



I hereby give notice that an ordinary meeting of the Budget Committee will be held on:

Date: Thursday, 7 May 2015
Time: 9.30am
Meeting Room: Reception Lounge
Venue: Auckland Town Hall
301-305 Queen Street
Auckland

Budget Committee

OPEN ADDENDUM AGENDA

MEMBERSHIP

Chairperson
Deputy Chairperson
Members

Mayor Len Brown, JP	
Cr Penny Webster	
Cr Anae Arthur Anae	Cr Calum Penrose
Cr Cameron Brewer	Cr Dick Quax
Cr Dr Cathy Casey	Cr Sharon Stewart, QSM
Cr Bill Cashmore	Member David Taipari
Cr Ross Clow	Member John Tamihere
Cr Linda Cooper, JP	Cr Sir John Walker, KNZM, CBE
Cr Chris Darby	Cr Wayne Walker
Cr Alf Filipaina	Cr John Watson
Cr Hon Christine Fletcher, QSO	Cr George Wood, CNZM
Deputy Mayor Penny Hulse	
Cr Denise Krum	
Cr Mike Lee	

(Quorum 11 members)

Mike Giddey
Democracy Advisor

4 May 2015

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Long-term Plan 2015-2025 - Local Board update

File No.: CP2015/07478

Purpose

1. The purpose of this report is to provide an update on the local board process to finalise the Long-term Plan 2015-2025 (LTP), and outline local proposals that require governing body decisions to enable this process to continue.

Executive Summary

2. Following LTP consultation, briefing reports on local consultation feedback were provided to local boards in April to inform advocacy and review local priorities.
3. Discussions were held between the governing body and local boards on key consultation feedback themes, advocacy and local issues prior to budget decisions being made.
4. Following budget decisions made on 7-8 May, local boards will finalise Local Board Agreements 2015/2016, local fees and charges schedules for 2015/2016 and 10-year local budgets for the LTP. Meetings to adopt these are due between 9-16 June.
5. In reviewing local priorities, three proposals have been identified by three local boards where governing body approval is required to enable local boards to continue developing their local board agreement. These proposals are outlined in Table 1 in this report.
6. The Community Grants Policy will be implemented from 1 July 2015, at which time legacy grants schemes and multi-board committees will be dissolved. New contestable grants programmes will be funded by redistributing legacy council grants budgets.
7. It is requested that the governing body approves the transfer of \$3.2 million of multi-board contestable grants funds to local board discretionary budgets, to be allocated in alignment with the local boards funding policy. To date, these funds have sat in regional budgets due to the nature of being multi-board grants.

Recommendation/s

That the Budget Committee:

- a) approve local proposals outlined in Table 1 to the agenda report noting that:
 - i) funding would be sourced through local discretionary budgets;
 - ii) local boards have yet to make final local budget decisions in June 2015.
- b) approve the transfer of \$3.2 million of multi-board contestable grants funds to local board discretionary budgets, to be allocated in alignment with the local boards funding policy. To date, these funds have sat in regional budgets due to the nature of being multi-board grants.

Comments

Process

8. In mid-April, local boards received local consultation feedback briefing reports reflecting views of each local board area. This information was used to support advocacy and review local priorities.

9. Between 24 and 29 April, workshops were held between local boards and the governing body to discuss key consultation feedback themes, advocacy and local issues.
10. Following budget decisions made on 7 – 8 May, local boards will finalise Local Board Agreements 2015/2016 in workshops between 14 - 20 May. This includes a review of priorities in light of consultation feedback, consideration of local activity budgets, local fees and charges, local performance targets and allocation of locally driven initiatives (LDI) funds.
11. Local boards will also agree 10-year local budgets for the LTP.
12. Local boards will meet between 9 – 16 June to adopt Local Board Agreements 2015/2016, local activity budgets and local fees and charges schedules for 2015/2016.

Local budgets

13. The following proposals have been requested by three local boards, but fall outside local board decision-making responsibilities. These are key advocacy priorities, but if funding is not included in final LTP budgets, the local boards plan to allocate local discretionary budgets to fund the projects.
14. In alignment to decision-making responsibilities, governing body approval on each proposal is required to enable the local boards to continue planning budgets in May.

Table 1

Local Board	Proposal	Reason for governing body approval
Otara-Papatoetoe	Develop Colin Dale motorsport park using local discretionary funds of approximately \$2.8 million capex. Stage 1 (earthworks) commenced this financial year utilising existing funds, approved on the basis that Stage 2 (main road construction and car park) would be supported through local discretionary funds.	Governing body approval is required to allocate funds to major capital works and new facilities.
Rodney	Develop footpaths adjacent to roads in conjunction with Auckland Transport, using local discretionary funds of approximately \$2 million capex to top up existing transport funds allocated to this area. Auckland Transport support this local board proposal.	Auckland Transport CCO is responsible for road sealing. Governing body approval is required to allocate funds to major capital works.
Waiheke	Provide a capital grant of \$1 million to support the development of a new swimming pool, utilising local discretionary funds.	Governing body approval is required to allocate funds to major capital works and new facilities.
Total Capex	\$5.8 million	

15. The Community Grants Policy will be implemented from 1 July 2015, at which time legacy grants schemes and multi-board committees will be dissolved. New contestable grants programmes will be funded by redistributing legacy council grants budgets.
16. Local boards were delegated responsibility to allocate \$7.07 million per annum for contestable grants purposes. Of this:

- \$3.87 million related to individual grants which have been included in local board discretionary budgets.
 - \$3.2 million was managed by multi-board committees and currently sits in regional budgets due to the nature of being multi-board grants.
17. It is requested that the governing body approves the transfer of \$3.2 million of multi-board contestable grants funds to local board discretionary budgets, to be allocated in alignment with the local boards funding policy.
18. Note that in 2013/2014, \$530,000 was allocated by multi-boards to regional groups to achieve regional outcomes. A report on this agenda considers funding options for regional grants, of which one option includes reallocating that portion of multi-board funds to the regional grants programme.
19. To enable local boards to finalise local board agreements for 2015/16, decisions need to be made today by the Budget Committee on a local discretionary capex fund and the transfer of multi-board contestable community grants funds to local discretionary budgets.

Consideration

Local Board views and implications

20. Local board views and advocacy were expressed through a number of workshops held between local boards and the governing body on 24, 28 and 29 April.
21. A summary of advocacy, key consultation feedback themes and local priorities is outlined in the Local Board Advocacy report on the agenda for this meeting. These should be considered when making final budget decisions.

Māori impact statement

22. Many local board decisions are of importance to and impact on Maori. Local board agreements and long-term plans are important tools that enable and can demonstrate council's responsiveness to Maori. Local board plans, which were developed in 2014 through engagement with the community including Maori, form the basis of local priorities.
23. The Local Board Agreements for 2015/2016 each comment on how the agreement supports Maori transformational shift outcomes.
24. There is a need to continue to build relationships between local boards and iwi, and where relevant the wider Māori community. Ongoing conversations will assist local boards and Māori to understand each other's priorities and issues. This in turn can influence and encourage Māori participation in council's decision-making processes. In particular, local board plans and budget decisions made today will influence future annual plans and local board agreements for 2015/2016 and beyond.

Implementation

25. Following budget decisions being made today, local boards will finalise their allocation of discretionary locally driven initiatives (LDI) funds to projects and finalise local board agreements for 2015/2016.
26. Local boards are meeting to adopt Local Board Agreements 2015/16 and local fees and charges schedules between 9 – 16 June.

Attachments

There are no attachments for this report.

Signatories

Authors	Kate Marsh - Financial Planning Manager - Local Boards
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Item 11

Authorisers	Matthew Walker - General Manager Financial Plan Policy & Budgeting Sue Tindal - Chief Financial Officer
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