant investment from the fund the capital value of the fund would be diminished and projected future returns would need to be updated accordingly. This would be a key consideration in making decisions of this nature.

The Council would also receive annual cash distributions from the fund to help pay for the operating costs of providing council services, in the same way that returns from council's shareholdings in AIAL and POAL are currently used.

Figure 1: Summary of options assessment

	Option 1	Option 2	Option 3	Option 4
Protecting assets	✓+	✓	✓+	✓✓
Self-insurance / resilience	✓✓	✗	✓	✓
Enhanced cash returns	✓✓✓	✓	✓✓	✗
Diversification	✓✓✓	✗	✓✓	✓✓
Flexibility	✓✓✓	✓	✓✓	✓✓
Strategic outcomes	✓✓✓	✓✓	✓✓	✓✓

Why are we proposing this?

Strategic assessment

By establishing an Auckland Future Fund and using it to manage the council's financial investments, the council could improve its long-term financial resilience while also making provision for risks posed by climate change and other major environmental challenges, including self-insurance for a much larger portion of the risks that are currently externally insured.

The fund would also likely improve financial returns each year and ensure that the value currently tied up in our major investments will continue to provide benefits to future generations of Aucklanders.

Auckland Council's major investments are currently concentrated in physical assets located in Auckland (AIAL and POAL). An Auckland Future Fund would spread the council's investments across multiple assets, including financial assets outside of Auckland.

Spreading the council's investments into financial assets instead of limiting them to two physical assets is likely to achieve better long-term returns with reduced risk. This would also have a positive influence on our credit rating and improve the council's liquidity position, meaning that we could better manage our finances and respond to unexpected financial shocks or adverse events.

Self-insurance

Setting aside a portion of the fund (estimated at a minimum of $1 billion) to provide a level of self-insurance will mean the council can reduce insurance premiums in the medium and long-term and ease capacity constraints which can be a factor in the external insurance markets when the council is exposed to significant natural events.

The majority of the council's insurance premium spend is concentrated on the above and below ground property insurance policies. The best use of the Auckland Future Fund (to save the most premium spend) is assessed to be to provide a significant level of self-insurance on the above and below ground policies with more limited self-insurance coverage for some other insurance policies. Rather than completely removing external insurance cover in many cases the best approach may be to significantly increase insurance excess levels so that external insurance only covers the most extreme events. It is proposed that these changes to insurance arrangements would take effect from the 2025/26 financial year.

The expectation is that the fund would not be recapitalised if there was an event resulting in a significant withdrawal (i.e. funds used to cover a major natural disaster or insurance type event). This would result in a reduced cashflow benefit in the future.

Instead of partial self-insurance the council could look to use the entire Auckland Future Fund to provide a full self-insurance service, and save the full value of annual premiums, however this would (at least in theory) expose the council to unlimited risk.

Financial assessment and implications

Financial assessment of the fund is based on a number of uncertain factors and the financial benefits would be dependent on the level of investment into the fund, the investment portfolio mix, the investment returns, and the way the fund is structured.

Based on external advice, financial modelling included below for the airport and port options assumes an expected average return of 7.5 per cent on the fund each year, with a 2 per cent reinvestment rate back into the fund. Full details of the assumptions we have made, and sensitivity around them, are included in Section 6.1 of the Supporting Information

The net (5.5 per cent) would be returned to the council as a cash distribution. Where this exceeds the existing projected profit or dividend from POAL and AIAL, it would provide additional funding for council operations and help reduce the need for higher rates increases over the next few years.

In addition to the projected enhanced financial benefits of investing the AIAL shares and/or the payment for a port lease into the fund, it is projected that a fund with at least one of these investments would be large enough to provide a level of self-insurance.

The council currently pays around $25 million per annum in insurance premiums (including $5 million per annum internally into a self-insurance fund). While it is impossible to predict with accuracy the future direction of insurance premiums, there is likely to be upward pressure on premiums as council's asset base increases and climate-related events become more common. The use of the fund to provide a level of self-insurance is

Figure 2: Projected annual reduction in insurance premiums

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Reduction in insurance premiums		12	12	12	13	13	13	14	14	14	117

projected to reduce the external insurance premiums by approximately $12 million per annum (assumed to at least grow with inflation, at 2 per cent per annum) compared to current budget projections (as shown in Figure 2).

Other options

Instead of investment into the fund, another option available to the council would be to use the cash from a sale of the remaining AIAL shares, and/or the lease of the operations of the port, to reduce council debt.

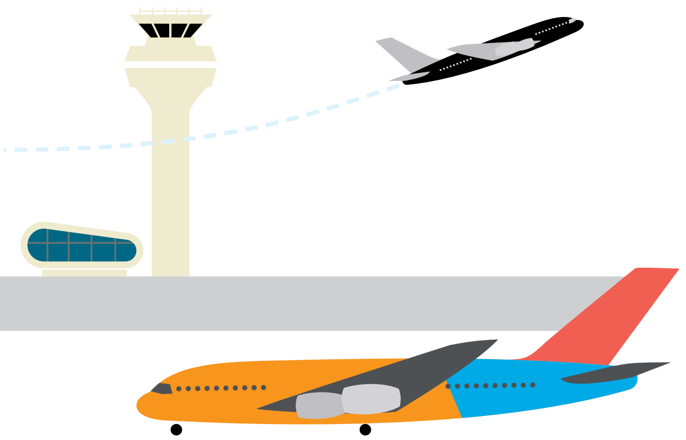
This option would provide similar financial benefit from reduced interest payments as the proposed cash distributions from the fund.

Reducing the council's debt levels would reduce our exposure to debt markets. The Auckland Future Fund proposal would maintain existing debt market exposure as a borrower and add exposure to international financial investment markets.

Using the proceeds to pay down debt would dramatically reduce the council's debt-to-revenue ratio. As compared to the proposal, resilience in the case of a major event would be provided through enhanced debt headroom rather than cash investments.

This option would not provide the council with a fund it could use to provide self-insurance but, again, this could be effectively provided through the additional debt headroom created. There is some risk that this debt headroom may be difficult to access following a major natural event in Auckland.

This option would not protect the value of the council's intergenerational assets and maintain real asset value over the long-term and therefore is not being proposed.



Airport shareholding

What are we proposing?

Auckland Council currently owns just over 11 per cent of Auckland International Airport Limited (AIAL), which is the NZX-listed company that owns and operates Auckland Airport. The council sold a 7 per cent stake in September 2023 for $836 million as part of the council's Annual Budget 2023/2024.

If the council proceeds with the establishment of the Auckland Future Fund, we propose to transfer the council's remaining AIAL shareholding into the Auckland Future Fund, and to appoint an investment manager with authority to sell all or some of these shares and invest the proceeds in other financial investments to best meet the investment objectives and policies set by the council. We would amend the AIAL shareholding policy to provide for the sale of shares by the fund manager.

As the council's objectives involve diversifying risk, it is almost certain that most, if not all, of the AIAL shares would be sold over time.

Potential imperative for ownership	Assessment
Key regional asset – It is important to the council that aeronautical services are provided to the region and these are fit for purpose and meet Aucklanders' needs.	The commercial incentives inherent in private ownership will align with these outcomes.
Monopoly asset – It is important to the council that the monopoly powers of AIAL (i.e. that it is the only airport of its type in the region) are not abused.	Regulatory oversight of the aeronautical business at a national level provides protection against monopoly abuse without council involvement.
Externalities – It is important to the council that in the conduct of its business, AIAL does not negatively impact the lives of residents and other businesses.	The council provides protection against this through its regulatory roles in terms of land-use planning, licensing and consenting.
New Zealand ownership – It may be important to the council that ownership and control of AIAL remain in local hands.	Protection against this is provided at a national level through Overseas Investment Office oversight.

Why are we proposing this?

Strategic assessment and implications

While Auckland's airport is clearly a key piece of strategic infrastructure for the region and the country, consideration of the strategic value in the council holding shares in the airport company should be based on the specific outcomes sought by the council.

The council has never identified the strategic goals that it seeks from the investment. The current shareholding policy states that "the objectives are to maintain a strategic stake in Auckland Airport as an important national and regional asset".

With its current shareholding of just over 11 per cent of the total shares in AIAL the council has no real ability to control or influence the strategic direction of the company.

We looked at likely imperatives and assessed the strategic value against them.

This assessment demonstrates that the council has not identified any specific reasons for the council to maintain ownership of shares in AIAL and that outcomes can be satisfactorily achieved in other ways.

Based on the assessment above, the council's shareholding in AIAL has no implication for the strategic outcomes it can deliver with respect to AIAL and the airport itself.

The influence the council has through its land-use planning and consenting and regulatory roles would continue without any shareholding in the AIAL company. The current shareholding is not sufficient for the council to have control over the strategy and business plans of AIAL.

Financial assessment and implications

The council has assessed the financial implications of transferring the remaining AIAL shares into an Auckland Future Fund against the projected returns from maintaining the current ownership arrangements for AIAL.

By its nature this assessment is based on a number of uncertain factors. The forecast dividend on the AIAL shareholding are based on broker estimates (and then extrapolated by the expected inflation rate). The potential value of the AIAL shares to be transferred into the Auckland Future Fund is based on the market price of the shares.

Based on a share price of $8.58 per share as at 25 January 2024 the estimated value of the council's shareholding in AIAL is $1.389 billion. Full details of the assumptions we have made, and sensitivity around them, are included in Section 6.1 of the Supporting Information.

Figure 3 below shows the projected financial contribution to the council from a transfer of shares on 1 July 2026 (giving some time for implementation of the fund), based on the above value and the fund assumptions included in the previous section.

Figure 4 below shows the projected dividends the council might receive from its AIAL shares over the corresponding nine years based on broker estimates.

Under the status quo we estimate that the council would receive around $321 million in dividends from AIAL in the nine years from 2025/2026 to 2033/2034. Over the same period, it is estimated that the cash distribution from the fund related to the transfer of AIAL shares would be $745 million, meaning that the net funding benefit for the council would be $424 million (excluding any insurance premium savings).

The proposed transfer of AIAL shares to the fund would have no impact on council debt compared with the status quo but would slightly improve the group debt-to-revenue ratio due to the higher revenue projected.

Other options

Another option could be to sell the remaining AIAL shares and use the proceeds to pay down debt as noted in the Auckland Future Fund section above. As we have noted earlier this would result in a similar

Figure 3: Projected financial contribution from transfer of AIAL shares into a fund

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Projected gross fund return		104	106	108	111	113	115	117	120	122	1,016
Less reinvestment into fund		(28)	(28)	(29)	(29)	(30)	(31)	(31)	(32)	(33)	(271)
Projected financial contribution		**76**	**78**	**79**	**81**	**83**	**84**	**86**	**88**	**89**	**745**

Figure 4: Projected AIAL dividends received if shares retained

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Projected AIAL dividends		**27**	**32**	**35**	**36**	**37**	**37**	**38**	**39**	**40**	**321**

financial contribution towards council operations, and a significant reduction in council debt, but would not protect the value of the council's assets over the long term. For this reason, the council is not proposing this option.

The status quo option is retention of the shares and continued receipt of dividends. The financial implications of this option are discussed in the previous section, by way of comparison with the proposal.

Accountability and monitoring arrangements

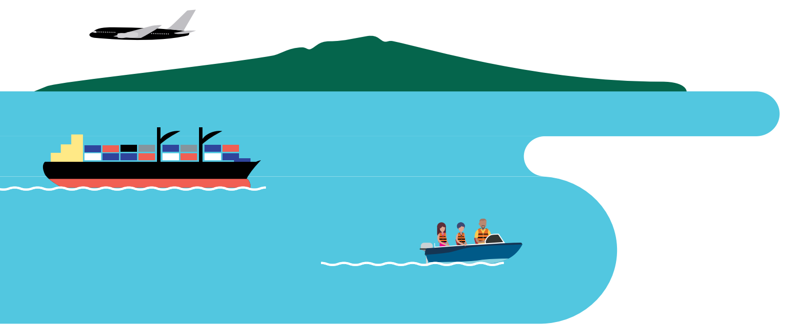
As discussed in the implementation section below, the council will have to decide on the legal structure of the Auckland Future Fund, if it is established. Whatever structure is chosen, the council will put in place accountability and monitoring requirements covering the management of the fund portfolio, including subsequent sale of the airport shares (if the proposed transfer of shares to the fund is made). If this management entity is a council controlled organisation, it will be subject to CCO accountability and monitoring requirements and the council's CCO Accountability Policy will be updated accordingly.

As shares in AIAL are publicly-traded equities, we are not proposing to put in any specific arrangements to assess the performance of others in respect of the council's shareholding following any sale by the fund.

Existing oversight and monitoring arrangements with respect to the operations and governance of AIAL will remain in place. These include rules and reporting requirements with the NZX, Commerce Commission oversight with respect to competition law and pricing, and the Overseas Investment Office oversight with respect to levels of foreign ownership. The council will also continue to operate its regulatory and land-use planning roles.

Managing conflicts of interest

The presence of conflicts of interest will depend on the exact implementation of the proposed transactions. These conflicts will be managed in accordance with the council's current processes. In particular, we will ensure that any party providing independent advice on the proposals will be explicitly excluded from participating in execution of any transactions.



Port of Auckland

What are we proposing?

The council owns 100 per cent of Port of Auckland Limited (POAL), which is the company administering Auckland's commercial freight and cruise ship harbour facilities. The Port of Auckland is situated on the Waitematā Harbour, on 77 hectares of mostly reclaimed land on the Auckland waterfront. This land is currently owned by POAL and used as operational areas for containers, cars and other cargo.

We are considering options for the future of the operations of the Port of Auckland. The two main options we are considering are:

- **Continued operation of the Port of Auckland by POAL**– under this option, POAL would continue to own and operate the port land and operations, implementing the company's turnaround plan to deliver improved returns to Auckland Council.
- **Lease of Port operations** – under this option, Auckland Council or POAL would grant a lease of around 35 years over the port land and operations to an external party to operate the port. The council would receive an upfront payment for this lease, and the operating company would have the right to run the port, make capital investments and earn profits from these operations over the period of the lease. Council would not receive returns from the operations of the Port during the period of the lease. At the end of the lease control of the port operations (and associated land) would transfer back to the council group. The underlying ownership of the port land and wharves would stay with the Auckland Council group throughout the lease. The lease agreement would also set out key parameters that would help ensure that the council's ownership objectives and lease conditions will be met.

Why are we proposing this?

Strategic assessment and implications

As with Auckland Airport, the Port of Auckland is clearly a key piece of strategic infrastructure for the region and the country, and an integral part of the North Island supply chain.

As the 100 per cent owner, the council currently has a degree of governance control of the POAL. However, the council is prohibited by law from getting involved in the day-to-day running of the port.

Under the Port Companies Act 1988, the board manages POAL's operational activities in accordance with its Statement of Corporate Intent. The board is appointed by the council as shareholder, and council can also require modification of the Statement of Corporate Intent.

The principal objective of a port company under the Port Companies Act is to operate as a "successful business", essentially on a commercial footing like privately-owned businesses.

Implications for POAL of a decision to lease the operation of the port would depend on the implementation options chosen from those identified on pages 57 to 58, and could include, for example, POAL becoming a land-holding company, or being disestablished.

Auckland Council has recently identified the following six strategic objectives for its ownership in POAL:

In March 2022 Council adopted six ownership objectives for the POAL	
1. Retain Council ownership of port land	• Ensure continued Council ownership of the strategic port land and seabed
2. Secure the POAL's development to secure growth	• Secure the POAL's development as a strategic community asset and an enabler of economic growth • Ensure access to capital to meet the future investment needs of port users and regional trade • Support the regional economy through stimulating trade, volume and employment growth, local business procurement and optimising the North Island logistics chain
3. Deliver open, efficient and sustainable port services	• Deliver open access, efficient and competitive port services to all port users • Operate in alignment with community expectations and four well-beings (adherence to strict operating, social, cultural, environmental and sustainability, health and safety and maintenance standards) • Emphasis on maintaining high levels of operational health and safety standards • Drive reduction in land transport and emissions
4. Optimise waterfront land use	• Release strategic waterfront land for alternative community purposes by optimising port land use and shrinking the port footprint • Preserve optionality for a future port relocation and development of a second Auckland port, including mitigating any transfer risks and costs
5. Enhance community control	• Safeguard community interests and enhance control of matters important to the community • Enhance Council oversight of Port's strategic direction and long-term planning • Enhance Council governance, reporting and oversight of port operations • Ensure adherence to community operating expectations • Comply with all legal obligations under the Marine and Coastal Area (Takutai Moana) Act 2011 • Ensure on-going commitment to implementing a Māori Outcomes Plan
6. Optimise financial returns to the shareholder	• Optimise dividend and returns on ratepayer capital invested in the POAL • No increase in funding burden on the ratepayer and avoid further draw on Council capital • Reduce POAL's debt burden and credit rating impact on Council

A review of similar long-term leases of port operations in Australia over the past two decades identified the following outcome trends post implementation:

- Generally good working relationship between port operators, government, port users and unions
- Positive benefits from long term growth of port trade and economic prosperity of the region
- Investors continually seeking investment opportunities to generate returns
- More investment occurred than would have been the case under government ownership
- Attracting the right long-term partner has enabled follow on regional infrastructure investment and growth in trade links
- Operators have sought long-term volume growth, not at the expense of short-term price gain
- Stable pricing - regardless of regulatory model adopted, port prices tended to track CPI
- No material concerns on port pricing or disputes with operator even with vertically integrated models
- No reports of material forced redundancies or reduction in terms (employee protections incorporated into lease)

While the New Zealand context might be different, drawing on this review, an assessment has been made of how leasing the port operations in Auckland could further the council's strategic objectives. Overall, this assessment concluded that this would:

- better support the port's development and growth
- deliver better outcomes for the community
- provide better financial returns to the council as shareholder.

The council would seek to ensure the port's operations continue to operate in the public interest through the terms of the lease agreement and by ensuring they comply with regulations. These lease terms might include:

- Strategic investment in rail and port road infrastructure with a plan to take trucks off our busy roads, particularly during the day.
- Ceasing coal imports and other "dirty, dusty" trades as soon as practicable where alternative exist for these trades to deliver a cleaner, greener port for the city.
- Setting improved operating, safety and environmental standards with transparent reporting to council.
- Ensuring port jobs are safeguarded and workforce entitlements are protected.

- Requiring future investment at the port to create growth and jobs.
- Consultation with the council on matters important to the council and the community.
- Regulation of port prices and access.

Financial assessment and implications

By its nature this assessment is based on a number of uncertain factors. The projected future profits from the POAL are based on budget projections provided by POAL, and the value of the lease is based on expert external advice which has been peer reviewed.

It is estimated that between $2 billion and $3 billion could be received as a lease prepayment for the port operations on or around 1 July 2025 (the modelling in Figure 6 uses $2.1 billion).

Full details of the assumptions we have made, and sensitivity around them, are included in Section 6.1 of the Supporting Information.

The expert external advice included financial modelling over a 35-year assumed lease term which compared the value of the discounted cashflows to council from each of the two options. This modelling estimated that with a $2.1 billion lease prepayment, the council would be around $300 million better off under the lease option than the enhanced status quo option.

The peer review of this analysis pointed out that in theory the council could improve the financial returns under the status quo option by increasing POAL debt and returning more capital to the council. However, this is not a practical option given the council's current debt constraints discussed elsewhere in this document.

The following analysis considers the specific financial implications for the 10-year period of this long-term plan.

The council currently projects that POAL will generate profits, including those paid as dividends and profits retained to support capital works or reduce debt, of $856 million over the nine years from 2025/2026 to 2033/2034, this is shown in Figure 5.

Over the same period, it is estimated that the cash distribution from the fund related to the transfer of the proceeds of a port operating lease ($2.1 billion) would be $1.127 billion.

As it is not intended that any POAL debt is repaid with the proceeds of a lease transaction it is appropriate, for comparison, to factor in the interest costs on retained port debt of around $400 million. This gives a projected financial contribution over nine years of $941 million, as shown in Figure 6..

Another option considered is for POAL to continue to deliver port operations but for the annual dividends from the port to be invested into the Auckland Future Fund, rather than used by the council to fund existing services.

Figure 5: Projected POAL profit from port operations

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
POAL projected profit		**78**	**84**	**89**	**93**	**98**	**101**	**103**	**104**	**106**	**856**

Figure 6: Projected financial contribution from investment of port lease proceeds in a fund

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Projected gross fund return		158	161	164	167	170	174	177	181	185	**1,536**
Less reinvestment into fund		(42)	(43)	(44)	(45)	(45)	(46)	(47)	(48)	(49)	**(410)**
Net fund proceeds		**116**	**118**	**120**	**123**	**125**	**128**	**130**	**133**	**135**	**1,127**
Less: Interest costs on retained port debt		(19)	(19)	(20)	(20)	(21)	(21)	(22)	(22)	(22)	**(185)**
Projected financial contribution		**96**	**99**	**101**	**103**	**104**	**106**	**108**	**111**	**113**	**941**

Figure 7: Projected financial contribution from investment of port dividends in a fund

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Projected gross fund return		0	6	12	19	27	34	43	51	60	**253**
Less reinvestment into fund		0	(2)	(3)	(5)	(7)	(9)	(11)	(14)	(16)	**(67)**
Projected financial contribution		**0**	**4**	**9**	**14**	**20**	**25**	**31**	**38**	**44**	**185**

Due to the reinvestment approach the projected financial contribution is much lower than for the lease option (at $185 million over nine years), as shown in Figure 7. The council only receives a return once these invested dividends in turn generate earnings in the fund (i.e. from the 2026/2027 financial year).

The assessment above shows that the highest projected contribution to the council to support its operations would come from leasing the port operations and investing the proceeds in the Auckland Future Fund. This is projected to deliver $941 million over the LTP period. This compares with $856 million under the status quo.

The option to lease the port operations has been included in rates and debt projections in the central proposal in this consultation document. The status quo would require higher rates with an additional increase of around 0.7 per cent needed in 2025/2026. Under the status quo the council's projected debt-to-revenue would be lower as the full gross revenue of POAL operations is included in the ratio rather than just the cash distribution from the fund to the council. The difference is projected to be nine per cent in 2025/2026.

The alternative option noted above (POAL continuing to operate the port with annual dividends invested into the Auckland Future Fund) would significantly reduce the contribution to council and would likely require additional rates increases to make up the difference in revenue of over 3 per cent in 2025/2026. Debt levels under this option would be similar to under the status quo.

Other options

Another option could be to lease the operations of the port but, rather than investing the proceeds in the fund, use them to pay down debt as noted in the future fund section above. As we have noted earlier this would result in a similar financial contribution towards council operations, and a significant reduction in council debt, but would not protect the value of the council's assets over the long term. For this reason, the council is not proposing this option.

A related option would be to repay just the POAL debt of around $400 million and invest the net amount of the port lease ($1.7 billion). This would have similar implications as option 1 with the smaller financial benefit from a smaller fund size largely offset by reduced interest costs. This option would still protect the net value of the council's assets over time (with net assets being total asset value less associated debt).

Leasing the operations of the port for a significantly different period has been considered but is not being proposed. A significantly shorter lease period would not likely be sufficiently attractive to potential operators, and a significantly longer lease would commit the city to this use of the valuable waterfront land for too long and restrict long-term decisions around future supply-chain networks.

▼ Port of Auckland

Assessment of options against objectives

The table below compares the different options that the council is considering for its long-term plan.

The central proposal for our budget described elsewhere in this consultation document assumes Option 1. If the council proceeds with another option this will have financial impacts, including on rates increases and debt position.

	Option 1 Auckland Future Fund with AIAL and port lease	Option 2 Enhanced Status Quo	Option 3 Auckland Future Fund with AIAL	Option 4 Auckland Future fund with AIAL shares and POAL dividends
Protecting assets	✓+ Base case dividends set at level to maintain real asset growth.	✓ Limited levers to ensure value is protected.	✓+ Base case dividends set at level to maintain real asset growth.	✓✓ Reinvestment of dividends provides for growth exceeding inflation
Self-insurance / resilience	✓✓ Greater ability to absorb shocks, albeit changes to fund value or dividends may be needed.	✗ Low portfolio liquidity and ability to use asset value to self-insure	✓ Limited ability to self-insure against larger shocks without impacting fund value and future dividends	✓ Limited ability to self-insure against larger shocks without impacting fund value and future dividends
Enhanced cash returns	✓✓✓ Potential for greatest returns	✓ AIAL / POAL dividends received	✓✓ Potential for greater returns from diversified portfolio, albeit limited cash following self-insurance event	✗ Lower cash returns than status quo due to reinvestment of POAL dividends
Diversification	✓✓✓ Full asset value / proceeds reinvested in diversified investment portfolio	✗ Concentrated investment exposure/ risk.	✓✓ Reinvestment of AIAL proceeds in a diversified investment portfolio	✓✓ Reinvestment of AIAL proceeds in a diversified investment portfolio
Flexibility	✓✓✓ Larger scale provides greater flexibility to balance financial objectives.	✓ Limited ability to rebalance assets to reflect changing community needs.	✓✓ Fund expected to enable timely response to changing community needs and market conditions.	✓✓ Fund expected to enable timely response to changing community needs and market conditions.
Strategic outcomes	✓✓✓ Strategic outcomes for airport maintained through other means Strategic outcomes for port improved	✓✓ Strategic outcomes continue to be delivered	✓✓ Strategic outcomes for airport maintained through other means Outcomes for port maintained	✓✓ Strategic outcomes for airport maintained through other means Outcomes for port maintained
Projected financial contribution (9 years: 2025/2026 – 2033/2034)	**$1.8 billion**	**$1.2 billion**	**$1.7 billion**	**$1.0 billion**
Projected rates increase for 2025/2026	**3.5%**	**6.5%**	**4.2%**	**7.5%**

Financial implications of options

Option 1: Auckland Future Fund with AIAL and port lease

- Included in central proposal financials throughout this consultation document
- Higher financial contribution than status quo supports a residential rates increase for 2025/2026 of 3.5 per cent
- Delivers debt profile outlined in part seven of this document.

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Projected gross AFF return		262	267	272	278	283	289	295	301	307	**2,552**
Less reinvestment into fund		(70)	(71)	(73)	(74)	(76)	(77)	(79)	(80)	(82)	**(681)**
Net fund proceeds		**192**	**196**	**200**	**204**	**208**	**212**	**216**	**220**	**225**	**1,872**
Plus: Reduction in insurance premiums		12	12	12	13	13	13	14	14	14	**117**
Less: Interest costs on retained port debt		(19)	(19)	(20)	(20)	(21)	(21)	(22)	(22)	(22)	**(185)**
Projected financial contribution		**185**	**189**	**193**	**196**	**200**	**204**	**208**	**213**	**217**	**1,804**

Option 2: Enhanced status quo

- Lower financial contribution to council operations would require changes to other settings which could include an additional rates increase of around 3 per cent in 2025/2026 for a total residential rates increase of 6.5 per cent.
- Higher debt profile than option one due to POAL investment but with lower debt-to-revenue ratio due to inclusion of gross POAL revenue.

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Projected AIAL dividends		27	32	35	36	37	37	38	39	40	**321**
POAL projected profit		78	84	89	93	98	101	103	104	106	**856**
Projected financial contribution		**106**	**116**	**124**	**129**	**134**	**138**	**141**	**143**	**146**	**1,177**

Option 3: Auckland Future Fund with AIAL

- Lower financial contribution than option one could require additional rates increase of around 0.7 per cent in 2025/2026 for a total residential rates increase of 4.2 per cent.
- Higher debt profile than option one due to POAL investment but with lower debt-to-revenue ratio due to inclusion of gross POAL revenue.

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Projected gross fund return		104	106	108	111	113	115	117	120	122	**1,016**
Less reinvestment into fund		(28)	(28)	(29)	(29)	(30)	(31)	(31)	(32)	(33)	**(271)**
Net fund proceeds		**76**	**78**	**79**	**81**	**83**	**84**	**86**	**88**	**89**	**745**
Plus: Reduction in insurance premiums		12	12	12	13	13	13	14	14	14	**117**
Plus: POAL projected profit		78	84	89	93	98	101	103	104	106	**856**
Projected financial contribution		**167**	**174**	**181**	**187**	**193**	**199**	**202**	**206**	**209**	**1,718**

Option 4: Auckland Future Fund with AIAL shares and POAL dividends

- Lower financial return to council than other three options. Difference of almost $100 million in 2025/2026 would require action that could include an additional rates increase of around 4 per cent for a total residential rates increase of 7.5 per cent.
- Higher debt profile than option one due to POAL investment but with lower debt-to-revenue ratio due to inclusion of gross POAL revenue.

$ million	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	Total
Projected gross fund return		104	112	121	130	139	149	160	171	182	**1,269**
Less reinvestment into fund		(28)	(30)	(32)	(35)	(37)	(40)	(43)	(46)	(49)	**(338)**
Net fund proceeds		**76**	**82**	**89**	**95**	**102**	**110**	**117**	**125**	**134**	**930**
Plus: Reduction in insurance premiums		12	12	12	13	13	13	14	14	14	**117**
Projected financial contribution		**88**	**94**	**101**	**108**	**115**	**123**	**131**	**139**	**148**	**1,047**

Implementation

If, following consultation, the council decides to go ahead with the major investment proposals set out above (in whole or in part), it would then have to make certain key decisions relating to implementation of the proposals. It is important that any implementation of the proposals, if adopted, focuses on the optimisation of Auckland Future Fund objectives. Council would seek to adopt the appropriate structural arrangements and transaction (or series of transactions) to best achieve that end.

Although these implementation decisions will only arise if the council adopts the major investment proposals, it is consulting on them now. The council therefore seeks feedback on these decisions, which are discussed with their various options below. In particular,

- Should the council establish a council controlled organisation (CCO) to manage the Auckland Future Fund investment and/or the freehold port land?
- Should the council change its shareholding in POAL, including through a transfer of the shares within the council group or disestablishment of POAL and cancellation of the shares?
- Should the ownership of freehold port land be transferred to the council or another entity within the council group?

Auckland Future Fund

The proposed structure of the Auckland Future Fund needs to be capable of professional investment management (contemplated to be external management). The investment manager would be accountable, ultimately, to the Governing Body for alignment with the objectives, rules and policies of the fund.

In maintaining oversight and assurance over the fund, it would be critical that key risks are governed by ensuring:

- clarity on the expectations of the council (including consideration of independence and involvement of subject matter experts in its composition)
- identification, management and monitoring of key risks, including reputational risk
- clear accountabilities
- accurate financial and non-financial information
- timeliness and relevance of reports to inform on agreed expectations (and to allow for early intervention, should it be required)

- resolution on agreed actions and decisions.

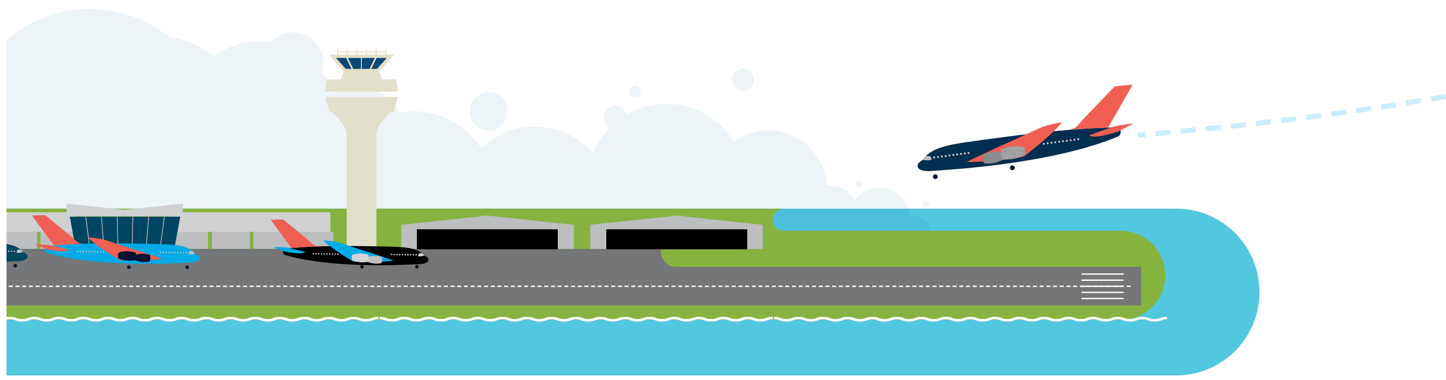
To aid the effectiveness of the fund, it would be critical that monitoring processes are in place to help ensure:

- fund management strategy and policies are documented, understood and followed
- application of the fund is determined by defined decision criteria (including consideration of forecasted investment returns and performance, as well as trade-offs)
- adherence to delegated authorities
- entering into fund investments (including due diligence, approval and purchase and/or contractual terms and conditions)
- exiting fund investments (for example the sale of future assets and/or contract expiry and pay out clauses)
- reporting to the chief executive (or relevant delegated authority) and the governing body on the fund and progress against strategic targets and budgets (such as on performance indicators).

If the council decided to proceed with the establishment of the Auckland Future Fund, it will then have to decide on the structure of the fund. The options for this include the creation of a new CCO (a separate legal entity from the council) that could be a trust, a company or a limited partnership. It is not proposed that any new CCO would be a large organisation with extensive staff and offices.

Key decision	Establishment of a new council controlled organisation (CCO)		
Reasons for the proposal	The implementation of the proposal to enter into a lease of the port operations and/or establish an Auckland Future Fund might involve the establishment of a new legal entity to own and manage the fund investment portfolio, the port land or both. This new legal entity may be necessary to ensure that the governance arrangements and ownership structure for the land remain fit for purpose. This new entity would be owned and controlled by the council so it would be defined as a CCO under the LGA 2002. However, there is no proposal to establish a large new organisation with extensive staff and offices etc.		
Options assessment		Option 1	Option 2
	Description	Establish a new CCO	Do not establish a CCO
	Details	The council would create a new CCO for the purpose of owning and managing assets relating to the proposed Auckland Future Fund, possibly including the freehold interest in waterfront port land. The form of this CCO could be a non-charitable trust, a limited liability company or a limited partnership.	No new CCO would be created, so all Auckland Future Fund investments and the freehold interest in waterfront port land would be owned and managed by existing legal entities within the council group.
	Advantages	- Potentially a more fit for purpose governance arrangement and ownership structure - Could design governance arrangements for a new entity based on the specific new circumstances that will exist - Could better support best practise approach to fund management by having a clearer role for trustees/ directors/partners etc.	- Less time, cost and risk to implement - No additional directors, partners or trustees would need to be appointed - Less ongoing costs and reporting obligations - Greater flexibility for making any future ownership changes
	Disadvantages	- More time, cost and risk to implement - More ongoing costs - Less direct accountability when not part of council parent - Ongoing oversight responsibilities	- May not be fit for purpose or best practise - Lacks "arms length" approach to governance
Accountability and monitoring arrangements	If a new CCO, it will need to comply with all CCO accountability and monitoring requirements. The CCO will likely be a substantive CCO and council's CCO Accountability Policy will be updated to include provisions relating to it.		
Managing conflicts of interest	If a new CCO, as per current CCO policies and practises		

Structurally, self-insurance may be a separate fund within the Auckland Future Fund, given it may have separate liquidity and investment objectives to the remainder of the fund.



Port of Auckland

If the council were to pursue a lease of the port operations two key decisions would be required to implement a subsequent transaction most efficiently:

- Does the ownership of the council's shareholding in POAL need to change?
- Should the ownership of the port land stay with POAL or move?

Key decision	Potential change in ownership of council's shareholding in POAL			
Reasons for the proposal	Implementation of the proposed lease of the port operations could involve some changes to the ownership of the council's shares in POAL, which are a strategic asset under the Local Government Act 2002. These changes may be necessary to ensure that the governance arrangements and ownership structure for POAL's assets and liabilities remain fit for purpose once the lease has been put in place.			
Options assessment		**Option 1**	**Option 2**	**Option 3**
	Description	No change to POAL shareholding	Transfer shareholding within the council group	Disestablish POAL and cancel the shares
	Details	The council would continue to directly own 100 per cent of the shares in POAL	The council would indirectly own the POAL shares through either a new or existing council-owned organisation. This could be through either: a) Panuku Development Auckland Limited (Eke Panuku), or b) A new entity established as part of the proposal to enter into a lease of the port operations and establish an Auckland Future Fund	If changes associated with implementing the lease result in POAL no longer having any asset ownership function (see next table), the POAL company could be disestablished and the shares in POAL could be cancelled.
	Advantages	- Simple and inexpensive to implement - Minimal legal risk and therefore less legal due diligence required	- Potentially a more fit for purpose governance arrangement and ownership structure - Could leverage existing property management expertise on the Eke Panuku board - Could design governance arrangements for a new entity based on the specific new circumstances that will exist	- Eliminates any ongoing costs and reporting obligations associated with POAL as a company - Removes the ongoing need to find and appoint directors of POAL
	Disadvantages	- The existing governance arrangements and ownership structure designed for the port business may not be ideally suited to the new circumstances - May still need to make some changes to governance arrangements - Existing external reporting obligations would continue	- More time, complexity, cost and risk to implement - A more complex ongoing structure, with more layers of accountability. - More ongoing reporting requirements and associated costs	- More time, complexity, cost and risk to implement - POAL or a similar company structure might be required in the future when the lease ends or is terminated for some reason
Accountability and monitoring arrangements	If POAL continues to be owned and controlled by Auckland Council then the current monitoring arrangements continue, although these may apply indirectly via Eke Panuku or a new entity. Directors with relevant skills would need to be appointed for POAL under options 1 and 2 and their performance monitored.			
Managing conflicts of interest	If POAL continues to exist, the council would need to ensure that any relevant interests of directors continue to be adequately disclosed and any potential or actual conflicts of interest continue to be managed in accordance with the relevant council policy.			

Key decision	Potential change in ownership of port land			
Reasons for the proposal	As part of implementing the proposal to establish the Auckland Future Fund and lease the operations of the port, changes may need to be made to the ownership or control of port land. If this land is transferred to the council, it would become a strategic asset under council's Significance and Engagement Policy. These changes may be necessary to ensure that the governance arrangements and ownership structure for the land remain fit for purpose once the lease has been put in place.			
Options assessment		**Option 1**	**Option 2**	**Option 3**
	Description	No change to land ownership	Transfer land ownership to another entity within the council group	Transfer land ownership to Auckland Council
	Details	POAL would continue to own the land, with the council having an indirect interest in that land through its 100% shareholding in POAL	The council would indirectly own the land through either a new or existing council-owned organisation. This could be through either: a) Panuku Development Auckland Limited (Eke Panuku), or b) A new entity established as part of the proposal to enter into a lease of the port operations and establish an Auckland Future Fund	The council would directly own the land rather than indirectly through POAL
	Advantages	- Ease of implementation - Minimal legal risk and legal due diligence required	- Potentially a more fit for purpose governance arrangement and ownership structure - Could leverage existing property management expertise on the Eke Panuku board - Could design governance arrangements for a new entity based on the specific new circumstances that will exist	- Simpler structure - Potentially some greater flexibility to support any future land use changes - More direct council control over this important land holding
	Disadvantages	- The existing governance arrangements and ownership structure designed for the port business may not be ideally suited to the new circumstances	- More time, complexity, cost and risk to implement - A more complex ongoing structure, with more layers of accountability. - More ongoing reporting requirements and associated costs	- More time, complexity, cost and risk to implement - No arms-length management of the port land by the POAL board
Accountability and monitoring arrangements	CCO accountability and monitoring arrangements associated with the land would change depending on where this land ownership sits, and changes may need to be made to the CCO Accountability Policy depending on the option chosen – see Section five in the Supporting Information. Any future changes to ownership or control of the land would require further public consultation.			
Managing conflicts of interest	Unlikely to be conflicts associated with a land transfer, but if any, would need to be managed under existing council policy.			

Te Wāhanga Tuaono: Te whenua taunga waka

Part six: Port land

◀ Port of Auckland

AK HAVE YOUR SAY

Overview

Whether or not the operation of Port of Auckland is leased, our proposal includes a plan to make the most of our waterfront by stopping port operations on Captain Cook and Marsden wharves which would allow these wharves to be used for something else. This could include the creation of new public amenities (such as new open spaces) and/or residential or commercial development.

The port operations currently occurring on these wharves would be transferred to the Bledisloe Terminal and legal ownership of the wharves would be transferred from Port of Auckland Limited (POAL) to Auckland Council within 2-5 years, with the wharves becoming available for other purposes at that time.

Freeing up Marsden and Captain Cook wharves would require around $110 million of capital investment by POAL at the Bledisloe Terminal within the first five years of this long-term plan. This would increase debt for the council group but would not have a material impact on the operating performance of the port.

There is also an option to transfer the Bledisloe Terminal to council ownership within 15 years so it can be freed up for other purposes.

The proposals recognise that Aucklanders want access to prime waterfront land so they can make the most of the Waitemata Harbour at the heart of the city centre.

The proposals would reduce the overall scale and footprint of port operations and could provide significant public benefit or alternative revenue streams for council.

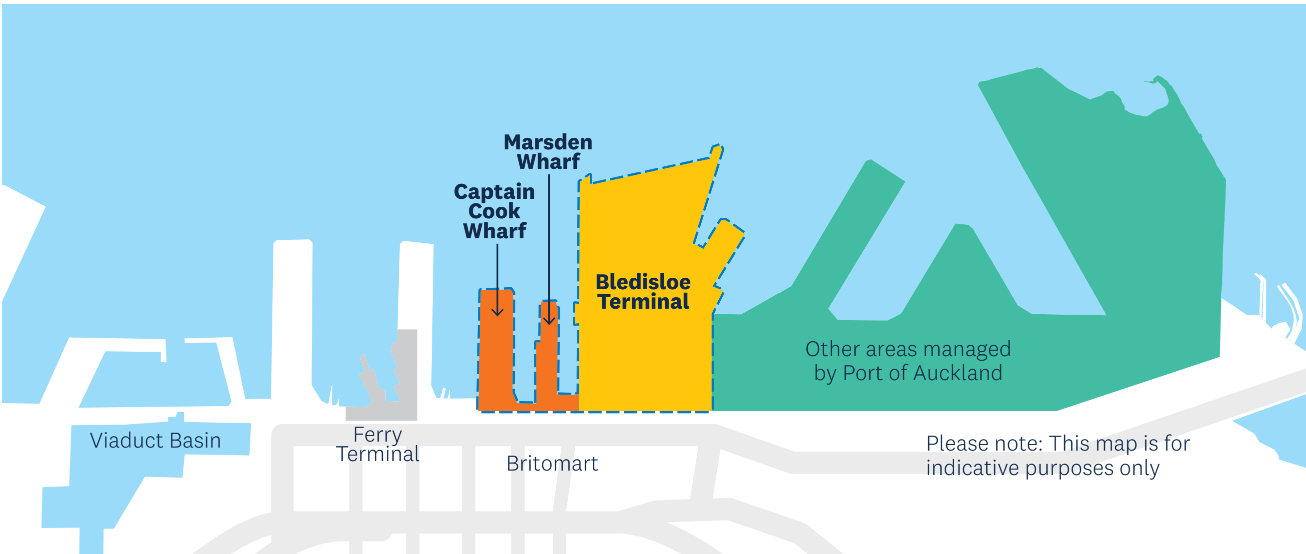
However, freeing up the Bledisloe Terminal within 15 years would have a more significant financial impact.

Under the lease option discussed in Part 5 this could reduce the lease prepayment the council would receive by up to $300 million and this would mean that a higher rates increase would be required for year two of the plan. Under the enhanced status quo option, the financial impacts would take the form of lower profits and dividends from the port at some point after the 10-year period of this plan. There could also be other future financial benefits or costs depending on the future use of the Bledisloe Terminal site.

What we are proposing?

We propose to transfer Marsden and Captain Cook wharves, currently being used for port operations, to direct council ownership within 2-5 years, freeing them up for alternative use.

We also propose an option to transfer the Bledisloe Terminal to direct council ownership, so it be becomes available for alternative uses within 15 years.



Why are we proposing this?

Strategic assessment and implications

The council's strategic vision for the city centre waterfront is set out in the Waterfront Plan[1]. A key objective of that plan is to improve public access to the waterfront and increase the benefits to Aucklanders through the council's ownership of this key regional asset. The proposal to free-up wharves by consolidating the physical area of the port operations would support this strategic objective.

Marsden and Captain Cook wharves could be freed-up for alternative use and transferred to Auckland Council with minimal impact on port operations or profitability, provided that the port operations currently taking place on these two wharves could be relocated to the Bledisloe Terminal. This would require construction work at Bledisloe North wharf and an additional vehicle handling building at the Bledisloe Terminal. These works are estimated to cost $110 million and would require resource consent approval. It is likely that this could be achieved over a two-to-five-year timeframe.

Releasing the Bledisloe Terminal for alternative uses could provide significant new public benefits but would substantially reduce the scale and value of the port operations. This option is not considered viable in the short-term but is an option we could look to implement within the next 15 years.

If the Bledisloe Terminal was no longer used for port operations, imports of bulk cargo like construction industry materials (such as steel and aggregate) and bulk food (such as banana shipments) would likely need to be unloaded at other ports and be transported to Auckland via truck (or possibly by rail). This would likely add cost to supply chains and increase road congestion and emissions.

The range of alternative uses for the freed-up Bledisloe Terminal could be restricted because it is located alongside a working port that will be operating twenty-four hours a day, seven days a week with all the associated noise, lighting and traffic impacts.

It is envisaged that this option of releasing the Bledisloe Terminal would likely be in addition to the earlier release of Marsden and Captain Cook wharves. Further work and investigation would be required to determine how the release of Bledisloe Terminal could practically work as a standalone option, particular given the difficulties of operating separate port facilities on either side of the released Bledisloe Terminal site. The implications for any new cruise ship terminal would also need to be considered.

Financial assessment and implications

The $110 million of construction work at the Bledisloe Terminal to free up Marsden and Captain Cook wharves for alternative use would be required within the first five years of this Long-term Plan. This expenditure would increase debt for the council group but would not have a material impact on the operating performance of the port as the revenue generating activities would be relocated rather than stopped. The debt impact, including the impact on the group debt-to revenue ratio, is included in the central proposal financials throughout this consultation document.

Under the lease option discussed in Part 5 of this document, releasing these wharves would not materially change the amount of the prepaid lease, while under the enhanced status quo option it would not materially change the port's profits or the dividends the council earns from its ownership of POAL. Either way, there would not be an impact on rates.

However, freeing up the Bledisloe Terminal within 15 years would have a more significant financial impact.

Under the lease option discussed in Part 5 of this document, removing the Bledisloe Terminal from port operations could reduce the lease prepayment the council would receive by up to an estimated $300 million. This would mean less funds would be available to be invested in the Auckland Future Fund and therefore the council would receive less financial benefit from the fund. This could mean that the rates increase required for year two of the plan might need to be 0.7 per cent higher which would result in a 4.2 per cent rates increase for that year if nothing else changed from our central proposal.

Under the enhanced status quo option, removing the Bledisloe Terminal from port operations would result in lower profits for POAL from the port at some point after the 10-year period of this plan. Higher rates would be required to continue to deliver the same level of services currently funded by POAL's profits and the dividends paid to council. There would also be a reduction in the value of the group's assets as the value of the port would need to be written down by the value of the lower profits.

The longer-term financial implications of the freed-up Bledisloe Terminal would depend on the nature of the alternative use or uses. Creating new public infrastructure or amenities would generally have a net financial cost to council, while residential or commercial development on the site should have a net financial benefit (after accounting for any necessary infrastructure development or remediation work). This would all likely occur outside the 10-year period of this plan.

1 http://www.ekepanuku.co.nz/media/y2palch1/the_waterfront_plan_2012.pdf

Other options

While a number of studies in recent years have looked at the broader strategic issue of the future of the port, no other land release options for port land are being considered by the council at this time.

Options Analysis

The table below sets out the reasonably practicable options for the release of wharves and land from port operations, and transfer to Auckland Council (available regardless of decisions on leasing the port operations). Option 3 would likely occur in addition to option 1 rather than instead of it.

	Option 1: Release Captain Cook and Marsden wharves within 2 – 5 years	Option 2: No change	Option 3: Release Bledisloe Terminal within 15 years
Overview	The port operations currently occurring on these wharves would be transferred to the Bledisloe Terminal and legal ownership would be transferred to Auckland council within 2-5 years.	No change to the ownership or use of the wharves currently being operated by POAL as part of its port operations.	The overall scale and footprint of port operations would be reduced, and ownership of the Bledisloe Terminal would be transferred to Auckland Council within 15 years. Further work and investigation would be required to determine how this could be achieved.
Advantages	Would make these wharves available for alternative uses in the near future. Could provide significant public benefits if opened up to the public or used for public amenity purposes. Could provide a revenue stream for Auckland Council if used for some new commercial activity. Any such revenue would be over and above the revenue projections included in this long-term plan. Would not have a material impact on the value of port operations.	No costs for council. No impact on the value of port operations.	Would free up a large amount of waterfront land for alternative uses. Could provide significant public benefits and/or alternative revenue streams for council in the future.
Disadvantages	Would require around $110m of investment in the Bledisloe Terminal to relocate current port operations and free these wharves up. Under the lease option discussed in Part 5 of this document, this would be funded by the relevant entity within the council group as landlord. Under the status quo arrangements, POAL would fund this as part of its ongoing operations. There could be additional capital and operational cost depending on what the future use of these wharves is. This is not currently provided for in this plan, and would need to be considered through future budgets (e.g. through reprioritisation or additional rates). POAL would need to secure resource consent for construction works at Bledisloe North Wharf, and the additional vehicle handling building.	Lost opportunity to derive public benefits and/or alternative revenue streams. Risk that wharves could be tied up for an extended period of time if significant capital investment is made for port operations on these wharves.	Would have a significant impact on the value of port operations, which under the operating lease option discussed in Part 5 of this document, could reduce the lease prepayment the council would receive by an estimated $300 million (based on a lease term of 35 years), and therefore less funds available for investment in the proposed Auckland Future Fund. Under the status quo, the value of the port would need to be written down due to the reduced profitability. Future POAL profits would be reduced, and higher rates would be required to continue to deliver the same level of services currently funded by POAL profits and dividends. The need to transport bulk cargo from outside Auckland by truck would likely add cost to supply chains and increase road congestion and emissions. The space available for port operations at the city centre waterfront would be permanently reduced, limiting future strategic options for the port.

Implementation

How would these proposals be reflected in the long-term plan?

The proposal to release Marsden and Captain Cook wharves is reflected in the financial projections and the detailed activity information included in this Consultation Document and the Supporting Information.

If following consultation, the council decides to proceed with the option to release the Bledisloe Terminal, the financial projections and detailed activity information would need to be updated for the final Long-term Plan to reflect the impacts set out in this section.

Key implementation considerations

Resource consent approval would be required for construction works at Bledisloe North Wharf and the additional vehicle handling building before any release of Marsden and Captain Cook wharves could commence.

The first step in implementing a decision to progress the release of the Bledisloe Terminal would be undertaking further work and investigation to determine how this release could practically be achieved within the intended 15-year timeframe.

Further work would also be required on the details of how the land and wharves are transferred within the group. The options could include:

- a sale and purchase agreement between POAL and Auckland Council whereby council would pay for the land, but some of that value might come back through dividends
- a return of capital from POAL to Auckland Council whereby council would not pay for the land, but there could be knock on effects for POAL's working capital and debt levels
- a transfer of the land and wharves to another entity within the group such as Panuku Development Limited (Eke Panuku) or a new CCO.

This work may require expert legal, tax, valuation and technical accounting advice. The financial issues are greater for the Bledisloe Terminal because of its size, value on the POAL balance sheet, and its current use in generating a significant portion of port revenue. The considerations around transferring legal ownership of the wharves and land within the council group are the same as those set out in Part 5 of this document.

Accountability and monitoring arrangements

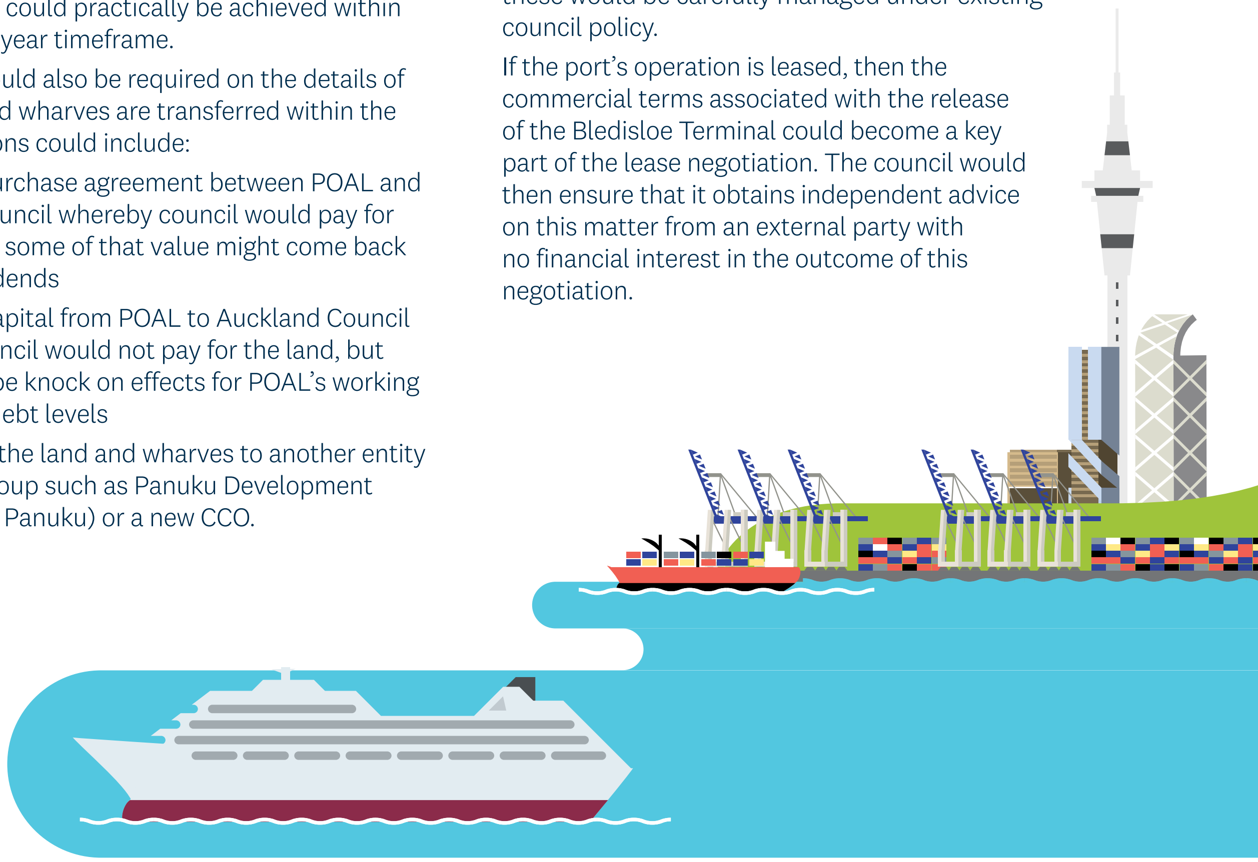
If the waterfront land discussed in this proposal is not freed up for alternative use (and therefore legal ownership does not change) then the accounting and monitoring arrangements for this land would remain the same as the rest of the port land. This could mean that either these arrangements will not change, or that they will be changed as part of the broader changes discussed in Part 5 of this document.

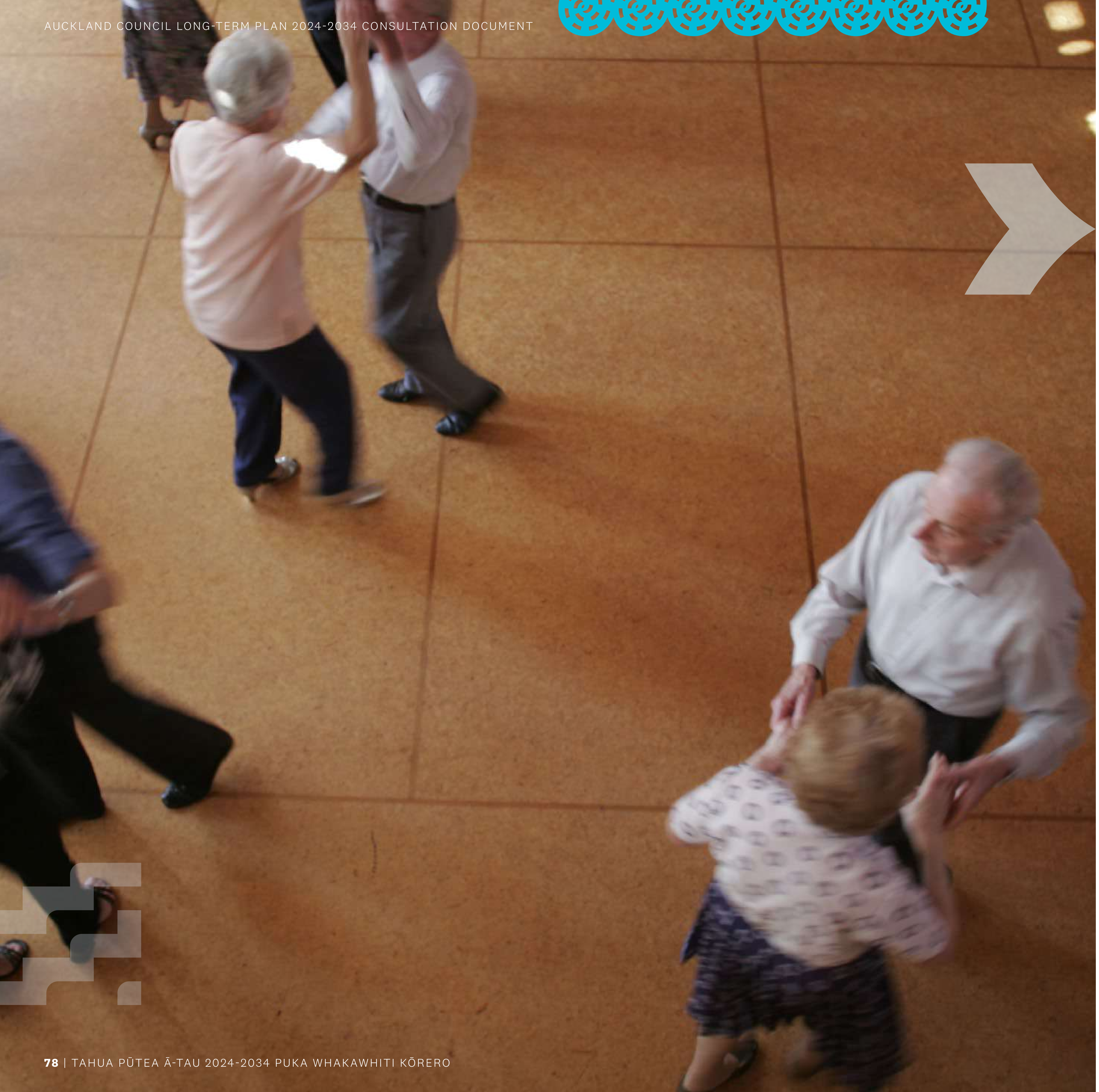
If the relevant land is freed-up for alternative use and legal ownership is transferred to Auckland Council, then the council would become directly accountable for oversight of this land and would monitor its investment in this land through its committee structure and staff delegations, rather than via the current process of holding the POAL Board of Directors accountable for their stewardship of this land.

Managing conflicts of interest

In general, there are unlikely to be any conflicts associated with a land transfer, but if any are identified, these would be carefully managed under existing council policy.

If the port's operation is leased, then the commercial terms associated with the release of the Bledisloe Terminal could become a key part of the lease negotiation. The council would then ensure that it obtains independent advice on this matter from an external party with no financial interest in the outcome of this negotiation.





Wāhanga Tuawhitu: Ngā Whakaritenga ā-Pūtea

Part seven: Financial settings

◀ Blockhouse Bay Community Centre

AK HAVE YOUR SAY

Financial settings

We propose the long-term plan includes key financial settings that would support improved financial and physical resilience. These would put the council onto a sustainable financial path where we can affordably deliver the basic infrastructure and services expected by Aucklanders to help them live better lives.

▶ **For more information on financial strategy**, read Section 1.4 of the Supporting Information.

Key proposed financial parameters

$ million	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Total capital investment	4,477	4,017	3,743	3,957	4,271	4,295	4,101	3,712	3,346	3,404	39,322
Total operating expenditure	6,068	6,120	6,392	6,696	7,004	7,320	7,674	8,033	8,214	8,475	71,996
Total operating funding sources	5,915	6,185	6,656	7,004	7,364	7,731	8,132	8,413	8,680	8,954	75,035
Total assets	83,667	88,065	93,343	96,366	100,327	105,473	109,079	112,052	115,637	118,059	
Total borrowing	13,786	15,208	16,264	17,077	17,975	18,773	19,514	19,989	20,126	20,124	
Debt to revenue ratio	244%	266%	266%	264%	263%	260%	256%	255%	249%	241%	

These settings bring together proposals around levels of investment, rating options, asset sales, expenditure control and our financial investments.

Investment levels and operating funding

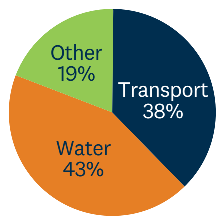
Over the 10-year period 2024-2034 we propose a capital investment programme of around $39.3 billion. This compares with the $32 billion in the last long-term plan and around $26 billion in the one before that.

Investment is substantially focused on our core transport and water networks.

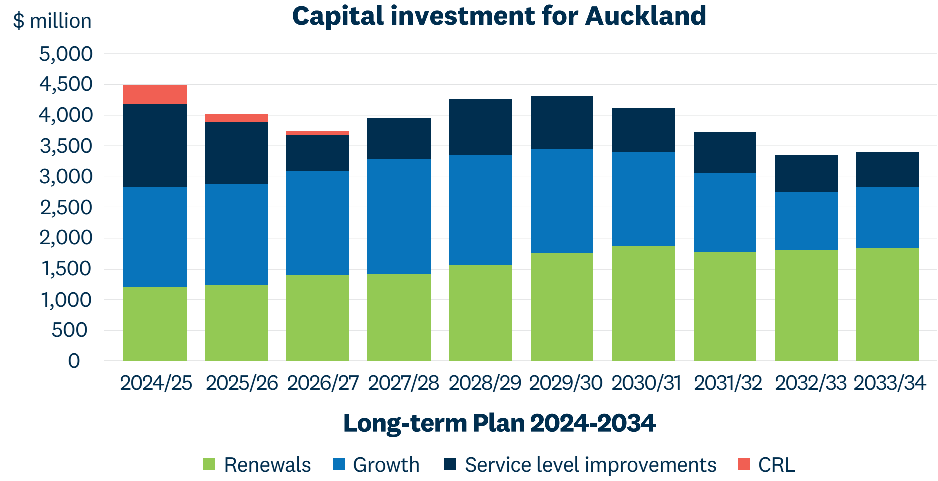
Capital expenditure is proposed to be focused on finishing what we have started, fixing what is broken, and getting the best out of what we have. This is reflected in the profile of our programme where renewals make up almost 40 per cent of our planned investment. This share grows from 26 per cent in 2024/2025 to almost 50 per cent in 2033/2034. This significant level of capital investment continues to be a key driver of growth in our operating cost base.

Despite some key cost pressures, the council proposes to maintain control of core direct operating costs to an average annual growth rate of 2 per cent. Specifically capital-driven costs of interest and depreciation grow by around 7 per cent per annum.

Share of capital investment for Auckland



Capital investment for Auckland

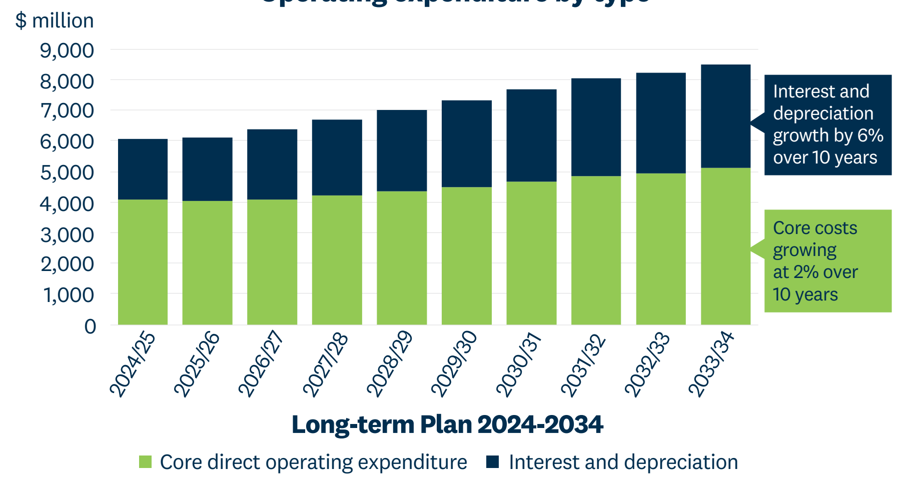


Over the 10-year period rates is projected to make up almost half of our operating funding with fees and charges (which include water and wastewater charges, public transport fees and regulatory fees) making up a further 31 per cent. The importance of our assets in delivering services to Aucklanders is reflected in interest and depreciation costs making up almost 40 per cent of our total operating expenditure.

Operating expenditure by type

Operating funding expenditure $ billion	10-year Budget 2024-2034	
Rates	36.2	48%
Fees and user charges	23.2	31%
Subsidies and grants	6.8	9%
Other	8.8	12%
Total operating funding source	**75**	
Staff	12.4	17%
Interest	8.8	12%
Other	32.4	45%
Depreciation and amortisation	18.3	25%
Total operating expenditure	**71.9**	

Operating expenditure by type



Managing deprecation and cost savings

We are maintaining our track to fully fund depreciation by 2028 and plan to reduce our debt to revenue ratio to more sustainable long-term levels. This would also include establishing the 'Auckland Future Fund', comprising AIAL shareholding and Port of Auckland.

Our Draft Financial Strategy outlines how we manage our finances and benchmarks for the council group, and sets out our proposed new budget and fiscal rules (See Supporting information: Section 1.4).

We have also set a target of achieving $50 million of operational cost savings by year three of this plan.

Rates

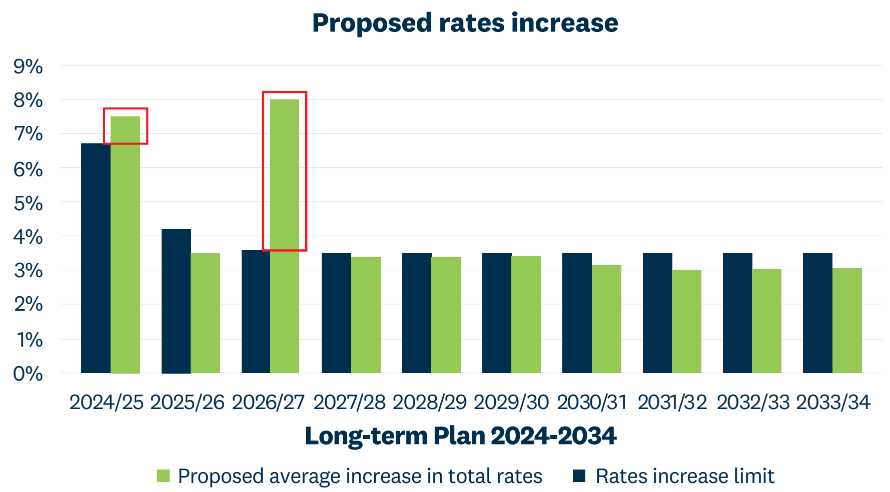
To provide predictability around rates, while at the same time ensuring a sustainable revenue stream that can support the investment levels outlined above, the council is proposing a limit on overall average rates increases for residential ratepayers based on inflation.

This limit would be 1.5 per cent above the reported inflation level per the Consumer Price Index, with the Local Government Cost Index as an alternative option.

Long-term Plan

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Projected inflation	5.20%	2.70%	2.10%	2%	2%	2%	2%	2%	2%	2%
Margin	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Annual average rates increase limit	6.70%	4.20%	3.60%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Targeted rates are considered separately where the charges relate to a specific group of ratepayers who benefit from the associated expenditure, for example targeted rates for swimming pool inspections that are charged to the houses that receive the service or Business Improvement District targeted rates that fund the activities that benefit a local business association.



We do not have a quantified limit on these targeted rates because the acceptability of their cost is viewed differently by the community. The costs and benefits of the rate are deemed appropriate and acceptable in the specific circumstances. They are specifically consulted on, along with the associated investment that they enable, and as a result provide greater transparency.

Despite these proposed long-term policy limits (refer to the Financial Strategy of the Supporting Information), we propose average rates increases above this limit due to exceptional circumstances for two years of the plan:

- year one – an average rates increase of 7.5 per cent as a result of the home buyouts and resilience work needed as a result of recent storms
- year three – an average rates increase of 8 per cent to cover the first full year of additional operating costs from the City Rail Link project.

Debt

Borrowing is an important tool for supplying capacity for investment. It enables the cost of investment to be spread across the different generations that benefit from it.

When considering prudent and sustainable levels of borrowings we must consider the costs of these borrowings both now and in the future. We must also consider how much capacity we leave to deal with unexpected events.

In setting a prudential limit on our borrowing, Auckland Council looks at the relationship between our debt and our revenue. This limit is an indicator of the ability of council to cover its borrowing costs from its different revenue sources.

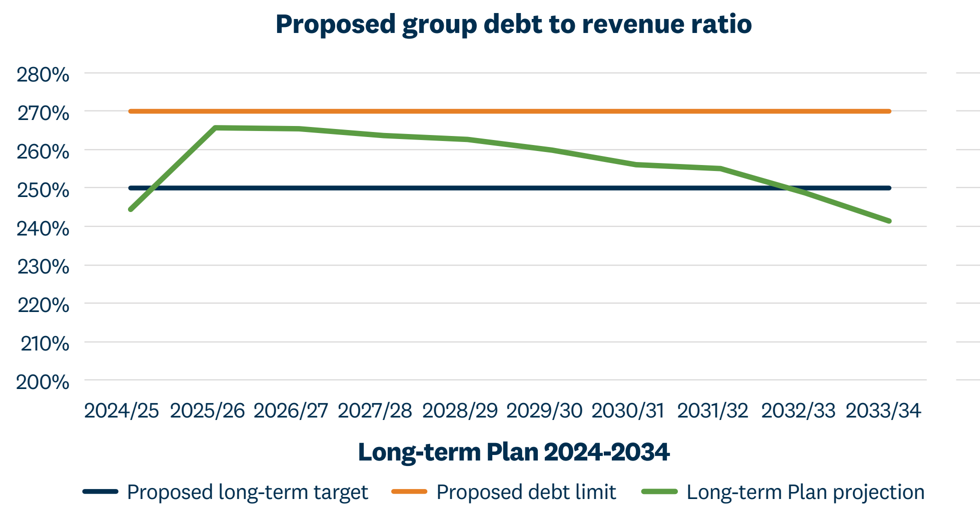
The council proposes to set a limit of group debt being less than 270 per cent of group revenue, which includes Watercare. To maintain headroom for unexpected events, we are proposing a long-term target to maintain this ratio below 250 per cent.

The chart below shows that the proposed budget maintains debt below the 270 per cent limit but only reaches the 250 per cent long-term target by the end of the 10-year period.

A key factor in council debt-to-revenue levels is the debt borrowed to support Watercare's investment in water supply and wastewater networks.

Given the nature of Watercare's asset base and investment profile a much higher debt-to-revenue profile for Watercare is preferable as it allows for improved intergenerational equity while remaining consistent with the debt profile of comparable water utilities overseas.

The council cannot accommodate Watercare's preferred debt-to-revenue profile within its proposed limits for the council group. Therefore we are engaging with the government around opportunities that might provide for balance sheet separation or other arrangements to enable a better balance between the water investment the city needs, appropriate levels of Watercare debt, and acceptable pricing.



Forecast assumptions

The capital and operating expenditures outlined in Part three (page 22) depend on key assumptions with varying levels of uncertainty. These critical assumptions are:

- projected growth and development will occur, and consequently revenue and cost forecasts for rates, consenting revenue, development contributions, growth-related user charges (e.g. water charges) will follow
- inflation and interest rates will be in line with projections

Prior to the announcement by the government to cancel the RFT, the central proposal assumed that the RFT would continue for another two years. The financial forecasts have been updated to reflect the cancellation leaving a shortfall in transport funding for Auckland of $600 million over the next two years. Furthermore, the loss in revenue will mean that Auckland Council's debt-to-revenue ratio has increased, meaning the council has less ability to borrow when it needs to.

The full set of our significant financial assumptions are available in Section 2.2: Prospective Financial Statements of the Supporting Information, along with an assessment of the level and impact of uncertainty on each assumption.

Te Wāhanga Tuawaru:
Te Whakaritenga ā-Rautaki

Part eight: Strategic settings

◀ Myers Park playground

AK HAVE YOUR SAY

Strategic direction on climate change

Strategic context

The health of our natural environment in Tāmaki Makaurau is imperative to all who live and work here. Without a sustainable connection to the land and sea we are at risk of losing everything that forms the basis of our individual and collective identities.

Climate change means that we could all face the loss of physical structures and resources, which impacts the wellbeing of all Aucklanders.

One of the ways that the council embraces its role of kaitiakitanga (guardian) in this beautiful city is by responding to the effects of climate change, supporting a low carbon economy and working with local communities to safeguard and support the health of our natural environment.

Since 2015 when the council joined the C40 Cities Climate Leadership Group, we have worked to improve our understanding of climate change and to manage our exposure to its effects on the organisation and the region.

In June 2019, the council responded to the call for climate action by declaring a climate emergency, acknowledging the scientific evidence and advice that there is a small window for action to avoid the most damaging effects of climate change.

From then, the council committed to incorporating climate change considerations into work programmes, investments and decisions as well as leading by example in monitoring and reducing greenhouse gas emissions (GHG emissions) and preparing for the impacts of climate change.

To face the challenges that climate change poses to the region, the council adopted Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan in July 2020. The principles of Te Tiriti o Waitangi are foundational to council's approach to climate action and the plan was developed in partnership with mana whenua to ensure it incorporated a Te Ao Māori perspective.

Te Tāruke-ā-Tāwhiri sets the pathway for the Auckland region to a 50 per cent reduction in GHG emissions by 2030 compared to those in 2016 (referred to as baseline), achieving net-zero emissions by 2050 and adapting to the impacts of climate change.

Te Tāruke-ā-Tāwhiri is a plan for all of Auckland to deliver and the council plays an important role in facilitating the required action to achieve its objectives. We recognise that we need to make fundamental changes to our organisation, the way we work and how we interact with our communities.

The choices we make in this LTP will form the basis for the council's ongoing climate action.

Climate risks

The council has identified climate-related risks that are likely to impact at both a business and financial level, and we are considering these risks as part of decision-making in the long-term plan. A full list of these risks can be found in the Supporting Information Document.

The group's top six climate-related risks that have an impact on long-term financial decisions are:

- increased damage and reduced access to key council assets, infrastructure and facilities due to increased frequency and severity of acute weather events
- failure to effectively and accurately consider climate change in governance structures, decision making and long term planning including responding to climate risks, budgeting and planning etc
- the council's inability to respond to the changing needs of Aucklanders under different climate scenarios and meet increased demand/load on group services such as emergency management, use of facilities and climate refugees etc (those forced to leave their home due to the effects of climate change)
- failure to balance the delivery of climate-related priorities with broader council objectives and strategy
- inability to access capital and other financial products affordably and easily as a result of climate change
- failure to adequately address climate change in authentic partnership with mana whenua and with consideration of key mana whenua iwi priorities.

These risks could impact the council with service disruption, decreased operational capacity, increased maintenance and renewal costs, stranded assets and reduced access to financial markets for funding purposes.

These impacts will have a flow-on effect to Aucklanders through the services we provide and the infrastructure we rely on to get clean water, get rid of dirty water and stormwater and get around to our daily activities.

Sustainable Financing

In 2018 we established a green bond framework and started issuing green bonds to demonstrate our commitment to climate action and in response to capital markets seeking green financial products.

In 2020 we transformed our green bond framework to a Sustainable Finance Framework to include sustainability-linked products. This framework outlines the overall criteria and guidelines for how the council will issue green and sustainable financing products and manage them on an ongoing basis.

In 2022 we established our first sustainability-linked financial products. Financial markets now consider sustainable financing to be mainstream and investors can now choose from sustainable funding products from issuers across the globe.

To ensure that we are active and relevant in global financial markets, decisions made in the LTP will consider how they will meet the eligibility criteria in our sustainable finance framework, and not only in terms of the impacts on the climate.

In doing so, the council will be able to access capital from financial markets at a reasonable cost, while supporting our efforts to reduce emissions and increase resilience to climate change.

▲ Father and daughter work together harvesting crops at Ngāti Whātua Ōrākei Pourewa Nursery

Leading and influencing better outcomes for Māori

Kia Ora Tāmaki Makaurau is the Māori outcomes performance measurement framework for the council group. It guides the council group on supporting strong Māori communities, as well as enabling effective Māori participation in council decision-making and ensuring that council staff are empowered to deliver on outcomes for and with Māori.

Council group's focus for the next three years

The council group's focus is to deliver on Kia Ora Tāmaki Makaurau and establish a clear pathway to monitor the impacts of this against the Māori outcomes.

We will do this through:

Effective māori participation: empowering mana whenua iwi and Māori communities are active partners and participants at all levels of the council group's decision-making, by progressing relationship agreements and enhanced capacity contracts, and enabling co-governance and co-management of sites of significance.

Realising rangatahi potential: the council enables rangatahi participation in council activities and projects to support rangatahi in leadership, training and employment.

Kaitiakitanga: the council actively provides for Māori participation in the management of taonga resources. The council works with mana whenua and Māori in the management, restoration and protection of our water resources, and works with mana whenua and Māori to design/co-design and deliver environmental management and community-led conservation initiatives.

Whānau and tamariki wellbeing support: through place-based services delivered in council-owned venues (like libraries) as well as through the delivery of Ngā Hapori Momoho -Thriving Communities strategy.

Marae development: delivering the Marae Infrastructure Programme that aims to ensure that marae are healthy and sustainable cultural hubs.

Māori identity and culture: Māori identity and culture is advanced through cultural events such as Matariki and Waitangi delivered in partnership with mana whenua. The council also promotes Māori culture and identity by identifying and protecting sites of significance, Māori public art and the application of Te Aranga design principles in our spaces and places.

Māori business, tourism and development: the council actively provides economic opportunities for Māori and supports Māori growth in business and tourism. This includes promoting the growth of Māori entrepreneurship through smarter use of procurement and supply chains.

Te Reo Māori: Delivering bi-lingual signage at key council and Council-controlled organisations sites, within parks and on other council assets, through announcements in Te Reo on public transport, in council venues and on media platforms.

An empowered organisation: achieving outcomes and benefits for Māori by honouring Auckland Council's commitments and obligations under Te Tiriti o Waitangi, and developing the capability of elected members and staff to work effectively with Māori.

Supporting the career development and progression of Māori and specialist staff within Auckland Council and CCOs, ensuring that Māori staff are connected and well supported in their mahi.

Papakāinga and Māori housing: provide dedicated resources and support to Māori and mana whenua with technical matters related to resource and building consent processes, through the Regulatory Services Directorate and Māori Housing Unit to develop individual and communal housing.

▶ Whānau at Takaparawhau | Bastion Point

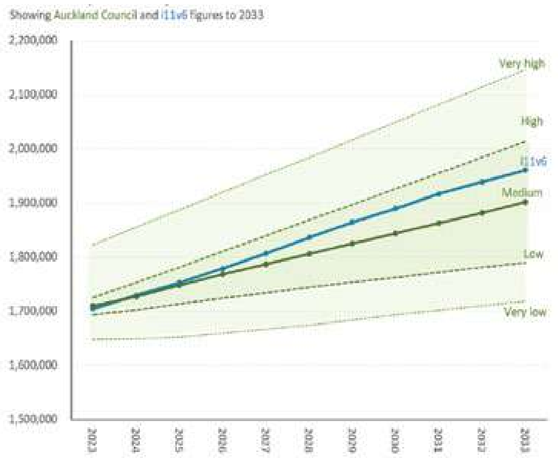
Responding to Housing and Growth

Auckland's population is growing and changing due to a combination of natural increase, domestic relocation and immigration. We need to deliver services and infrastructure to provide for that changing population. Through our regulatory role, we also need to make sure development is safe and of appropriate quality.

In 10 years to the end of 2022, Auckland's population has grown substantially from 1.4 million to over 1.7 million at an average of two per cent annually.

Over the next 10 years it is forecast to increase by a further 200,000 to nearly 2.0 million.

Auckland population projections



Auckland Council has a Future Development Strategy that sets out how Auckland will grow and change over the next 10 years.

Housing supply assessment

Based on the usual resident population projection, households are forecast to grow by 34 per cent or just under 200,000 additional resident households by 2052. Tāmaki Makaurau will need at least the equivalent number of net additional dwellings, to bring the total to around 773,000 dwellings. This number allows for not only the increase in the total number of Aucklanders, but also demographic and preference changes within the population that could increase the need for more dwellings. The 200,000 additional residential households does not account for the replacement of existing dwellings or the redevelopment of existing developed sites, and ensures sufficient accommodation for students, visitors, temporary workers and mixed family situations.

The currently estimated medium to long term total net plan-enabled dwelling capacity is 2,615,580 which is several times greater than the expected demand for dwellings. While much of this enabled capacity is or will be commercially feasible, not all of it needs to be immediately ready.

This is included in the **Housing and Business Development Capacity Assessment for the Auckland Region 2023**.

Demand for Infrastructure

In response to changes in the Unitary Plan (which guides the use of Auckland's natural and physical resources, including land development), there has been an increase in high-intensity development of residential land. The rapid growth is also creating substantial demand for infrastructure investment in both brownfield (previously built on) and greenfield (never built on) areas.

Proceeding with new development in areas without public infrastructure in place could create major problems like the safety of services and amenities such as water and sewage, or transport systems that do not allow people to move around communities easily.

We want to support growth but need to take a prudent approach to spending in the LTP. One option could be for council to increase its infrastructure investment and accept higher levels of rates and debt to enable this. However, this needs to be carefully balanced against affordability considerations and long-term implications on the natural environment and the climate.

Priority growth areas

Infrastructure to support housing and growth in spatial priority areas as set out in the Auckland Future Development Strategy has been prioritised within this LTP. This includes:

- the Auckland Housing Programme (Mt Roskill, Māngere, Northcote and Tāmaki regeneration area)
- City Centre (CRL stations at Maungawhau and Karang-a-Hape)
- the North-West (Westgate, Red Hills and Whenuapai) and
- Drury.

Other areas are identified in the Future Development Strategy, including those recognised to require community investment, or with infrastructure deficits.

What we are proposing

We have prioritised in this LTP infrastructure to support housing and growth in spatial priority areas as set out in the Auckland Future Development Strategy. However, affordability considerations means we have to take a constrained approach to investing in these areas over the next decade.

We are also working with the Ministry of Housing and Urban Development and Kainga Ora - Homes and Communities to use the Housing Acceleration Fund to support intensification of the Auckland Housing Programme areas.

The council's approach to development contributions is to recover a fair share of infrastructure costs over a 30-year horizon. This policy has been applied to Drury and is planned to be applied to the North-West. The precise nature and timing of investment included in the programme will be subject to review as part of the development of future council long-term plans, infrastructure strategies and Auckland Transport Regional Land Transport plans.

Recovery

The council is proposing a multi-faceted response to the impacts of the storm events in early 2023. This includes repairing our assets, supporting affected residents and improving our resilience to future climate change and natural hazard events.

Repairing the significant damage to council assets, including the transport network, water networks and community infrastructure will take a number of years. This is primarily being funded through a reprioritisation of renewals expenditure, expected insurance payments, and specific funding from central government for transport infrastructure (both through New Zealand Transport Agency Waka Kotahi (NZTA) and from the National Resilience Plan through our co-funding agreement with the Crown).

Support for affected residents has been provided by the Recovery Office which continues to be funded through operating expenditure budgets for the first year of the long-term plan.

The budget also proposes continued funding towards the voluntary buy-out scheme for residential properties where there is an intolerable risk to life from continued habitation (Category 3), and a grant scheme to support property owners where on-site investment could reduce this risk (Category 2P). These schemes are co-funded by the Crown.

Improving our resilience to future climate events is a key part of this central proposal. This includes both financial and physical resilience. We propose to improve financial resilience through the Auckland Future Fund which could be drawn on to fund response actions.

Physical resilience to the impacts of climate change is a core part of our asset management plans and is incorporated into both new builds and renewals investment. Additionally, the council is proposing significant additional investment to specifically address flooding and land stability risk (including the Making Space for Water programme), with a proportion to be co-funded by the National Resilience Plan.

While this expenditure and investment provides for recovery from the 2023 storm events and provides a level of resilience to similar future events, it is not sufficient to protect us from all the impacts we will see from our changing climate.

There is a need for central and local government to take a coordinated approach to the assessment of risk from natural hazards and the effects of climate change. Managing risks from hazards requires a broader range of planning and funding tools than is currently available to local government.

Infrastructure Strategy

Infrastructure is Auckland Council's largest asset. We plan to invest almost $400 billion in infrastructure between 2024-2053. The management of Auckland Council's infrastructure is, therefore, a significant opportunity for and risk to the wellbeing of Aucklanders. The Infrastructure Strategy provides the long-term (30+ years) view of our infrastructure management to inform Long-term Plan (LTP) decision-making.

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

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

- seven significant issues that impact Auckland Council's infrastructure, these are Greenhouse gas emissions reduction, Resilience, Growth, Funding infrastructure, Equity, Te ao Māori infrastructure and Environmental Degradation
- the approach to managing those infrastructure issues and the council's 'most-likely scenario' for infrastructure investment
- significant infrastructure investment decisions that will be required beyond setting the 2024 Long-term Plan (LTP).

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

▶ **For more information** see Supporting Information Section 1.3: Infrastructure Strategy.

Te Wāhanga Tuaiwa:
Ō Reiti

Part nine: Your rates

◀ New playground and subdivision at Long Bay

AK HAVE YOUR SAY

Your rates

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

Our central proposal for this LTP is to focus on making do with what we have while providing for more spending over the next 10 years where it is needed most.

Under our central proposal, the annual rates increase for the average value residential property would be:

- 7.5 per cent in year one
- 3.5 per cent in year two
- 8.0 per cent in year three
- and no more than 3.5 per cent for the years after that.

But there are alternatives.

- **Pay less, get less** lower rates increases, but reduced investment and fewer services.
- **Pay more, get more** higher rates increases that provide for more or faster investment and higher service levels.

A 'pay less, get less' scenario could see average rates increases for residential ratepayers of around:

- 5.5 per cent in year one
- 3.5 per cent in years two and three
- and no more than 1 per cent above CPI inflation in the years after.

A 'pay more, get more' scenario could require average rates increases for residential ratepayers of up to:

- 14 per cent in year one
- 10 per cent in years two and three
- and 5 per cent in the years after.

The graphic below shows the rates increase for the average value residential property under each scenario for the next thee years. The graphics on page 89, illustrate the rates increase in 2024/2025 under each scenario for residential and business ratepayers for a range of property values. The increases shown in the graphics are indicative only.

To find out what the impact of the proposed changes to your rates would be for 2024/2025 under our central proposal, please see **https://www.aucklandcouncil.govt.nz/ratesguide**

The indicative rates shown in these graphics include general rates, the Water Quality Targeted Rate, the Natural Environment Targeted Rate, the Waste Management Minimum Base Service Rate, the Standard Recycling Rate, the Standard Refuse Rate (included for residential properties only), the Food Scraps Rate (included for residential properties only), and the Climate Action Transport Targeted Rate.

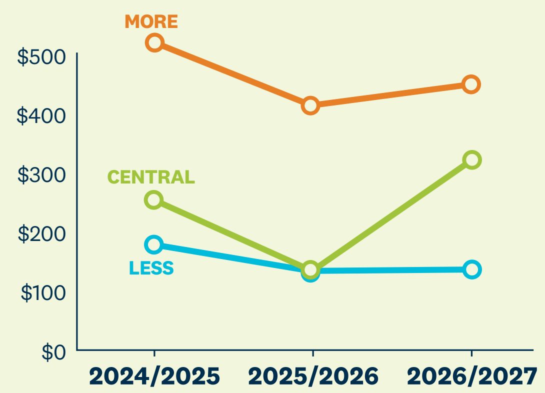
We include the Standard Refuse Rate for residential properties as it provides a useful indication of these costs across the region including areas where this rate is not applied or will only be available for part of the year and charged on a pro-rata basis. It is not included for business properties as it only applies to some business properties in the former Auckland City Council area. We have proposed a number of other changes to our rating policy that may affect individual properties (see pages 97-100 for more detail).

The rates shown below do not include water or wastewater charges which are set by Watercare. To support a significant increase in capital investment over the next 10 years, Watercare's board of directors has proposed to increase water and wastewater tariffs by 25.8 per cent on 1 July 2024.

You can see more information on the Watercare website: **www.watercare.co.nz**

Rates for average value residential property for each scenario

	2024/2025		2025/2026		2026/2027	
MORE	14.00%	$506	10.00%	$412	10.00%	$453
CENTRAL	7.50%	$271	3.50%	$136	8.00%	$321
LESS	5.50%	$199	3.50%	$133	3.50%	$138



Proposed total rates increases for residential properties of different capital value (cv) for 2024/2025.

CV	Central	Less	More
$750k	$171 +7.3%	$128 +5.5%	$314 +13.4%
$1.175m (Median CV)	$234 +7.4%	$173 +5.5%	$435 +13.8%
$1.422m (Average CV)	$271 +7.5%	$199 +5.5%	$506 +14.0%
$3m	$505 +7.7%	$364 +5.5%	$956 +14.5%

Proposed total rates increases for business properties of different capital value (cv) for 2024/2025.

CV	Central	Less	More
$500k	$271 +8.7%	$205 +6.6%	$491 +15.7%
$1.050m (Median CV)	$511 +8.8%	$383 +6.6%	$929 +16.0%
$3.753m (Average CV)	$1,690 +8.9%	$1,260 +6.6%	$3,082 +16.2%
$10m	$4,413 +8.9%	$3,285 +6.6%	$8,055 +16.3%

Proposed changes to rates in 2024/2025

Our proposed Long-term Plan 2024-2034 includes a central package of proposed budget changes that will result in a total rates increase for the average value residential property of around 7.5 per cent or $271 a year ($5.21 a week) in 2024/2025.

Our proposed budget package includes:

Natural Environment Targeted Rate (NETR)

We propose to resume the Natural Environment Targeted Rate (NETR) and extend it to 2033/2034 to ensure we can continue to provide increased investment in the protection of native ecosystems and species, including the spread of Kauri dieback disease and the predators that are killing our native birds and trees.

Water Quality Targeted Rate (WQTR)

We propose to resume the Water Quality Targeted Rate (WQTR) and extend it to 2033/2034 at a level that only covers the annual programme operating and interest costs.

This ensures that we can continue to provide increased funding to water quality improvements in harbours and streams across the region at a lower immediate cost to ratepayers.

Long-term Differential Strategy (LTDS)

We propose to discontinue the Long Term Differential Strategy which gradually lowers the share of general rates paid by businesses and raises the share paid by other ratepayers. Businesses will pay around 31 per cent of the general rates requirement in 2024/2025 and future years, the same as last year. This will mean all ratepayers will face a similar level of general rates increase each year from 2024/2025.

Targeted rates business differentials

We propose to adjust the business differential for the NETR, WQTR and Climate Action Transport Targeted Rate (CATTR) to align with the general rates business differential. The share businesses pay of the NETR, WQTR, and CATTR will rise from 25.8 per cent to 31 per cent for 2024/2025 and future years.

Waste management services

To ensure cost recovery of our waste activity, we propose a 4.3 per cent increase for 2024/2025 in the combined targeted rates for the standard waste management services.

The prices for rubbish bin tags and rubbish bags for the council's kerbside collection in those areas of the city that continue to use them are scheduled to rise by a similar rate.

The Climate Action Transport Targeted Rate (CATTR)

We propose to broaden the description of the bus programme to be delivered by the Climate Action Transport Targeted Rate (CATTR) and extend the rate to 2033/2034. The CATTR will increase on average by 3.5 per cent for 2024/2025.

Total rates changes for 2024/2025

The total proposed rates changes in the central proposal for the average-value properties in the residential and the business categories respectively are set out in the tables below.

The combined impact of the proposed changes to general rates, the NETR, the WQTR, the CATTR and the waste management targeted rates (standard services) will be a rates increase of around 7.5 per cent for the average-value residential property and around 8.9 per cent for the average-value business property in 2024/2025.

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

The rates numbers included in this document are based on property information held by the council as of December 2023 and cost information (including inflation assumptions) available at the time the consultation materials were developed. They are subject to change.

The final rates will be adopted in June 2024 after taking into consideration any cost changes since consultation including more up-to-date forecasts on inflation.

The estimated rates increases for the average-value residential property included in this document are based on like-for-like waste management services between years.

Specifically, the analysis assumes that the average-value residential property is paying the full food scraps and standard refuse targeted rates in any given year.

This ensures that the rates increases shown exclude, to the extent possible, any movement in cost due to a change in service level.

Some properties may experience rates increases materially higher than those indicated in this document due to a change in service level (for example where a property that receives a part-year food scraps service in the current year moves to a full-year service next year).

We will be undertaking our three yearly property revaluation in 2024 which will take effect for rates setting for the 2025/2026 year. The level of rates increase in 2025/2026 for individual properties will depend on how the value of each property moves in relation to the overall movement in value for properties within the same rating differential across the region.

Proposed change to the Long-term Differential Strategy

To manage the impact of rates increases over time, we propose to remove our policy of gradually lowering the share of general rates businesses pay. We propose that business ratepayers meet approximately 31 per cent of the general rates requirement. For 2024/2025, business ratepayers will meet 30.98 per cent of the general rates requirement, the same as last year.

Our proposal means that all ratepayers will face a similar level of general rates increase each year from 2024/2025.

Proposed rates changes in the central proposal for residential and business property	Residential	Business
Average CV	**$1,422,000**	**$3,753,500**
Total rates 2023/2024	**$3,611.52**	**$18,994.21**
Breakdown of changes to 2023/2024 total rates		
General rates increase	242.52	1,463.64
Change to Water Quality Targeted Rate	-6.53	-17.10
Change to Natural Environment Targeted Rate	20.04	152.71
Change to Waste Management Minimum Base Service rate	-0.96	-0.96
Change to Waste Management Standard Recycling rate	11.98	11.98
Change to Waste Management Standard Refuse rate	6.78	n/a
Change to Waste Management Food Scraps rate	-0.27	n/a
Change to Climate Action Transport Targeted Rate	-2.66	79.47
Total rates 2024/2025	**$3,882.42**	**$20,683.95**
$Annual change	270.90	1,689.74
$Weekly change	5.21	32.50
Annual change per cent	7.50%	8.90%

▶ **For more information** see Supporting Information Section 4.1: Our Policies and Other information.

We also propose to increase the share that businesses pay of generally applied targeted rates (Water Quality, Natural Environment, and Climate Action Transport targeted rates) from 25.8 per cent (originally set at the same level of the end target of the LTDS) to the same share they will pay of the general rate, approximately 31 per cent.

We consider that businesses place more demand on, and impose more cost on, the council's transport and stormwater services although they do not benefit as much from community services and parks.

Rates are also more affordable for businesses. Rates are 0.24 per cent of an average business income, but 3.29 per cent of the median household income for 2022/2023. Businesses can also claim back GST on rates and expense rates against tax.

The impact of removing the LTDS and raising the share of the generally applied targeted rates paid by business will mean that the rates for the average-value business property will rise by 1.82 per cent, or around $345, more than they would otherwise have for 2024/2025.

Rates for the average-value residential property will be 0.73 per cent, or around $26, lower than what they would otherwise have been for 2024/2025.

As an alternative, we also considered continuing our policy of gradually lowering the business share of the rates requirement to 25.8 per cent and extending the target date to 2038/2039 with no change to the generally applied targeted rates.

This would mean the average-value business property would have a rates increase 1.82 per cent lower than the proposed total rates increase for 2024/2025, and around 1 per cent lower in future years. Residential rates would increase by around 0.73 per cent (or $26) more than the proposed total rates increase for 2024/2025, and be around 0.5 per cent higher in future years.

Removing the LTDS also requires us to amend our Revenue and Financing Policy. You can see the proposed change (and other proposed changes) to the Revenue and Financing Policy here **aucklandcouncil.govt.nz/revenueandfinancingpolicy.**

Proposed change to the Water Quality Targeted Rate

We propose to reinstate the Water Quality Targeted Rate (WQTR) and extend it to 2033/2034 at the level required to cover the annual programme operating and interest costs. This ensures that we can continue to deliver the original planned programme.

The WQTR funds water quality improvements in harbours and streams across the region. Funding only the operating and interest costs from the targeted rate results in a lower immediate cost to ratepayers.

Key investments of the Water Quality Programme include stormwater upgrades and wastewater/stormwater separation in western and eastern isthmus and programmes across the region, including in the Kaipara.

When the rate was introduced, it provided for the programme's capital investments to be repaid over a 10-year period to manage the council's debt level. We now propose to treat the programme's capital investments like our other capital investments (i.e. funded from borrowings) because we can now manage the debt impacts within our overall financial position.

We will continue to fund depreciation from the general rate ensuring we can replace the assets in the future.

The WQTR is proposed to rise over time to around $70 per year in 2034/2035 as investments are made and interest costs rise.

We considered three other options for the WQTR which are set out, along with our proposal, in the table below.

Option 1 would only deliver part of the Western Isthmus Programme.

Option 2 would deliver on the Western and Eastern Isthmus but with lower operational programme investment.

Water Quality Targeted Rate Option	Expenditure funded	Rates impact 2024/2025		Additional increase 2025/2026 onwards
		Rate	Additional overall rates increase	
1. Retain at 2023/2024 level, rises 3.5% per year, ends 2030/2031 repay capex over 7 years	$96m	$16.88	0.02%	Around 0.02%
2. Resume as planned, rises 3.5% per year, ends 2033/2034, repay capex over 10 years	$674m	$76.88	1.68%	Around 0.07%
3. Rate set to fund programme and repay capex over 30 years rising at 3.5% per year	$779m	$28.88	0.35%	Around 0.03%
4. **Proposal - rate set to cover only annual programme operating and interest costs in each year**	$779m	$10.52	-0.16%	Between 0.06% and 0.23%

Option 3 would fund all the outcomes for which the rate was established and better align payment with the period over which the investments deliver benefits. However, debt would rise to around $660 million in 2034/2035 before falling over time.

Proposed change to the Natural Environment Targeted Rate

We propose to reinstate the Natural Environment Targeted Rate (NETR) to its previously planned level and extend it to 2033/2034. This will mean we can continue to deliver most of the originally planned programme but with limited capacity for community-led initiatives or to deal with emerging threats. The proposal also provides for $200,000 of the revenue from this rate in 2024/2025 to be used to help stop the spread of invasive caulerpa seaweed.

The NETR funds protection of native ecosystems and species, implementation of the Regional Pest Management Plan (RPMP) and the obligations in the National Policy Statement - Indigenous Biodiversity (NPS-IB), and other biodiversity-related obligations. Key programmes include kauri dieback, pest management, and marine and freshwater biosecurity.

We considered three other options for the NETR which are set out, alongside our proposal, in the table below.

Option 4 would deliver the full originally-planned programme and have capacity to respond to emerging threats.

Options 1 and 2 would be insufficient to deliver the currently-planned programme and would mean significant scaling back of existing programmes and reduce the council's ability to deliver on the RPMP.

Natural Environment Targeted Rate Option	10-year Revenue and Expenditure	Rates impact 2024/2025		Additional increase 2025/2026 onwards
		Rate	Additional increase	
1. Retain at 2023/2024 level	$176m	$23.69	n/a	n/a
2. Resume at $30 in 2024/2025 for average value residential property and increase at 2.0 per cent per year	$245m	$30	0.17%	Around 0.02%
3. **Proposal: Resume at previously planned level**	$350m	$47.02	0.65%	n/a
4. Resume at previously planned level and increase at 3.5% per year	$412m	$47.02	0.65%	Around 0.04%

Other changes to rates

Proposed changes to Waste Management targeted rates and charges

To ensure we set waste charges fairly across the region, we are continuing to implement a standardised waste management collection service and to standardise how these services are paid for.

At present, refuse services are funded by a refuse targeted rate in the former Auckland City and Manukau City council areas.

The rates-funded refuse collection service provides a choice of three bin sizes (80 litre, 120 litre and 240 litre).

A 'pay as you throw' (PAYT) bin tags and rubbish bags service is in place in the former North Shore, Waitākere, Papakura, and Franklin council areas.

Following public consultation and consideration of feedback the council decided in June 2022 to extend the rates funded refuse service to the PAYT areas as well as the former Rodney District Council area where the service is provided by the private sector.

We propose to begin rolling out rates-funded refuse collections to the North Shore, Waitākere and Papakura in 2024/2025, and Franklin and Rodney in 2025/2026.

During the rollout we propose to apply the refuse targeted rate to properties in these areas based on the approximate number of months the rates funded service is available to them.

We also propose to:

1. adjust the Waste Management Targeted Rates in 2024/2025 to maintain cost recovery levels
2. apply the Recycling Targeted Rate to all schools.

Other proposed changes to rates

We also propose to:

- broaden the description of the bus programme to be delivered by the Climate Action Transport Targeted Rate (CATTR) and extend the rate to 2033/2034
- make amendments to the Rodney Drainage District Targeted Rate to adjust the boundaries of the rating maps for the Te Arai and Okahukura drainage districts, and make adjustments to the rates. The changes will to better reflect the areas benefiting from the relevant drainage schemes and the nature of the benefit received, including the introduction of a new rating differential where Class C land, which indirectly benefits, pays 10 per cent of the rates paid by land that directly benefits, Class A land
- amend the Electricity Network Resilience Targeted Rate, that only applies to Vector, to allow for engineering solutions to protect trees that have significant public interest and raise the rate to cover cost increases
- an expansion of the Onehunga Business Improvement District (BID)
- increase the Waitākere Rural Sewerage Targeted Rate from $296.75 to $336.80 (per year) for the 2024/2025, 2025/2026, and 2026/2027 years to maintain cost recovery in the three-year contract cycle and avoid an annual subsidy of around $117,000 from general rates with the next cost review scheduled for the 2027/2028 year
- the introduction of a Franklin Local Board Paths Targeted Rate of $52 per Separately Used or Inhabited Part (SUIP) of a rating unit, to fund walking and cycling paths in the Franklin Local Board area.

Other matters for feedback

Changes to fees and charges

In addition to most other fees and charges we are adjusting in line with inflation, we propose specific changes to fees. They are:

- new fees to recover the cost of processing new requirements under the Building (Dam Safety) Regulations 2022
- increased deposit levels for a number of consenting fees
- an increase to film-permitting fees to adjust for cumulative inflation since 2015. We are also proposing that this fee is adjusted for inflation yearly
- adjusted fees for all services provided from pool and leisure centres to ensure an appropriate level of cost recovery
- baseline fees across similar venue hire and bookable spaces so that they are charged appropriately. This includes community halls, community centres, art centres and bookable library spaces.

For further information on these proposed changes please see pages 378-385 of the Supporting Information.

▶ Drury

Wāhanga Tuangahuru: He Take kē atu

Part ten: Other matters

◀ Te Wero bridge/ Wynyard Crossing

AK HAVE YOUR SAY

North Harbour Stadium Precinct

On behalf of council, Tātaki Auckland Unlimited (TAU) owns and operates the North Harbour Stadium precinct. Based on low utilisation and attendance, and the high cost to run the stadium and fund necessary capital upgrades, the council is seeking feedback on options for the future of the stadium precinct to better deliver for the needs of the North Shore community and the greater Auckland region.

Proposal details:	
What we are proposing	We are considering the following options that relate to the future investment needs and management of North Harbour Stadium precinct: 1. Maintain the status quo and invest in essential renewals of $33 million over 10 years. 2. Redevelop (which could include deconstruction of the existing stadium) the precinct to better deliver for the needs of the North Shore community and the greater Auckland region, funded through the reallocation of the $33 million renewal funding for the precinct, the sale of some precinct land while retaining the existing community playing fields, and any other external funding available. 3. Change the operational management of North Harbour Stadium to ensure greater use by the community. Changes to operational management can be considered in addition to either Option 1 or Option 2. If, as a result of this consultation, council elects to proceed with Option 2, an advisory group of North Harbour Stadium partners and community representatives will develop options for the potential redevelopment. This would be followed by public consultation on any proposed changes to ensure they are in line with the wishes of the North Shore community and the greater Auckland region. Further information on each option can be found in Section 8.3 of the Supporting Information. The Albany Stadium Pool is located on the North Harbour Stadium precinct. No changes are proposed to be made to the pool facility, and therefore it is not included within this consultation process.
Why we are proposing this	The main stadium at North Harbour is the least utilised facility in the Auckland outdoor regional stadium network. It also requires significant investment to maintain it in its current condition. Based on utilisation and attendance data, and the cost to run the main stadium and community playing fields – plus fund necessary capital upgrades – council is seeking feedback on options for the future of the Stadium precinct.
Financial implications	Option 1 requires a capital investment by council of $33 million to maintain the asset in its current state. Option 2 requires a capital investment of up to $33 million. Any costs above this that may be required for any proposed redevelopment will be funded through the sale of some precinct land (while retaining the existing community playing fields) and any other external funding available. Option 3 - the costs of changing the operational management of the stadium would depend on whether option 1 or 2 is the preferred option.
Service level implications	Option 1: There will be no changes to current service levels other than those that might be realised through any change in operational management. Option 2: Service levels are likely to improve through better customer experience , the extent of which will be dependent upon the ultimate decisions made through this and any future consultation. Option 3: This will depend on any changes in the operational management and its service level requirements.
Relationship with Māori	Mana whenua will be consulted with on this proposal.
Other options considered	Council has not identified further options at this stage. Should Option 2 be adopted, TAU will work with the local community and stakeholders to establish a proposal for a community stadium facility that would then be subject to a formal public consultation process.

Please note: This map is for indicative purposes only

TŪPUNA MAUNGA O TĀMAKI MAKAURAU

CO-GOVERNANCE OF THE TŪPUNA MAUNGA

Summary of the Tūpuna Maunga Authority Operational Plan 2024/2025

▶ Full summary is included in Section 4.2 of in the Supporting Information. You can access the full draft plan at **www.maunga.nz**.

The Ngā Mana Whenua o Tāmaki Makaurau Collective Redress Act 2014 (the Act) came into effect on 29 August 2014. The Act vested the Crown-owned land in 14 Tūpuna Maunga (ancestral mountains) in 13 iwi/hapū with interests in Auckland (Ngā Mana Whenua o Tāmaki Makaurau). The Act also established the Tūpuna Maunga o Tāmaki Makaurau Authority (an independent statutory board comprising the council and Ngā Mana Whenua) to administer the Tūpuna Maunga.

The Act requires that the Tūpuna Maunga Authority prepare an Annual Operational Plan to provide a framework in which the council must carry out the routine management of the 14 Tūpuna Maunga, under the direction of the Tūpuna Maunga Authority. This must be prepared and adopted concurrently with the council's long-term plan and included in a summary form.

▲ Maungawhau / Mt Eden

Wāhanga Tuangahuru mā Tahi: Ngā Poari ā-Rohe

Part eleven: Local boards

◀ Rangitoto Island

Fairer funding for local boards

Proposal to move to a fairer allocation of funding for local boards for their local community services

Local boards provide local community services like local parks, libraries, pools, recreation centres, community halls and events that support strong Auckland communities. From 1 July 2022 local boards have increased decision making over their local assets and services compared to previous years.

Currently, local board funding to deliver these services differs greatly between local boards as the allocation of funding is based largely on what services were provided by legacy councils prior to 2010. So local boards that had a lot of assets from amalgamation tend to have more funding than boards with fewer assets.

- Through the LTP 2024-2034, the council is looking to move to a fairer funding model that addresses these inequities.
- The Governing Body approved in principle a new funding model for local community services in 2021 after four years of investigation. This new model is fairer as it distributes available funding based on population (80 per cent), deprivation (15 per cent) and land area (5 per cent). This is different to the current funding allocation which is based on assets in each local board area.

- When current funding is compared to funding based on the new model, some local boards are currently funded above the equitable funding level[1] and some local boards are funded below.

What we are proposing

- To address local board funding equity through the first three years of the LTP 2024-2034. The 2021 decisions intended to take 10 to 15 years to achieve this outcome.
- To achieve a fairer balance of local board funding through a 50/50 combination approach, i.e., reallocating some existing funding between local boards and providing some new funding ($20 million opex and $30 million capex) over the first three years of the LTP 2024-2034.
- As the extent of funding disparity between local boards is significant, and the council's capacity for new funding is limited, we can only practically get 18 local boards within 5 per cent of their equitable funding levels (opex and capex) by year three of the LTP 2024-2034. Of the 21 local boards, three local boards will remain funded above their equitable levels but to a lesser degree than current levels.
- A staged approach to implementing this proposal where changes to funding levels only take place from 1 July 2025 (year two of LTP 2024-2034). Staff would use year one of the LTP to prepare for this change.

Other things to note

- We propose to address operational and capital expenditure separately for achieving funding equity as the mechanisms to raise new operating, and capital funding are different. New operating funding is typically funded through rates and new capital funding is funded through additional borrowing.
- We propose a fixed funding allocation (as approved in principle by the Governing Body in 2021) for Aotea/Great Barrier and Waiheke Island Local Boards, who will be allocated 1 per cent and 2 per cent of the available funding respectively, given their smaller population sizes.

We propose changes to the Local Board Funding Policy to reflect these changes. This proposed policy can be found on Section 7.2.2 of the Supporting Information.

In addition to the central proposal being put forward, there are also scenarios to 'pay more, get more' and 'pay less, get less' as explained in parts three and four of the Consultation Document (pages 20 to 53).

Under 'pay more, get more' scenario no reallocation among local boards would be required. A funding uplift would be provided to get all local boards to their equitable funding levels. To achieve full equity under this option, close to $900 million would be required in additional operating funding and about $1 billion in capital funding over 10-years.

To achieve local board funding equity under the 'pay less, get less' scenario, it would require a significant reallocation from local boards that are currently funded above their equitable level of funding to boards who receive lesser funding. No additional funding would be required. Local boards that could lose funding may not be able to deliver projects previously agreed, asset renewals or services without increasing fees, imposing local targeted rates or rationalising assets.

1. Equitable funding level means the funding each local board would be entitled to under the proposed funding allocation model of 80/15/5

Highlights of the proposal

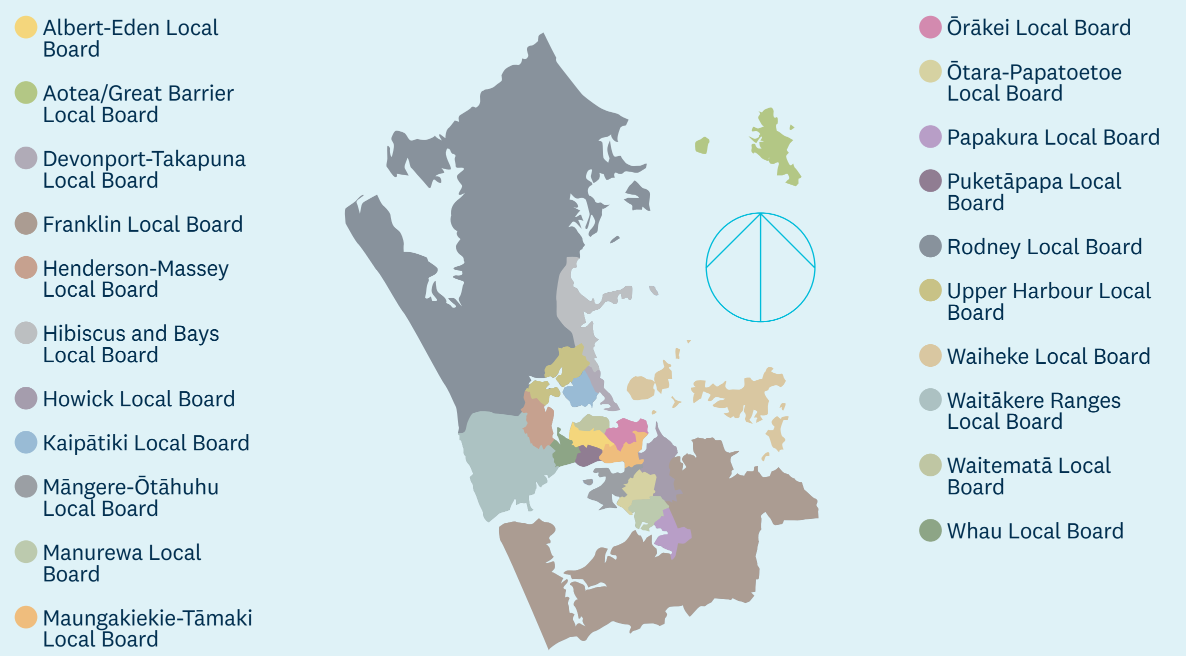
- achieving local board funding equity using a 50/50 combination approach of reallocating funding between local boards and new funding
- getting 18 local boards to within 5 per cent of their equitable funding level by year three of the LTP 2024-2034
- providing 1 per cent and 2 per cent of the total available funding to Aotea / Great Barrier and Waiheke Local Boards respectively
- the changes to funding allocation would come into effect from 1 July 2025

Ngā Poari ā-Rohe

Local boards

Below is how local board funding is proposed to be used.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$131.1 million	-	-	-	$131.1 million
Planned operating spend to maintain and operate assets and deliver local activities	$348.1 million	$6.4 million	$21.2 million	$23.1 million	$398.8 million



Supporting community-led initiatives

AK HAVE YOUR SAY

To find out about our grants programme to support community-led initiatives and how to apply visit: **www.aucklandcouncil.govt.nz/whataregrants**

Te Poari ā-Rohe o Albert-Eden

Albert-Eden Local Board

In 2024/2025 we plan to invest $3.9million to renew and develop assets and $16.4 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$3.9 million	$0	$0	$0	$3.9 million
Planned operating spend to maintain and operate assets and deliver local activities	$14.3 million	$176,000	$624,000	$1.2 million	$16.4 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- caring for our environment and working alongside the community to protect it
- maintaining our facilities, services, and leases so they are affordable, fit for purpose, well used, and respond to growth needs
- long-term service provision of library and community centre services in Pt Chevalier and for the community centre in Sandringham
- park acquisition in areas of growth
- support Māori Kaupapa and priorities
- continuing supporting local business
- supporting arts, events and night-time economies in our town centres

The following priorities sit outside local board decision-making and require advocacy to the Governing Body:

- flood recovery and stormwater management.
- additional funding:
  - to deliver a library and community centre hub in Point Chevalier
  - For Mt Albert pool access
  - To respond to growth in our area
  - For town centre upgrades at Sandringham and Greenwoods Corner
  - For regional events
  - To support the CAB
- advocate to Auckland transport for:
  - reliable and frequent bus and train services
  - upgrades in our Town Centres
  - supporting more walking and cycling, options

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- celebrating different people and cultures, bringing people together with fun and engaging activities, and reducing barriers for those who might struggle to connect with council or others in the community
- continuing our environmental work through tree planting, parks restoration, supporting volunteer pest control and planting groups and helping community climate action through our Climate Activator
- planning for how our parks and open space can respond to growth, making the most of what we have, balancing different uses and connecting green spaces together
- supporting our community groups with funding, information, learning new skills and building their capability and networks
- settling in at the new, medium-term location for the Point Chevalier library and continuing to investigate what the long-term library solution might be and how we will fund it
- working with the community on activations in the Mt Albert Civic Square
- making our parks rubbish-bin free to minimise waste and improve environmental and climate outcomes

Te Poari ā-Rohe o Aotea / Great Barrier

Aotea / Great Barrier Local Board

In 2024/2025 we plan to invest $400,000 to renew and develop assets and $2.5 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$ 400,000	$0	$0	$0	$ 400,000
Planned operating spend to maintain and operate assets and deliver local activities	$ 1.6 million	$ 212,000	$0	$ 708,000	$ 2.5 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- capital grant funding for the maintenance of community-owned community facilities
- annual grant funding to community organisations for community services
- annual grant funding to local environmental groups for ecology projects
- progressing 'Ahu Moana' marine protection projects

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- managing the existing biosecurity threat of exotic Caulerpa
- support the mana whenua-led restoration project Tu Mai Taonga
- support for community-led waste and septic services given our landfill closure
- investigations into a visitor levy solution

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- continue the regular programme of funding for community groups to deliver services and environmental groups to deliver ecology works
- continue our regular maintenance of parks and assets
- investigate improvements for playground areas island-wide
- support implementation of aspects of the new Destination Management Plan

Te Poari ā-Rohe o Devonport-Takapuna

Devonport-Takapuna Local Board

In 2024/2025 we plan to invest $5.5 million to renew and develop assets and $14.4 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$5.5 million	$0	$0	$0	$5.5 million
Planned operating spend to maintain and operate assets and deliver local activities	$12.8 million	$86,000	$573,000	$915,000	$14.4 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction. The funding available is dependent on the Governing Body decisions on the 10-year budget:

- invest in initiatives that build community networks and resilience
- support environmental groups to undertake community-led conservation of our parks and waterways
- support initiatives promoting inclusion, diversity and expression of culture
- investigate options to sell underperforming or underutilised assets. The proceeds will fund investment in well-used assets including valued heritage buildings
- support and invest in sport and recreation organisations to provide opportunities to become and stay active

The following priorities sit outside local board decision-making and require advocacy to the Governing Body:

- support Auckland Emergency Management to deliver community initiatives that help people prepare and respond to emergencies
- investment in the provision and improvement of stormwater assets through the Making Space for Water programme
- additional funding to renew and protect our heritage assets or that a regional fund be established to do this
- greater funding the upgrade of Lake Road, the Francis Esmonde Link and a new Bayswater Ferry Terminal

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- progress the detailed business case and delivery of a new library and community hub in Takapuna
- complete the Devonport-Takapuna Local Parks Management Plan that will guide decisions on the use and management of our parks and open spaces
- implement priority actions from the Devonport-Takapuna Ethnic Plan
- continue to build relationships with Iwi and Mataawaka to promote projects of interest to Māori including the restoration and improvement of Te Uru Tapu
- invest in the delivery of key events in our town centres to support local businesses and showcase our area to visitors and locals alike
- continue to renew and improve community facilities including the playground at Achilles Reserve and toilets and changing facilities at Becroft Park
- continue support of our valued art partners who provide a wide range of programmes, exhibitions and live productions and performances

Te Poari ā-Rohe o Franklin

Franklin Local Board

In 2024/2025 we plan to invest $7.0 million to renew and develop assets and $17.6 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$7.0 million	$0	$0	$0	$7.0 million
Planned operating spend to maintain and operate assets and deliver local activities	$15.1 million	$266,000	$883,000	$1.3 million	$17.6 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- develop community facilities and parks, using service property optimisation (sale of some properties to reinvest in others) to deliver improved and sustainable community outcomes
- introduce a local targeted rate to accelerate delivery of pathways in partnership with others, and to enable uptake of safe active transport
- partner with Iwi as kaitiaki and local environmental groups in the restoration and protection of the natural environment
- reconfigure community services across Franklin so that they are accessible to our geographically dispersed communities, and youth.

The following priorities require advocacy to the Governing Body or another entity:

- redistribute budgets so that local boards are equitably funded.
- reinstate the Local Board Capital Transport funding for projects of local importance
- fund Auckland Transport so they can improve maintenance, design and function of roads.
- restore local economic development advisory services

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- develop fit for purpose facilities and respond to growth challenges through projects like the Clevedon Village Heart programme, 'Belmont' Sports Park development and the Unlock Pukekohe programme
- fund three-year Strategic Community Partnerships with local organisations that are willing to and capable of delivering social, environmental, cultural and economic outcomes in line with the local board plan and support to these organisations to deliver
- support environmental and cultural restoration programmes in partnership with Iwi including Te Kete Rukuruku (place naming) and Te Korowai Papatuuaanuku (environmental restoration)
- develop "Franklin Community Occupancy Guidelines" to inform decisions on council-owned facility leases, including leasing charges
- find ways to reduce Franklin's maintenance costs e.g. by replacing lawn with eco-sourced native trees and reducing or relocating public rubbish bins
- progress the development and delivery of the Franklin Paths Programme
- deliver a refreshed approach to enabling young people in Franklin to access services and participate in their communities
- progress a Pukekohe Cemetery memorial project that acknowledges the unmarked graves at the site

Te Poari ā-Rohe o Henderson-Massey

Henderson-Massey Local Board

In 2024/2025 we plan to invest $12.6million to renew and develop assets and $ 33.2 million to maintain and operate assets as well as deliver local activities. Our proposal for the Henderson-Massey Local Board's operating and capital spend in 2023/2024.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$12.6 million	$0	$0	$0	$12.6 million
Planned operating spend to maintain and operate assets and deliver local activities	$31.1 million	$298,000	$529,000	$1.3 million	$33.2 million

Our key priorities for the 10-year budget 2024-2034

The following advocacy priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- **Our People** – support initiatives that increase community safety and wellbeing in our communities.
- **Our Environmen**t – continue to implement the Henderson-Massey Urban Ngahere Action Plan, and invest in climate response initiatives to reduce transport emissions.
- **Our Community** – support new and innovative ways to deliver events, programmes and activities that reflect and celebrate our diverse communities.
- **Our Places** – progress opportunities for neighbourhood path connections.
- **Our Econom**y – support local community organisations to deliver economic development initiatives.

The following priorities sit outside local board decision-making and require advocacy to the Governing Body:

- for additional funding from the Climate Action Transport Targeted Rate (CATTR) or Natural Environment Targeted Rate (NETR) to increase urban ngahere planting
- to progress the Climate Action Targeted Rate - funded Kelston to New Lynn Cycle Focus Area project to increase the connected cycle network from Henderson-Massey to the central city
- for funding in the council's 10-year Budget for community recovery and resilience in response to the ongoing effects of the flooding and Cyclone Gabrielle damage
- for the continued funding partnership with government for the completion of the Te Whau Pathway through the Auckland Council- central government partnership

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- **Our People** – create opportunities that support connectedness, diversity and inclusion in our community.
- **Our Environment** – focus on initiatives that increase tree canopy cover, improve water health and provide for resilient and low carbon communities across Henderson-Massey.
- **Our Community** – ensure the maintenance and development of 'fit for purpose' local services and spaces meet the needs of our diverse communities.
- **Our Places** – support initiatives that improve walking and cycling opportunities.
- **Our Economy** – continue to support the Western Initiative to deliver the Youth Connections programme.

Te Poari ā-Rohe o Hibiscus and Bays

Hibiscus and Bays Local Board

In 2024/2025 we plan to invest $13.6 million to renew and develop assets and $23.9 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$13.6 million	$0	$0	$0	$13.6 million
Planned operating spend to maintain and operate assets and deliver local activities	$21.9 million	$312,000	$522,000	$1.1 million	$23.9 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- advocate to the Governing Body to ensure continued funding and support for the coastal projects along Ōrewa Beach

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- advocate to the Governing Body and Central Government to provide greater education and practical advice for landowners, renters or leaseholders, whose properties are at risk from the effects of climate change
- advocate to the Governing Body to fund the planned expansion of community recycling centres, especially those that will benefit the Hibiscus and Bays area
- advocate to the Governing Body for sufficient funding to be allocated to enable Auckland Transport to deliver the following projects within the currently expected timeframes: the Whangaparāoa Transport Interchange, upgrades and reopening of Vaughans Road and Okura River Road, and the Glenvar and East Coast Road improvements project
- advocate to Auckland Transport to retain the Gulf Harbour Ferry route

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- support the development of community led resilience networks in our area, so our community and organisations will know who does what, where to get information and how to help, including in emergencies
- support and advocate for further protection of our sea, soil and fresh water from contamination and sedimentation through methods such as renaturalisation, or daylighting
- engage with our community and key stakeholders, including mana whenua, on the future uses of our undeveloped reserves, and older established ones, including investigation of cost-effective options for other informal recreation and play in these areas
- continue to support activities that promote vibrancy, diversity and showcases creativity in our area, such as events, festivals, and other shared experiences in our public spaces for all
- continue to renew and enhance the paths network (greenways) to create a safer, off road, well connected networks for active modes of transport

Te Poari ā-Rohe o Howick

Howick Local Board

In 2024/2025 we plan to invest $7.6 million to renew and develop assets and $33 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$7.6 million	$0	$0	$0	$7.6 million
Planned operating spend to maintain and operate assets and deliver local activities	$31 million	$436,000	$555,000	$1.2 million	$33 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- implement the Howick Urban Ngahere action Plan 2021 to increase tree canopy coverage on public land from 15% to 18%, with an overall goal of 30%
- partner with the southern local boards for local landfill diversion facilities for south-east Auckland – for example, a recovery centre and hazardous waste disposal.
- all new assets and facilities to be designed and managed in an environmentally sustainable manner
- provide services and facilities that cater to the changing demographics of the Howick Local Board

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- continue to advocate to the governing body to start construction of the Flat Bush community centre and library as soon as possible
- continue to advocate for funding to implement sustainable measures to manage coastal erosion and inundation – including loss of sand from local beaches.
- advocate to the governing body to increase monitoring of illegal discharge into stormwater, waterways and onto our beaches
- advocate to the governing body to ensure adequate infrastructure is in place before approving housing intensification
- advocate to the governing body to change the procurement policy to allow greater use of smaller, local businesses

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- review and refresh the Howick Heritage Plan
- review and refresh the Howick Tourism Plan
- encourage community groups to adopt a reserve, park, or waterway etc, and provide for restoration and maintenance activities with council support
- rescope the Industrial Pollution Prevention Programme (which educates and informs industry about the impacts they may have on local waterways) to broaden its outreach and include all businesses.
- Develop a community-led climate action plan
- explore the development of a Howick Ward 'business collective', or other group, to provide support for small business owners outside of the established Business Improvement Districts. This work may lead to establishing a new business association and possible new Business Improvement District (BID) programme.

Te Poari ā-Rohe o Kaipātiki

Kaipātiki Local Board

In 2024/2025 we plan to invest $6.3 million to renew and develop assets and $22.4 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$6.3 million	$0	$0	$0	$6.3 million
Planned operating spend to maintain and operate assets and deliver local activities	$20.6 million	$353,000	$338,000	$1.1 million	$22.4 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- implementing the Birkenhead War Memorial Park Masterplan
- delivering the integrated Northcote Community Hub alongside the upgrade to Puāwai/Cadness Reserve
- delivering the Kaipātiki Connections Network Plan priorities

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- sufficient funding to maintain our community facilities and services
- investment into Kaipātiki's coastal assets
- infrastructure that supports a quality, compact, and climate resilient urban form
- increased resource for compliance enforcement teams
- improved bus and ferry services serving Kaipātiki
- continued investment of regional targeted rates into Kaipātiki
- work to reduce flooding of the Wairau Valley
- increased regional funding to support sport

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- investing in the maintenance and renewal of our parks, playgrounds, recreation facilities, and other public spaces so they continue to meet our communities needs
- supporting a community-led approach for the delivery of relevant and diverse services that connect the community
- supporting environmental groups, community volunteers, and our diverse communities to carry out environmental restoration projects, including stream clean-ups, habitat improvement, native riparian planting, and pest control
- begin implementing the Mini Shoreline Adaptation Plan for the Little Shoal Bay / Te Wai Manawa alongside our community to address the issues caused by flooding and seawater inundation
- supporting a community climate activation programme to support and amplify community initiatives identified in the Kaipātiki Climate Action Plan
- building relationships with local iwi and mataawaka groups so that Kaipātiki is rich with Māori identity and culture

Te Poari ā-Rohe o Māngere-Ōtāhuhu

Māngere-Ōtāhuhu Local Board

In 2024/2025 we plan to invest $4.8 million to renew and develop assets and $22.5 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$4.8 million	$0	$0	$0	$4.8 million
Planned operating spend to maintain and operate assets and deliver local activities	$19.9 million	$301,000	$1.2 million	$1.1 million	$22.5 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- explore how our community facilities and services are better used to reduce growing costs in maintaining these assets
- partner with Māori to support their aspirations by working on projects together and activating shared governance arrangements
- collaborate with locals to enhance their ability to withstand and prepare for the impacts of climate change
- support new and innovative ways to deliver events, programmes and activities that reflect and celebrate our diverse communities
- help strengthen the skills and abilities of community groups, facilitate opportunities for local leaders, and secure sustainable funding sources

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- urge the Council Group and Central Government to allocate resources fairly for our recovery and strengthen community resilience to future disasters
- advocate to the Governing Body to retain and increase the Local Board Transport Capital Fund
- implement fairer resource allocation, including the distribution of environment targeted rates
- advocate for further local decision-making opportunities, allowing locals to have a greater say in transportation, climate change, and water quality related decisions
- advocate to the Governing Body to ensure adequate infrastructure is in place before approving housing intensification

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- strengthen partnerships with local mana whenua through project delivery, including Te Kete Rukuruku, completion of David Lange Park playground and improvements
- deliver community climate initiatives such as Low Carbon Lifestyles, and Māngere Bike Hub with our community partners
- deliver a community-driven safety action plan aimed at tackling anti-social behaviour and addressing local safety concerns enhancing the overall sense of safety within our local community
- improve employment and economic opportunities through our local economic broker programme
- support community-led activations at our parks and facilities through our community grants

Te Poari ā-Rohe o Manurewa

Manurewa Local Board

In 2024/2025 we plan to invest $9.5 million to renew and develop assets and $18.7 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$9.5 million	$0	$0	$0	$9.5 million
Planned operating spend to maintain and operate assets and deliver local activities	$16.2 million	$118,000	$1.2 million	$1.2 million	$18.7 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- deliver more sand carpeting, lighting and training hours across the sportsfield network
- investigate provision of a new public toilet facility at Mountfort Park
- revitalise existing parks and play spaces
- undertake comprehensive renewals at Te Matariki Clendon Community Centre and our two libraries
- investigate options to extend the use of the Manurewa Pool and Leisure Centre outdoor area
- allocate funding of $1.7 million to replace the roof leaks at Manurewa Netball and Community Centre
- investigate options for the installation of more solar panels across our community facilities

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- achieve funding equity for the most underfunded boards in the shortest timeframe possible with a priority focus on Manurewa to ensure our public facilities and spaces are welcoming
- allocate funding to support War Memorial Park
- allocate additional funding to plant new trees in our parks and streets
- deliver twice-yearly clearance of stormwater sumps and more frequent clearance of drain grates
- reinstate local board transport funding to the pre-COVID-19 level of $21 million per annum
- allocate adequate funding to ensure improved road maintenance and renewals
- allocate climate action funding to create a walking and cycling connection, including a bridge across the Papakura Stream.

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- continue to support, deliver and fund initiatives that contribute to positive youth development
- invest in evidence-based projects that focus on crime prevention, safer communities and injury prevention
- fund and support activities that include older people and foster their community participation with a specific focus on reaching older migrants
- invest in community led projects and initiatives that respond to social connection and cohesion, build climate resilience and contribute to climate action
- develop a masterplan for Mountfort Park to ensure our open space and sports field network meets the demands of our diverse communities
- identify options for recreational activities to support people of all ages and abilities being casually active
- investigate community lease options to support Ngāti Tamaoho aspirations for a cultural hub at Te Pua/Keith Park
- investigate the feasibility of an arts broker programme to nurture creative expression with a focus on supporting Māori and Pacific creative arts.

Te Poari ā-Rohe o Maungakiekie-Tāmaki

Maungakiekie-Tāmaki Local Board

In 2024/2025 we plan to invest $10.4 million to renew and develop assets and $19 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$10.4 million	$0	$0	$0	$10.4million
Planned operating spend to maintain and operate assets and deliver local activities	$16.6 million	$183,000	$1.1 million	$1.1 million	$19 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- develop local plans and implement when funding allows
- investigate options, including partnerships, to deliver quality mixed-use areas in our precincts
- deliver local climate action programmes, enabling Māori, community and rangatahi leadership
- support capacity building for community and sporting groups
- empower and upskill local rangatahi and individuals not in education, employment, or training
- support social enterprise and innovation projects
- work with business associations to encourage business resiliency and support town centre growth

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- equity and accessibility to guide decision-making
- enabling effective increased decision-making for local boards, with appropriate staffing resources
- funding to redevelop Panmure multiuse facility, Onehunga Recreation Centre and Ruapōtaka Marae
- long-term continuation of the Local Board Transport Capital Fund with funding restored to previous levels
- equitable investment for Manukau Harbour and Tāmaki Estuary
- support infrastructure upgrades to mitigate flooding
- remove the Onehunga KiwiRail designation for the Avondale Southdown connection to give certainty that there will not be significant disruption of the Onehunga community through this designation

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- support community groups and community-led activities by continuing to provide local community grants
- building the capacity and capability of local community and sporting groups towards long-term sustainable funding models and independence through our strategic partnerships programme
- empowering community groups and organisations to deliver community events through sustainable funding models
- collaborate with mana whenua and neighbouring local boards to protect and restore our waterways through Tāmaki Estuary Environmental Forum and Manukau Harbour Forum
- encourage our rangatahi / youth and community to be leaders in climate action. For example, through programmes like Tiakina te taiao and Ope (biodiversity and climate action education programme in schools), Love Your Neighbourhood (environmental volunteer grants) and Songbird programmes (community pest control and biodiversity initiative)
- support business associations to continue supporting local businesses and ongoing growth, development and liveliness of town centres, including assisting Onehunga Business Associations proposed BID expansion

Te Poari ā-Rohe o Ōrākei

Ōrākei Local Board

In 2024/2025 we plan to invest $8 million to renew and develop assets and $16.9 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$8.0 million	$0	$0	$0	$8.0 million
Planned operating spend to maintain and operate assets and deliver local activities	$15.0 million	$372,000	$578,000	$1.0 million	$16.9 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- develop and enhance facilities at The Landing
- upgrade Thomas Bloodworth Park to provide for additional sports capacity
- work with Ngāti Whātua Ōrākei to establish an indoor multi-sport facility at Ōrākei Domain
- progress capital improvements at Colin Maiden Park, Tagalad Reserve and Purchas Hill.

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- advocate to Auckland Transport to progress the Gowing Drive connection to Te Ara Ki Uta Ki Tai – Glen Innes to Tāmaki Drive Shared Path
- progress the Newmarket Gully wastewater project and the Eastern Isthmus Water Quality Improvement Programme
- advocate to the Governing Body to fund the renewal of the stormwater pipe leading from Waiatarua Reserve to Ōrākei Basin
- advocate to the Governing Body for funding to dredge Ōrākei Basin
- advocate to the Governing Body for the ability to debt-fund significant capital developments
- advocate to the Governing Body for funding to properly enforce existing bylaws to address matters such as dog control and public safety and nuisance
- change the Development Contributions Policy with the intention of increasing contributions to better reflect the increased costs and pressures caused by growth and intensification

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- complete the seismic strengthening of the Remuera Library
- progress the Meadowbank Community Centre development
- assess the reactivation of facilities at Tagalad Reserve and work towards providing access for the community
- continue to work with our many community volunteers to eradicate plant and animal pests in our natural environment, including at Pourewa Valley and in our many beautiful parks and urban forests, and support other environmental activities, for example, the Environmental Forum
- continue local initiatives to enhance neighbourhood connections and increase safety
- fund and support local events to showcase our spaces and benefit local residents and businesses
- continue to engage and better support our diverse communities and organisations, such as Auckland East Community Network and Youth of Ōrākei
- maintain efforts to monitor and improve water quality in our local waterways
- develop options and projects for a community facilities targeted rate for the financial year 2025/2026
- investigate ways to enhance council facilities in Ellerslie to better meet the needs of the local community

Te Poari ā-Rohe o Ōtara-Papatoetoe

Ōtara-Papatoetoe Local Board

In 2024/2025 we plan to invest $5.7 million to renew and develop assets and $24.6 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$5.7 million	$0	$0	$0	$5.7 million
Planned operating spend to maintain and operate assets and deliver local activities	$21.9 million	$279,000	$1.2 million	$1.2 million	$24.6 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- increase focus on Māori outcomes, including Māori input in local governance and engagement
- securing funding and delivering the Manukau Sports Bowl masterplan and the Old Papatoetoe Community hub (with Eke Panuku)
- assess our community leases and assets to ensure they are financially sustainable, and prioritising local needs and the changing demographics
- prioritise environmental initiatives to protect and mitigate the effects of climate change
- continue to deliver improved sports fields and lighting to ensure our community has access

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- prioritise addressing inequity of funding so that underfunded local boards have the finance in the first 3 years of the Long-term Plan to begin to address service provision
- reinvestment of the council's capital expenditure and include Ōtara into the 'transform' category to collaborate with Eke Panuku
- retain and increase the Local Board Transport Capital Fund to the pre-COVID-19 level
- equity in funding to address the disparity in assets with priorities based on the needs of the area
- increase investment to prioritise improvements to road conditions
- trial free or further-subsidised public transport in our area to encourage uptake in public transport use
- funding from the Climate Action, Natural Environment and Water Quality targeted rates to be prioritised for communities that need them the most

What we propose in your local board area in 2024/2025

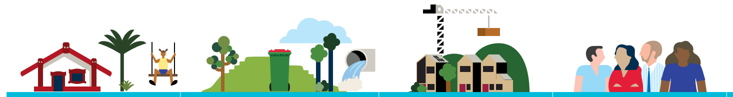
The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- through grants, support community-led events and initiatives that create safe neighbourhoods and promoting active living, sustainable practices
- support activities to increase social cohesion, neighbourly connections, better outreach to people from smaller ethnic groups and connect newer settlers to local services
- increase youth empowerment through supporting leadership and training programmes as well as prioritising youth engagement
- identify and promote 'Play advocacy' for local opportunities in projects that can provide spaces for play in places beyond playgrounds
- continue to support and look to increase environmental and sustainability projects to address climate change and environmental challenges through community-led projects and by working with mana whenua
- explore options for ways of delivering increased local economic outcomes for small to large businesses

Te Poari ā-Rohe o Papakura

Papakura Local Board

In 2024/2025 we plan to invest $3.1 million to renew and develop assets and $15.8 million to maintain and operate assets as well as deliver local activities.



Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$3.1 million	$0	$0	$0	$3.1 million
Planned operating spend to maintain and operate assets and deliver local activities	$14.1 million	$67,000	$404,000	$1.2 million	$15.8 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- local resource to deliver economic outcomes
- investment into the community sport network including Papakura Tennis and Squash

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- access to the encumbrance fund and to the legacy parking fund in addition to capital expenditure budgets
- allocation of maintenance, renewals and operational budget for Bruce Pulman Park as an asset of local, regional and national significance
- retention and increase of Local Board Capital Transport Fund (LBCTF)
- further develop AT local (on demand ride-share public transport service) in parts of Papakura Local Board area to increase public transport use
- for growth funding to be provided for new facilities in line with growth and deprivation
- advocate for improved road maintenance
- prioritise addressing inequity of funding in the first three years of the long-term plan so that underfunded local boards have the financial tools to address service provision

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- we know you value the community being brought together through free events which we will continue to support including the Anzac day events. This is particularly special to our area given the strong military history in Papakura
- we will continue to support Māori-led initiatives and aspirations with Mātauranga Māori (Māori knowledge), including the Māori Wardens. We also are pleased to partner with mana whenua in the delivery of Te Kete Rukuruku project which is the dual naming and storytelling of our parks and reserves
- we have recently been working on enhancements to the Te Koiwi Reserve pond and are looking at further work that can be done in this area
- we will continue to support the Takanini Business Association in their Business Improvement District (BID) establishment
- Papakura has a talented and culturally rich community, and we will continue to showcase this through the community arts programme

Te Poari ā-Rohe o Puketāpapa

Puketāpapa Local Board

In 2024/2025 we plan to invest $2.3 million to renew and develop assets and $10.7 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$2.3 million	$0	$0	$0	$2.3 million
Planned operating spend to maintain and operate assets and deliver local activities	$9.5 million	$166,000	$6,000	$1 million	$10.7 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- support our communities of greatest need and celebrating our cultural diversity
- focus our investment in parks, facilities and programmes on our growing neighbourhoods
- work with Kāinga Ora and Fletcher Living, so that our growing neighbourhoods are well planned, built and serviced
- Support a range of accessible transport options that are easy to find and use invest in climate action initiatives and restore our streams and the Manukau Harbour coastline
- determine the future of the whare at Monte Cecilia Park

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- repair of flood damaged parks / coastal infrastructure and the development of 'blue-green networks' in our area
- naturalisation of piped awa (rivers) and increase the urban ngahere (tree cover)
- investment into the restoration of the Manukau Harbour
- continued funding for sport, recreation and events
- retention of funding and a review of Auckland's Aquatic Network Strategy
- funding for facilities and open space to respond to housing growth, such as sports changing rooms at the newly developed Three Kings Quarry and an extension to Cameron Pool
- retention of the Local Board's Transport Capital Fund
- safety improvements at the Denbigh Avenue/ Dominion Road Roundabout
- improve public transport and footpaths

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- invest in opportunities to support local community leadership
- invest in climate change response initiatives and support volunteer groups working on local environmental restoration / protection and climate action programmes
- consider our investment in facilities and services to see if there are opportunities to do better
- support initiatives that improve and encourage walking and cycling opportunities
- help coordinate and support local business groups

Te Poari ā-Rohe o Rodney

Rodney Local Board

In 2024/2025 we plan to invest $5.6 million to renew and develop assets and $16.7 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$5.6 million	$0	$0	$0	$5.6 million
Planned operating spend to maintain and operate assets and deliver local activities	$14.5 million	$554,000	$331,000	$1.3 million	$16.7 million

Our key priorities for the 10-year budget 2024-2034

These priorities sit outside of our decision making and require advocacy to the Governing Body or another entity:

- advocate to Auckland Transport for increased funding in the 10-year budget (long-term plan) for rural roads that are resilient including:
  - $124 million for Auckland Transport's Unsealed Roads Improvement Programme to improve unsealed roads through strengthening and other methods, with significant investment in the first two years of the plan to address the backlog. The local board is keen to hear the community's view on this important matter.
  - an increase of funding, ringfenced for maintenance and renewals exclusively, that allows Auckland Transport to renew and maintain at least eight to nine per cent of Auckland's roads in any given year as per Auckland Transport's Asset Management Plan
- advocate to the Governing Body for sensitive planning to avoid any impact on our natural landscapes with high biodiversity values, working with the environment to protect and preserve it
- advocate to the Governing Body for adequately resourced and effectively enforced environmental compliance to both public and private entities to protect our environment

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- deliver new and/or improved playground and play spaces in Goodall Reserve, Te Hana Reserve, Rautawhiri Park and Riverhead War Memorial Park
- support communities to develop local community emergency leadership groups and emergency action planning in response to the findings of the Emergency Response Assessment study being undertaken in 2023/2024
- provide additional activities and programmes for children and young people maximising the use of our libraries, halls and open spaces, where possible
- continue to support our local arts centres in Helensville and Kumeu and look to extend arts experiences to other parts of Rodney
- continue to support community groups and mana whenua to keep our waterways clean and healthy and restore biodiversity
- support the community to minimise waste, turn it into resources, and promote education on waste reduction
- develop and refurbish toilet facilities in Glasgow Park, Dinning Road Esplanade Reserve and Port Albert Recreation Reserve
- develop pathway connections in Green Road Park

Te Poari ā-Rohe o Upper Harbour

Upper Harbour Local Board

In 2024/2025 we plan to invest $5.0 million to renew and develop assets and $18.3 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$5.0 million	$0	$0	$0	$5.0 million
Planned operating spend to maintain and operate assets and deliver local activities	$16.3 million	$363,000	$764,000	$931,000	$18.3 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- investigate options to sell land or introduce a targeted rate* to enable investment in building a new multi-purpose library facility in Albany
- investigate and develop a new public toilet facility at the Whenuapai Town Park
- develop and implement a plan for Albany to create a connected community and vibrant destination where people want to live, visit, shop, work and connect
- continue to prioritise support to our local community organisations and volunteers to deliver outcomes that provide a sense of belonging, wellbeing and resilience for residents.

The following priorities sit outside local board decision-making and will require advocacy to the Governing Body for:

- fair and equitable funding allocations for Upper Harbour
- appropriate funding to enable fit for purpose library service provision in Albany
- adequate level of renewals funding to ensure existing assets are well maintained
- appropriate investment in North Harbour Stadium to be a well utilised multi-purpose facility that meets the needs of the growing North Auckland community
- appropriate planning and investment for infrastructure and quality open space in areas impacted by growth and intensification e.g., Whenuapai, Hobsonville Point and Albany.

We will also advocate to the Governing Body and Auckland Transport for the retention and increase of the Local Board Transport Capital Fund.

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year:

- progress with the detailed business case for a new multi-purpose library facility in Albany
- continue to deliver stage 1b of Te Kori Scott Point which includes physical works for 3 sports fields and sport field lighting as well as a second baseball diamond
- implement actions from the Upper Harbour Ethnic Peoples Plan
- continue to invest in projects that improve the environment and address climate change including planting trees as outlined in the Upper Harbour Urban Ngahere Strategy and continuing to support and fund volunteer environmental work
- implement actions from the Upper Harbour Engagement Strategy
- implement actions from the Upper Harbour Greenways Plan
- implement actions from the Upper Harbour Wheeled Recreation Service Assessment

*A targeted rate is a specific fee imposed on ratepayers in a certain area to fund a particular project or service that directly benefits the community

Te Poari ā-Rohe o Waiheke

Waiheke Local Board

In 2024/2025 we plan to invest $855,000 to renew and develop assets and $6.5 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$885,000	$0	$0	$0	$885,000
Planned operating spend to maintain and operate assets and deliver local activities	$5.5 million	$140,000	$0	$894,000	$6.5 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- continuing to support local organisations with the development of a community swimming pool and consider consulting on a local targeted rate
- future provision of equestrian facilities

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- advocating to central government and the Governing Body to meet key community needs such as transport, housing, environmental and economic
- increased decision-making over all council owned and operated assets on Waiheke to facilitate future asset development and enhanced community facilities for the community
- implementation of effective flood control by use of nature-based solutions, proactive stormwater maintenance and necessary capital investment
- working with relevant authorities, partners, and mana whenua to support the implementation of marine protection strategies, and eliminate the exotic Caulerpa from the Hauraki Gulf
- continuation of the AT LB capital fund, and funding for the Waiheke 10-year Transport Plan
- progressing the Auckland Transport Mātiatia Landside Improvements project
- funding for equitable public transport ferry fares for our residents and our Auckland based work force
- affordable, reliable ferry services and wharf infrastructure that is fit for purpose and future proofed
- funding line to facilitate required changes in the Hauraki Gulf Island District Plan for Dark Sky

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- delivering central council operational services, such as mowing, track and facility maintenance, and the library
- programmes which protect, restore, and enhance the island's natural environment, and initiatives that provide opportunities for community connectedness, capability and resilience
- working with our community and businesses to progress actions within the Waiheke Island Climate Action Plan
- progressing recommended actions within the Waiheke Local Parks Management Plan and the Rangihoua Reserve and Onetangi Sports Park Reserve Management Plan
- working with mana whenua and mataawaka to identify and respond to their needs and aspirations
- capital projects including the Tawaipareira Reserve playground and flying fox, and replacement of the Rakino Hall

Te Poari ā-Rohe o Te Ika Whenua o Waitākere

Waitākere Ranges Local Board

In 2024/2025 we plan to invest $1.8 million to renew and develop assets and $12.2 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$1.8 million	$0	$0	$0	$1.8 million
Planned operating spend to maintain and operate assets and deliver local activities	$10.0 million	$1.2 million	$96,000	$807,000	$12.2 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget.

- ensure our parks and assets are well-looked after
- refurbish Titirangi War Memorial Hall (exterior)
- neighbourhood park development in Glen Eden
- continue to support a network of community places
- support actions from Local Area Plans
- progress a Deed of Acknowledgement with Te Kawerau ā Maki and Ngāti Whātua for the Waitākere Ranges Heritage Area
- progressively develop Waitipu as a park.
- develop a civic space and laneway in Glen Eden town centre

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- funding for community recovery and resilience in response to last year's storms
- the Natural Environment Targeted Rate continues at its previous level (2022-2023)
- a service level be established for the Waitākere Ranges Heritage Area
- for Marae investment to support Te Kawerau ā Maki to develop a Marae and Papakainga in Te Henga
- streetscape and lighting upgrades in Glen Eden town centre
- to develop a solution to the conflict between traffic and trains at the level rail crossing in Glen Eden
- to trial a bus service to outer coastal areas.
- to fund a shared path from Glen Eden to Sunnyvale.
- to increase road and drain maintenance, along with climate change adaptation
- to partner to improve community safety and reduce harm.

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- initiatives to support community resilience and safety
- progress priority actions from the Waitākere Ranges Local Climate Plan (currently under development)
- restoration and enhancement of significant ecological areas on local parks and in buffer zones around the regional park
- operating grants for arts and culture programmes delivered by our community arts partners, such as Te Uru
- continue to activate library spaces with programmes, services and events
- operating grants to support Glen Eden and Titirangi Community Houses
- invest in our relationship with mana whenua, Te Kawerau ā Maki
- initiatives to support youth/rangatahi
- progress an application for Waitakere Ranges Heritage Area to become a dark sky place

Te Poari ā-Rohe o Waitematā

Waitematā Local Board

In 2024/2025 we plan to invest $9.2 million to renew and develop assets and $35.3 million to maintain and operate assets as well as deliver local activities.

Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$9.2 million	$0	$0	$0	$9.2 million
Planned operating spend to maintain and operate assets and deliver local activities	$24.5 million	$289,000	$9.3 million	$1.2 million	$35.3 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our Local Board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- Work with the community to investigate future options on improving library services across Waitemata
- Progress the development and implementation of the Omnibus Local Parks Management Plan which includes Dove-Myer Robinson Park, and Victoria Park.
- Implement the 2013 Waitematā Greenways Plan and work with Parks and Community Facilities and Auckland Transport to deliver key walking and cycling connections.

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity; these include priorities such as:

- ensure regional funding of city centre projects and initiatives focussed on improving safety and perceptions of safety.
- investigation and implementation for fair funding of regional and sub-regional services, such as for our aquatics network.
- progress the next phase of the Waterfront Programme including the design of a new city centre park guided by the Te Ara Tukutuku Plan.
- continued measures to ensure water quality improvements to mitigate impacts on our waterways, catchments, beaches, and harbours
- restoration of Auckland Council's membership of Local Government New Zealand

What we propose in your local board area in 2024/2025

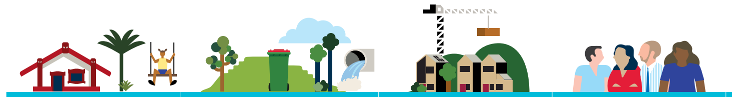
The following are some of the key projects and activities we plan to deliver next year, and any key changes to services:

- Deliver a new civic space at 254 Ponsonby Road.
- Complete detailed design of Leys Institute remediation and seismic strengthening, and progress physical works.
- Phased delivery of improvements for Heard Park.
- Deliver services and programmes that support youth activation, leadership, and wellbeing, particularly in Newmarket.
- Develop programmes that improve perceptions of safety within the City Centre, and our town-centres.
- Support local communities to develop Emergency Planning and Readiness Response Plans.
- Seek opportunities to promote and celebrate heritage places in Waitematā including making digital content and place-based stories more accessible.

Te Poari ā-Rohe o Whau

Whau Local Board

In 2024/2025 we plan to invest $8.1 million to renew and develop assets and $17.9 million to maintain and operate assets as well as deliver local activities.



Key areas of spend 2024/2025	COMMUNITY SERVICES	ENVIRONMENTAL SERVICES	PLANNING SERVICES	GOVERNANCE	TOTAL
Planned capital spend to renew and develop assets	$8.1 million	$0	$0	$0	$8.1 million
Planned operating spend to maintain and operate assets and deliver local activities	$15.5 million	$188,000	$1.0 million	$1.2 million	$17.9 million

Our key priorities for the 10-year budget 2024-2034

The following priorities are informed by our local board plan, which sets our three-year direction for the local board. The funding available for these priorities is dependent on the Governing Body decisions on the 10-year budget:

- delivery of Te Hono, the Avondale Community Centre and Library project
- retention of funding and existing timeline for the planned Whau Aquatic and Recreation Centre
- park acquisition and development in areas of growth (e.g. Avondale Racecourse, Crown Lynn Park)
- completion of the Whau sections of Te Whau Pathway through funding partnerships

The following priorities sit outside local board decision-making and require advocacy to the Governing Body or another entity:

- improved public transport services, with a focus on accessible services in areas of higher deprivation and employment hubs, including wayfinding infrastructure and other service improvements that support and encourage mode shift
- regionwide prioritisation and funding of open space acquisition (e.g. Avondale Racecourse)
- investment in projects that can adapt to and lessen climate impacts (e.g. Shoreline Adaptation Plans, stormwater infrastructure, etc.)

What we propose in your local board area in 2024/2025

The following are the key projects and activities we plan to deliver next year, and any key changes to services:

- we will work with our partners to build community capacity, from climate/emergency preparedness and community resilience to increased participation and community capability
- we will encourage and support volunteerism and community participation, especially through environmental and ecological initiatives around the Manukau Harbour and foreshore, the Whau River and its tributaries, and our urban ngahere
- we will continue to undertake governance-level engagement and collaboration with mana whenua and the other west Auckland local boards
- we will work with the local BIDs where possible, to support local economy and to realise shared goals around climate action, community connection and belonging
- we will consider accessibility and inclusion across our services, engagement, and other initiatives

▲ Hobsonville Park

Wāhanga Tuangahuru mā Rua: He ara hei whakaputa i ō kōrero

Part twelve: How to have your say

◀ Auckland Domain and Wintergardens

AK HAVE YOUR SAY

Give us your views on our long-term plan

There are a number of ways you can share your views with us on the Long-term Plan 2024-2034. Please take the time to get involved.

Written and online feedback

- You can provide feedback online at akhaveyoursay.nz/ourplan
- Or you can complete the feedback form included in this Consultation Document,
- Or you can request documents at libraries, local board offices and council service locations and then send it back to the freepost address provided,
- Or download a copy online and send it to the freepost address provided,

Face-to-face

Face to face events will take place across the region where you can provide feedback in person. The details of these events will be published on the website at **akhaveyoursay.nz** or you can call for more information on 09 301 0101.

Social media

You will be able to find out more on the following social media channels:

- Facebook
- Instagram
- LinkedIn

Webinars

We will also be holding a range of online webinars, where subject matter experts will be discussing and providing information on the long-term plan. You will have an opportunity to listen and ask questions.

For more information and to register for these webinars go online to **akhaveyoursay.nz/ourplan**.

Translations

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

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

The translated documents are available:

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

Where to find more information:

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

AK HAVE YOUR SAY

We want your feedback

Feedback must be received by Thursday 28 March. Please read the consultation document available at **akhaveyoursay.nz/ourplan** or at any library or Auckland Council service location. It has more information about the issues and choices that we want your feedback on.

We encourage you to give feedback online at **akhaveyoursay.nz** (where disability-accessible and different language versions are available) or you can:

Email your completed form to:
akhaveyoursay@aucklandcouncil.govt.nz

Drop your completed form off at your local library

Post your completed form to:
AK Have Your say
Auckland Council,
Freepost Authority 182382
Private Bag 92300
Auckland 1142

Your details

Your name and feedback will be included in public documents. All other personal details will not be made publicly available.

The personal information that you provide in this form will be held and protected by Auckland Council in accordance with our privacy policy (available at **aucklandcouncil.govt.nz/privacy** and at our libraries and service centres) and with the Privacy Act 2020. The privacy policy explains how we can use and share your personal information in relation to any interaction you have with the council, and how you can access and correct that information. Please familiarise yourself with this policy before submitting this form.

First name: ____________________ Last name: ____________________

Email address or postal address: ____________________

____

Your local board or suburb: ____________________

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

All remaining questions are **optional** but will help us understand which groups of the community are engaging with us.

What gender are you?

☐ Female ☐ Male ☐ Another gender: ____________________

What is your age group?

☐ Under 15 ☐ 15-17 ☐ 18-24 ☐ 25-34 ☐ 35-44 ☐ 45-54 ☐ 55-64 ☐ 65-74 ☐ 75+

Which ethnic group(s) do you belong to? (Please select as many as apply)

☐ Pākehā/NZ European ☐ Other European ☐ Māori
☐ Cook Islands Māori ☐ Samoan ☐ Tongan
☐ Indian ☐ Chinese ☐ Southeast Asian
☐ Other (please specify): ____________________

Context: Auckland Council's long-term plan is about choices

For more information on this proposal, read Part three of the consultation document

Our proposal for this 10-year plan balances providing a central level of service focussed on making do with what we have, while spending more where it is needed most.

The proposal includes spending to get Auckland moving. This investment is intended to make public transport faster, more reliable and easier to use.

It also includes strengthening Auckland's resilience to flooding events over 10 years (the Making Space for Water programme).

But there are alternatives. We could do more or do less than what's in our proposal.

We want to know whether Aucklanders think we should make do with what we have (see our central proposal below), plan to do more, or do less.

There are also options and trade-offs in how we fund the services proposed, such as creating an investment fund (Auckland Future Fund), that we want your feedback on.

Pay less and get less

Paying less to get less could limit average rates increases for residential ratepayers to as low as
- 5.5 per cent in year one
- 3.5 per cent in year two
- 3.5 per cent in year three
- no more than 1 per cent above CPI inflation thereafter.

This will require cuts to some service levels, or will slow down improvements.

CAPEX $33.5b **OPEX $69.2b**

Central proposal

Under our proposal the annual rates increase for the average value residential property is set at
- 7.5 per cent in year one
- 3.5 per cent in year two
- 8.0 per cent in year three
- no more than 3.5 per cent for the years after that.

This provides a central level of service focussed on making do with what we have, while spending more where it is needed most.

CAPEX $39.3b **OPEX $72.0b**

Pay more and get more

Paying more to get more could see average rates increases for residential ratepayers rise by up to
- 14 per cent in year one
- 10 per cent in year two
- 10 per cent in year three
- 5 per cent for the years after that.

This includes speeding up investment in transport services and climate resilience.

CAPEX $52.0b **OPEX $76.5b**

There is a lot to consider and some challenging decisions to make – so we'd like you to have your say to inform our decisions.

AK HAVE YOUR SAY

Overall direction for Long-term Plan

For more information on this proposal, read pages Part four of the consultation document

1a. Which option do you prefer for the overall direction for council's Long-term Plan?

☐ **Do less (reduce council services/ investment)**, lower rates increases and less debt

☐ **Proceed** with the central proposal

☐ **Do more (increase council services/investment)**, with higher rates increases and more debt

☐ Other ☐ I don't know

1b. What would you like Auckland Council to do more or less of?

(Note that while we can do less of some activities, we will still fund those things that we legally have to do)	Do less	As proposed	Do more
Transport: Roads, public transport and safety improvements across the transport network	☐	☐	☐
Water: Managing stormwater to minimise flooding and protect waterways.	☐	☐	☐
City and local development: Deliver urban regeneration and lead development of the city centre	☐	☐	☐
Environment and regulation: Protecting and restoring our natural environment	☐	☐	☐
Parks and Community: A wide range of arts, sports, recreation, library and community services including a fair level of funding for local boards	☐	☐	☐
Economic and cultural development: Major events funding and economic development	☐	☐	☐
Council support: Supporting the delivery of services, enabling effective governance, emergency management and grants to regional amenities	☐	☐	☐

1c. Is there anything else you would like Auckland Council to **do more of** that you would be prepared **to pay more for?**

1d. Is there anything else you would like Auckland Council **to do less of** so that you could **pay less**?

Note, for any other feedback, there is a space at the end of the form for other comments.

Transport plan

Read pages 32-34 of the consultation document for more information on this proposal.

Our budget proposes working with government to make progress toward an integrated transport plan for Auckland. It proposes a total capital spend of $13.4 billion for Auckland Transport over 10 years.

This includes:

- making public transport faster, more reliable and easier to use by investing in rapid transit network actions, such as making it easier to pay and introducing capped weekly public transport passes
- network optimisation, reducing temporary traffic management requirements and introducing dynamic lanes
- stopping some previously-planned initiatives, such as some raised pedestrian crossings and cycleways.

There are also options to do more, or do less (See page 34)

Regional Fuel Tax

The government has announced the cancellation of one of the council's funding sources, the regional fuel tax (RFT), ending the scheme four years early. The council had initially budgeted for two more years of RFT to support investment in specified transport infrastructure and services, but this funding is no longer available for this LTP. As a result, the central proposal in this plan has been updated with proposed RFT funding removed and a corresponding reduction in the level of investment in transport projects. The specific projects that would be affected is still to be determined.

2. What do you think of the transport proposal?

☐ **Support all** of the proposal ☐ **Support most** of the proposal

☐ **Do not support most** of the proposal ☐ **Don't support any** of the proposal ☐ I don't know

Tell us why:

2a. Is there anything you would **spend more** on?

2b. Is there anything you would **spend less** on?

North Harbour stadium

Further information on each option can be found on page 104 of the consultation document.

In response to future investment needs of North Harbour Stadium, we are considering options for the future of the stadium precinct.

We could keep the stadium precinct as it is now, and maintain it at a cost of $33 million over 10 years. Or, we could redevelop the stadium precinct to better deliver for the needs of the North Shore community, funded through reallocation of this $33 million, the sale of some stadium precinct land while retaining the existing community playing fields and any other external funding available.

Another option is to change the operational management of the stadium to ensure greater use by the community. Changes to operational management can be considered in addition to either Option 1 or Option 2.

3. Which options do you support for the North Harbour Stadium?

(Please select one or more options)

☐ **Keep** the stadium precinct as it is ☐ **Consider redeveloping** the stadium precinct

☐ Change the **operational management** ☐ Other ☐ I don't know

Tell us why:

AK HAVE YOUR SAY

Major investments

For more information on this proposal, read Part five of the consultation document

We are proposing a diversified investment fund for Auckland (the Auckland Future Fund).

The key objectives of this proposal are to:

- protect the value of the council's major investments
- provide a funding source to mitigate the risk posed by climate change and other major environmental challenges, and change how we manage our insurance
- enhance cash returns to council to help pay for council services
- spread the risk of council's investments over a range of different assets in different locations
- better provide for changing community needs and continuing to deliver our strategic objectives

The proposal includes the transfer of council's shareholding of just over 11 per cent in Auckland International Airport Limited (AIAL) to the fund to enable the subsequent sale of any or all the shares by the fund manager.

The fund may be structured as a trust (or similar structure), and would have clear rules and restrictions around what circumstances the funds can be accessed by the council in the future. This might be a Council Controlled Organisation. It would be managed by a professional fund manager(s) under a clear set of investment objectives and policies set by the council.

As the objectives for the fund would involve diversifying risk by spreading the fund across a range of investments, it is almost certain that most, if not all, of the AIAL shares would be sold over time.

We are also considering changes to the way the Port of Auckland operates, which may also result in further investment into the Auckland Future Fund (see questions 4b and 4c).

4a. What is your preference on the proposal to establish an Auckland Future Fund and transfer Auckland Council's shareholding in Auckland International Airport Limited (AIAL) into this fund (enabling the shares to be sold)?

☐ **Proceed** with the proposal

☐ **Don't proceed** with establishing an Auckland Future Fund and transfering AIAL shareholding

☐ Other ☐ I don't know

Tell us why:

Auckland Council owns 100 per cent of Port of Auckland Limited (POAL), which is the company that owns and operates the Port of Auckland on the central city waterfront. POAL makes profits for and returns a dividend to Auckland Council. The Port land and wharves are currently owned by POAL and are used for commercial freight and cruise ship harbour facilities. We are proposing a change to our investment in the Port.

One option is for Auckland Council group to keep underlying ownership of the port land and wharves but enter into a lease for the port operations for a period of about 35 years. The lease would be subject to a number of conditions to help progress the council's ownership objectives for the port.

Auckland Council
Te Kaunihera o Tāmaki Makaurau

This option is reflected in our central proposal and we estimate this could:

- generate an upfront payment of around $2.1 billion, which we would then invest in the Auckland Future Fund
- lessen the rates increase for year two of the long-term plan to the proposed 3.5 per cent

Alternatively, the Port of Auckland Limited could continue to operate under the current arrangements and continue to implement their plan to deliver more profits and dividends. These planned financial returns could continue to be used to help fund council services, but as they would be lower than the cash return under the lease proposal, this would require higher rates increases or cuts to council services.

Alternatively, these financial returns from POAL (and any capital distributions from the port) could be invested into the Auckland Future Fund, noting that this would require even higher rates increases or more cuts to council services.

There is also an option to transfer Bledisloe Terminal to the council within 15 years. See question 5b.

4b. Which option do you prefer for the future of Port of Auckland?

☐ Retain underlying council ownership of port land and wharves, and **continue council group operation of the port** (through Port of Auckland Limited), and implement the plan to deliver improved profitability and more dividends to council

☐ Retain underlying council ownership of port land and wharves, and **lease the operation of the port** for a period of about 35 years and use the upfront payment from the lease to invest in the proposed Auckland Future Fund

☐ Other ☐ I don't know

Tell us here:

4c. If the council group continues to operate the Port of Auckland how would you prefer the profits and dividends to be used?

☐ **Continue** to use it to fund council services ☐ **Invest** in the proposed Auckland Future Fund

☐ Other ☐ I don't know

Tell us here:

4d. Do you have any feedback on any other part of the proposal?

Including the proposal for self-insurance and implementation options for the Future Fund and possible changes to the council's shareholding in Port of Auckland Limited and to the ownership of the Port land.

▶ **For more information** see Part five of this document.

Tell us here:

Port land

▶ **Read Part six of the consultation document for more information on this proposal**

Whether or not the operation of the Port of Auckland is leased, some land and wharves currently used for port operations could be transferred to Auckland Council and used for something else that provides public benefit. This could include the creation of some new public spaces and/or new waterfront residential or commercial developments.

Captain Cook and Marsden wharves could be transferred to council within 2-5 years provided that resource consent can be obtained for work at the Bledisloe Terminal. These works are required to allow some port operations to be moved and would cost around $110 million, but otherwise there would be no significant impact on the operations or value of the port.

The Bledisloe Terminal site could be freed up and transferred to council for use in another way within 15 years. However, this would significantly reduce the scale of port operations in Auckland with more shipments needing to be transported into Auckland by truck or rail. It would also lower the value of the proposed port lease by an estimated $300 million or reduce the future profits and dividends the council earns from the port. However depending on the alternative use of the site, this could provide some significant future financial benefits for the council.

5a. What option do you prefer for Captain Cook and Marsden wharves?

☐ **Proceed** with the proposal to transfer Captain Cook and Marsden wharves from the port to Auckland Council so they can be used for something else that provides public benefit.

☐ **No change** – leave Captain Cook and Marsden wharves to be managed as part of the port operations

☐ Other ☐ I don't know

Tell us why:

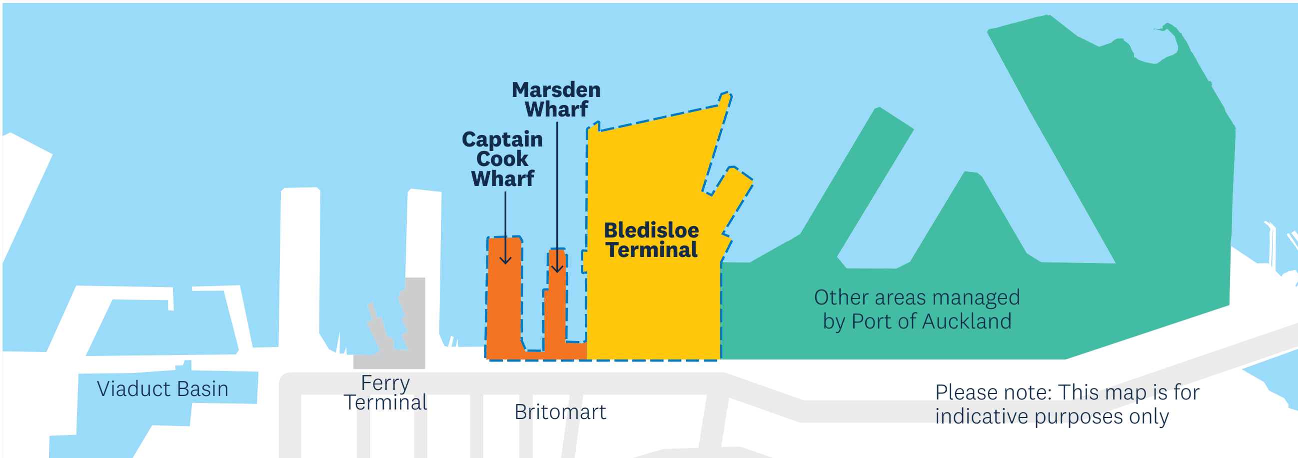
5b. What option do you prefer for Bledisloe Terminal?

☐ **Keep** Bledisloe Terminal as a Port of Auckland **operational area**

☐ **Transfer** Bledisloe Terminal **to council** to be used for something else, that provides public benefit, within 15 years

☐ Other ☐ I don't know

Tell us why:



Changes to other rates, fees and charges

For more information on this proposal, read Part nine of the consultation document.

We are also proposing some changes to business rates, targeted rates, fees and charges.

6a. What do you think of these proposals?

	Support	Do not support	Other	I don't know
Resume the **Natural Environment Targeted Rate (NETR)** and extend it to 2034/2035 so we can continue to invest in the protection of native ecosystems and species. This increases rates for the average value residential property by around $20.04 and $152.71 for the average value business property.	☐	☐	☐	☐
Resume the **Water Quality Targeted Rate (WQTR)** and extend it to 2034/2035 at a level to only cover the annual programme operating and interest costs. This ensures that we can continue to fund the water quality improvements in harbours and streams across the region, at a lower amount for next year than previously planned. This reduces this rate from what was previously planned for the average value residential property by around $6.53 and $17.10 for the average value business property.	☐	☐	☐	☐
Broaden the description of bus services funded by the **Climate Action Transport Targeted Rate (CATTR)** to reduce the need to consult each year for minor changes to the bus programme (any changes to the settings of the CATTR would still require consultation).	☐	☐	☐	☐
Discontinue the **Long Term Differential Strategy** which gradually lowers the share of general rates paid by businesses and raises the share paid by other ratepayers. We also propose to raise the share businesses pay of the NETR, WQTR, and CATTR to align to the general rate.	☐	☐	☐	☐
Re-introduce **recycling charges for schools**.	☐	☐	☐	☐
Continue the planned roll out of **rates funded refuse collection** to the North Shore, Waitākere and Papakura in 2024/2025, and Franklin and Rodney in 2025/2026, replacing the current pay as you throw service, and consequent rates change.	☐	☐	☐	☐
Introduce the **Franklin Local Board Paths Targeted Rate** of $52 per SUIP (Separately Used or Inhabited Part) to provide increased investment in paths in the Franklin Local Board area.	☐	☐	☐	☐
Change the **Rodney Drainage Districts Targeted Rate** to reflect public feedback and updated analysis of the benefits to properties and boundaries.	☐	☐	☐	☐
Increase the **Waitākere Rural Sewerage Targeted Rate** from $296.75 to $336.80 (per year) for the 2024/2025, 2025/2026, and 2026/2027 years to maintain cost recovery in the three-year contract cycle, and avoid an annual subsidy of around $117,000 from general rates, with the next cost review scheduled for the 2027/2028 year.	☐	☐	☐	☐

We are also proposing some changes to our Revenue and Financing Policy (see page 98 in consultation document) and some changes to fees and charges (page 100 in the consultation document).

6b. Do you have any other feedback on the proposals in question 6a, the changes to our Revenue and Financing Policy, or other changes to fees and charges?

Please say which proposals:

Local board priorities

For more information on this proposal, read Part eleven of the consultation document

We want to hear your feedback on the proposed priorities for local board services and activities.

Find your local board on the Auckland Council website: aucklandcouncil.govt.nz/localboardfinder

7a. Which local board area does your feedback relate to?

7b. What do you think of our proposed priorities for your local board area in 2024/2025?

☐ I support **all** priorities

☐ I support **most** priorities

☐ I **do not** support **most** priorities

☐ I **do not** support **any** priorities

☐ Other ☐ I don't know

Tell us why:

Do you have any other comments?

Including Local Board Funding Policy on page 110, Council Controlled Organisation Accountability Policy on page 19.

Tell us here:

Papakupu kupu

Glossary of terms

Active travel
Walking and cycling

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

AIAL
International Airport Limited

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

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

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

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

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

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

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

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

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

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

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

CATTR
Climate Action Transport Targeted Rate

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

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

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

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

CRL
City Rail Link

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

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

Deconstruction
Is similar to demolition and involves dismantling and removing building parts without causing damage to materials to enable reuse, repurposing or recycling while reducing resources being sent to landfill.

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

Deficit
An excess of expenditure or liabilities over income or assets in a given period.

Depreciation
A reduction in the value of an asset with the passage over time, due in particular to wear and tear. Council fund depreciation from the general rates ensuring we can replace the assets in the future.

Deprivation
The damaging lack of material benefits considered to be basic necessities in a society.

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

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

Economic fluctuation
Ups and downs in the levels of changes in the economic variables, like the national income (GDP), inflation rate, and the rate of unemployment.

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

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

Fiscal rules
Ups and downs in the levels of changes in the economic variables, like the national income (GDP), inflation rate, and the rate of unemployment.

Fully funded depreciation
The setting aside of cash in amounts equal to an organization's annual depreciation.

General rates
Ratepayers across Auckland pay to fund for council's services.

GHG emissions
Greenhouse gases emissions

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

Government funding
Funding from central government to local government to fairly sharing some cost.

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

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

Individual Service Profiles
During the Long-Term plan 2024-2034 process, council staff prepared 72 individual service profiles for each department within both Auckland Council parent and the council-controlled organisations. These service profiles provided basic financial and non-financial information necessary for elected members to effectively carry out their governance oversight responsibilities.

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

Inflation
The term used to describe a rise of average prices through the economy.

Integrated transport plan
Planning of the transport system and land uses to address current and future access needs of people, goods and services. This process helps to identify those needs and informs the decision makers and key stakeholders.

Kaitiakitanga
Guardianship

Kaupapa
Topic / subject

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

LTDS
Long-term Differential Strategy

MSFW
Making Space for Water

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

Mātauranga
Māori knowledge

Mataawaka
Māori living in the Auckland region who are not in a mana whenua group.

Maunga
Mountain, mount, peak.

NLTF
National Land Transport Fund

NETR
Natural Environment Targeted Rate

OCR
Official Cash Rate

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

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

POAL
Port of Auckland

Premium fare(s)
More expensive services, such as ferry services.

RTN
Rapid transit network

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

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

RFT
Regional Fuel Tax

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

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

Service uptime
The amount of time that a service is available.

Section 17A
Under the Local Government Act 2002 Section 17a delivery of services, the council must review how cost-effective its services are, and if they meet the needs of the communities

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

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

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

time-of-use charges
One part of the plan to reduce congestion and better manage demand on our roads. It is not a per-kilometre rate. It is charging motorists to enter congested sections of the motorways and potentially major arterial roads at peak times.

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

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

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

WQTR
Water Quality Targeted Rate

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

Rārangi kupu matua

Key word index

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Te Kaunihera o Tāmaki Makaurau