
Budget Committee

OPEN MINUTES

Minutes of a meeting of the Budget Committee held in the Reception Lounge, Auckland Town Hall, 301-305 Queen Street, Auckland on Thursday, 7 May 2015 at 9.30am.

PRESENT

Chairperson	Mayor Len Brown, JP	
Deputy Chairperson	Cr Penny Webster	
Members	Cr Anae Arthur Anae	
	Cr Cameron Brewer	
	Cr Dr Cathy Casey	
	Cr Bill Cashmore	
	Cr Ross Clow	
	Cr Linda Cooper, JP	
	Cr Chris Darby	
	Cr Alf Filipaina	
	Cr Hon Christine Fletcher, QSO	
	Deputy Mayor Penny Hulse	
	Cr Denise Krum	
	Cr Mike Lee	
	Cr Calum Penrose	
	Cr Dick Quax	
	Cr Sharon Stewart, QSM	
	Mr Glenn Wilcox	
	Mr David Taipari	Until 4:05pm item 13.4
	Cr Sir John Walker, KNZM, CBE	From 2:48pm item 13.3
	Cr Wayne Walker	From 11:55am item 13.1
	Cr John Watson	
	Cr George Wood, CNZM	

1 Apologies

Resolution number BUD/2015/1

MOVED by Chairperson LCM Brown, seconded by Cr LA Cooper:

That the Budget Committee:

- a) **accept the apologies from Cr Sir John Walker and Cr Wayne Walker for lateness.**

CARRIED

2 Declaration of Interest

There were no declarations of interest.

3 Confirmation of Minutes

Resolution number BUD/2015/2

MOVED by Chairperson LCM Brown, seconded by Cr WB Cashmore:

That the Budget Committee:

- a) **confirm the ordinary minutes of its meeting, held on Tuesday, 18 November 2014, as a true and correct record.**

CARRIED

4 Petitions

There were no petitions.

5 Public Input

There was no public input.

6 Local Board Input

There was no local board input.

7 Extraordinary Business

There was no extraordinary business.

8 Notices of Motion

There were no notices of motion.

9 Long-term Plan 2015-2025 - Overview to decision-making

Resolution number BUD/2015/3

MOVED by Chairperson LCM Brown, seconded by Deputy Mayor PA Hulse:

That the Budget Committee:

- a) **note that the decisions required to finalise the Long-term Plan 2015-2025 are set out in separate reports in the agenda.**

CARRIED

10 Long-term Plan 2015-2025: Local Board views

Resolution number BUD/2015/4

MOVED by Chairperson LCM Brown, seconded by Cr DA Krum:

That the Budget Committee:

- a) **consider feedback from local boards on the Long-term Plan Consultation Document and key advocacy areas before making decisions on the Long-term Plan 2015-2025.**

CARRIED

11 Long-term Plan 2015-2025 - Local Board update

Resolution number BUD/2015/5

MOVED by Deputy Chairperson MP Webster, seconded by Cr C Darby:

That the Budget Committee recommends to the Governing Body that it:

- 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.**

CARRIED

12 Long-term Plan 2015-2025 – Draft Tūpuna Maunga Operational Plan 2015/16

Resolution number BUD/2015/6

MOVED by Chairperson LCM Brown, seconded by Cr CE Fletcher:

That the Budget Committee recommends to the Governing Body that it:

- a) **approve the budget endorsed by the Tūpuna Maunga o Tamaki Makaurau.**

CARRIED

Pursuant to Standing Order 3.15.5, Cr CE Brewer and Cr D Quax requested that their dissenting votes be recorded.

13 Long-term Plan 2015-2025 - Mayor's Report

Copies of the following documents were tabled at the meeting:

- General rates and transport levy impact by local board – 13.1
- National Biological Control - 13.3 c) Environmental Management and Regulation
- Library savings alternatives – 13.3 f) and g) Parks Community and Lifestyle

Copies of the documents have been placed on the official copy of the minutes as minutes attachments and are available on the Auckland Council website.

MOVED by Chairperson LCM Brown, seconded by Deputy Chairperson MP Webster:

1. That the Budget Committee recommends to the Governing Body that the transport budgets for the final Long-term Plan 2015-2025 be based on the draft budgets, adjusted for the updates set out in the staff reports, with the following changes:
 - a. inclusion of an interim transport capital expenditure budget for the first three years of the Long-term Plan 2015-2025, as follows:

	2015/16	2016/17	2017/18
Additional transport capital expenditure	\$170 million	\$174 million	\$179 million

- b. funding of the council share of the interim transport programme to be by way of a Transport Levy (targeted rate), set at \$99 plus GST per separately used or inhabited part (SUIP) for non-business ratepayers and \$159 plus GST per SUIP for business ratepayers.
- c. a review of the application of the transport levy to the business sector be carried out as part of the Annual Plan 2016/2017, in consultation with the business sector.

The meeting adjourned at 11:17am and reconvened at 11:29am.

Cr W Walker entered the meeting at 11:55am.

Resolution number BUD/2015/7

MOVED by Cr ME Lee, seconded by Cr CM Casey by way of addition:

That the Budget Committee:

- d) **note the significantly higher rail operating costs for Auckland compared to Wellington and requests the Chief Executive to work with Auckland Transport and report back on options for potential savings in these costs as part of developing the Annual Plan 2016/2017.**

CARRIED

Moved by Cr RI Clow, seconded by Cr CM Casey by way of amendment to 1 b):

- b) funding of the council share of the interim transport programme to be by way of a Transport Levy (targeted rate) set at \$52 per separately used or inhabited part (SUIP) excluding GST for non-business ratepayers and \$13.5 million excluding GST for business ratepayers to be charged by capital value noting that:
 - i. the overall general rates increase will need to be 3.5% in each year of the Long-term Plan
 - ii. this can be accommodated within the 12% interest to revenue target
 - iii. business ratepayers would pay approximately 33% of the Transport Levy, corresponding to the general rate business differential proposed for 2015/2016
 - iv. this will reduce the overall impact on a \$500,000 residential property in 2015/2016 from \$3.46 per week to \$2.67 per week
 - v. this will reduce the overall impact on a \$1,500,000 residential property in 2015/2016 from \$5.39 per week to \$5.13 per week.

A division was called for, voting on which was as follows:

For

Cr AJ Anae
 Cr CM Casey
 Cr RI Clow
 Cr C Darby
 Cr ME Lee
 Cr D Quax
 Cr WD Walker

Against

Cr CE Brewer
 Chairperson LCM Brown
 Cr WB Cashmore
 Cr LA Cooper
 Cr AM Filipaina
 Cr CE Fletcher
 Deputy Mayor PA Hulse
 Cr DA Krum
 Cr CM Penrose

Abstained

Cr SL Stewart
Member DE Taipari
Member G Wilcox
Cr J Watson
Deputy Chairperson MP Webster
Cr GS Wood

The amendment was declared LOST by 7 votes to 15.

Moved by Cr D Quax, seconded by Cr CE Brewer by way of amendment to 1 b):

- b) funding of the council share of the interim transport programme to be found within the proposed rates increase of 2.5% and within the organisation's existing \$3b operational budget and that the Chief Executive be instructed to find savings to support the funding package.

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr CE Brewer	Cr AJ Anae	
Cr DA Krum	Chairperson LCM Brown	
Cr ME Lee	Cr CM Casey	
Cr D Quax	Cr WB Cashmore	
Cr SL Stewart	Cr RI Clow	
Cr J Watson	Cr LA Cooper	
Cr GS Wood	Cr C Darby	
	Cr AM Filipaina	
	Cr CE Fletcher	
	Deputy Mayor PA Hulse	
	Cr CM Penrose	
	Member DE Taipari	
	Member G Wilcox	
	Cr W Walker	
	Deputy Chairperson MP Webster	

The amendment was declared LOST by 7 votes to 15.

Resolution number BUD/2015/8

MOVED by Chairperson LCM Brown, seconded by Deputy Chairperson MP Webster the substantive motion:

- 1. That the Budget Committee recommend to the Governing Body that the transport budgets for the final Long-term Plan 2015-2025 be based on the draft budgets, adjusted for the updates set out in the staff reports, with the following changes:**

- a) inclusion of an interim transport capital expenditure budget for the first three years of the Long-term Plan 2015-2025 as follows:

	2015/16	2016/17	2017/18
Additional transport capital expenditure	\$170 million	\$174 million	\$179 million

- b) funding of the council share of the interim transport programme to be by way of a Transport Levy (targeted rate) set at \$99 plus GST per separately used or inhabited part (SUIP) for non-business ratepayers and \$159 plus GST per SUIP for business ratepayers.
- c) a review of the application of the transport levy to the business sector be carried out as part of the Annual Plan 2016/2017 in consultation with the business sector.

That the Budget Committee

- d) **note the significantly higher rail operating costs for Auckland compared to Wellington and requests the Chief Executive to work with Auckland Transport and report back on options for potential savings in these costs as part of developing the Annual Plan 2016/2017.**

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr AJ Anae	Cr CE Brewer	
Chairperson LCM Brown	Cr RI Clow	
Cr CM Casey	Cr DA Krum	
Cr WB Cashmore	Cr D Quax	
Cr LA Cooper	Cr SL Stewart	
Cr C Darby	Cr J Watson	
Cr AM Filipaina	Cr GS Wood	
Cr CE Fletcher		
Deputy Mayor PA Hulse		
Cr ME Lee		
Cr CM Penrose		
Member DE Taipari		
Member G Wilcox		
Cr WD Walker		
Deputy Chairperson MP Webster		

The motion was declared CARRIED by 15 votes to 7.

CARRIED

The meeting adjourned at 12:18pm and reconvened at 1:11pm.

Resolution number BUD/2015/9

MOVED by Deputy Chairperson MP Webster, seconded by Cr WB Cashmore by way of addition:

That the Budget Committee:

- e) **recommend that the Chief Executives of Auckland Council and Auckland Transport review the Transport Programme in view of the feedback received during the consultation process and report back to the Finance and Performance Committee.**

CARRIED

Resolution number BUD/2015/10

MOVED by Chairperson LCM Brown, seconded by Cr CM Casey

2. That the Budget Committee recommend to the Governing Body:

- a) **that the Mayor and Chief Executive engage with the government to enable the implementation of an alternative funding system by 2018/2019 to fund the implementation of the Auckland Plan Transport Network for the Long-term Plan 2018-2028.**

CARRIED

Secretarial note: The meeting agreed that the following two matters be considered by the Finance and Performance Committee:

Moved by Cr CE Brewer seconded by Cr CE Fletcher by way of amendment:

Tamaki Drive Master Plan

- 1) direct Auckland Transport to allocate \$2.61m CAPEX in the proposed LTP to separate traffic along Tamaki Drive through the Harbour Edge Connector boardwalk, ensuring that some physical work begins on this project in the 2017/2018 financial year. Noting the Tamaki Drive Master Plan which was signed and endorsed by the Mayor, paying particular attention to the fact Tamaki Drive is a regional amenity which currently poses significant risks to cyclists and pedestrians who utilize it in its current state.

Selwyn station

- 2) note that the Selwyn rail station in Pourewa Valley's feasibility study is currently underway and:
 - i) direct the outcome of this study to be reported back to the Infrastructure Committee when completed later this year, and
 - ii) agree that any possible budget considerations regarding this station be considered as part of the 2016/2017 Annual Plan.

Resolution number BUD/2015/11

MOVED by Chairperson LCM Brown, seconded by Deputy Mayor PA Hulse:

3. **That the Budget Committee recommend to the Governing Body that the budget (excluding transport) for the final Long-term Plan 2015-2025 be based on the draft budgets, adjusted for the updates set out in the staff reports, and to incorporate the following changes and specific decisions:**

Auckland Development *(Refer Attachment A to the agenda report)*

- a) **the funding of the Vos Yard project from the Heritage Acquisition fund be referred to the Auckland Development Committee, as there is no Long-term Plan 2015-2025 budget impact.**

CARRIED

Resolution number BUD/2015/12

MOVED by Chairperson LCM Brown, seconded by Deputy Mayor PA Hulse:

Economic and Cultural Development *(Refer Attachment A to the agenda report)*

- a) **the additional capital expenditure of \$6 million for GridAKL be approved, on the basis that the consequential operating expenditure be managed through the existing Auckland Tourism, Events and Economic Development operating budget.**

CARRIED

Pursuant to Standing Order 3.15.5 Cr CE Brewer requested his dissenting vote be recorded.

Resolution number BUD/2015/13

MOVED by Cr CE Fletcher, seconded by Cr LA Cooper

- b) **that Regional Facilities Auckland undertakes in good faith, to meet with the sporting codes and stakeholders affected by the stadium strategy and consider all options and report back to the council for information within a maximum period of 12 months.**

CARRIED

Resolution number BUD/2015/14

MOVED by Deputy Chairperson MP Webster, seconded by Cr LA Cooper:

Environmental Management and Regulation (Refer Attachment A, A4 to the agenda report)

- a) a standardised annual inorganic collection service (on-property, booked in advance) to be implemented and paid for via the solid waste targeted rate.

CARRIED

Resolution number BUD/2015/15

MOVED by Deputy Chairperson MP Webster, seconded by Cr LA Cooper:

- b) provide up to \$9 million per annum (an increase of \$3 million per annum) of financial assistance for the Retrofit your Home programme, but with a maximum debt exposure of \$35 million.

CARRIED

Pursuant to Standing Order 3.15.5 Crs Brewer, Stewart and Wood requested their dissenting votes be recorded.

Resolution number BUD/2015/16

MOVED by Deputy Chairperson MP Webster, seconded by Cr LA Cooper:

- c) reinstate the budget of \$158,000 for National Biological Control and offset this with the staff savings identified in staff memorandum of 6 May 2015.

CARRIED

The meeting agreed that the following two amendments lie on the table, to be considered at the reconvened meeting on Friday, 8 May 2015:

Moved by Cr DA Krum, seconded by Cr AM Filipaina by way of amendment:

That the Budget Committee recommend to the Governing Body that:

- a) staff be directed to prioritise work on a hydrodynamic modelling study of the Manukau Harbour to inform the development of a Marine Spatial Plan for the Harbour to recognise its environmental and ecological significance noting that this work has been advocated by the Mangere-Otahuhu, Manurewa, Maungakiekie-Tamaki, Otara-Papatoetoe, Papakura, Puketapapa, Waitakere Ranges, Whau and Franklin local boards
- b) staff be directed to report back to the Regional Strategy and Policy Committee on the outcome of this work with a view to approving funding for the study as part of the 2016/2017 Annual Plan.

Moved by Cr LA Cooper, seconded by Deputy Mayor PA Hulse by way of amendment

- f) increase the budget for Environmental Management and Regulation by \$161,000 for one additional year, to provide for the continuation of regional funding for the Sustainable Neighbourhoods Programme until 30 June 2016. This provides transition for this programme prior to the more full implementation of the empowered community and volunteer programme approaches to be more widely adopted across council, including for example environmental services and education.

Resolution number BUD/2015/17

MOVED by Chairperson LCM Brown, seconded by Deputy Chairperson MP Webster:

Governance and Support (Refer Attachment A, A6 to the agenda report)

- a) increase the funding of the Parakai Reserves Board by \$279,000 operational expenditure (rates impact of \$169,000) and \$50,000 capital expenditure over ten years, as set out in the staff report.

- b) **reinstate the funding of Ngati Whatua Orakei Reserves Board by a total of \$811,000 operating expenditure over ten years, as set out in the staff report.**
- c) **reinstate the funding of the City of Manukau Education Trust (COMET) by \$235,000 per annum.**

CARRIED

Cr JG Walker entered the meeting at 2.48pm.

Moved by Cr CE Brewer, seconded by Cr D Quax by way of addition:

Staff Remuneration Costs

- a) Direct management to freeze the top line 'wage and salary' staff budget at the proposed 2015/2016 level of \$721.4 million per annum with the total remuneration budget to be revisited in the next Long-term Plan.

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr CE Brewer	Cr AJ Anae	
Cr ME Lee	Chairperson LCM Brown	
Cr D Quax	Cr CM Casey	
Cr SL Stewart	Cr WB Cashmore	
Cr WD Walker	Cr RI Clow	
Cr J Watson	Cr LA Cooper	
	Cr C Darby	
	Cr AM Filipaina	
	Cr CE Fletcher	
	Deputy Mayor PA Hulse	
	Cr DA Krum	
	Cr CM Penrose	
	Member DE Taipari	
	Member G Wilcox	
	Cr JG Walker	
	Deputy Chairperson MP Webster	
	Cr GS Wood	

The amendment was declared **LOST** by 17 votes to 6.

Meeting adjourned at 2:50pm and reconvened at 3:05pm.

Resolution number BUD/2015/18

MOVED by Chairperson LCM Brown, seconded by Cr AM Filipaina:

Parks Community and Lifestyle (Refer Attachment A, A5, A8, A9 to the agenda report)

- a) **note that an Empowered Communities approach will be implemented during the 2015/2016 financial year with detail of the proposed Community Development and Safety model to be presented to the Regional Strategy and Policy (RSP) Committee on 4 June 2015.**
- b) **note that the associated savings target of \$1.6 million in 2015/2016 and \$2.0 million per annum each year thereafter, until 2025, has been included in the budget and that any necessary review of implementation and related budget can be undertaken as part of the Annual Plan 2016/2017 process.**

CARRIED

Resolution number BUD/2015/19

MOVED by Cr LA Cooper, seconded by Deputy Chairperson MP Webster:

- c) **provide funding of \$1.9 million over the first four years of the Long-term Plan 2015-2025 to Surf Lifesaving Northern Region, for the purposes of redevelopment of the highest priority surf clubs in line with their request.**

CARRIED

Resolution number BUD/2015/20

MOVED by Cr AM Filipaina, seconded by Cr CM Casey:

- d) increase the regional grants budget by \$350,000 per annum, in line with the 2014/2015 level of funding.**

CARRIED

Resolution number BUD/2015/21

MOVED by Cr ME Lee, seconded by Cr CE Fletcher:

- e) provide funding of \$300,000 operating expenditure in year one of the Long-term Plan 2015-2025, \$100,000 operating expenditure in year two and \$600,000 capital expenditure in year three for a World War 1 memorial in the Domain, noting that this will allow applications for funding from other sources.**

CARRIED

The meeting agreed that the following two motions lie on the table, to be considered at the reconvened meeting on Friday, 8 May 2015:

- h) provide a \$350,000 operating grant (from existing provision in the budget) to the James Wallace Arts Trust for a further year and seek a full report back to the Finance and Performance Committee on options for financial sustainability of this Trust.
- i) provide a budget of \$360,000 for years 1 and 2 of the Long-term Plan and \$110,000 for year 3 for emergency housing, homelessness and rough sleeping responses.

Resolution number BUD/2015/22

MOVED by Chairperson LCM Brown, seconded by Cr C Darby:

- f) the reduction of \$2 million in Libraries and Information operational budgets includes a revised standardisation of library opening hours to achieve an equitable base service level across the region, increased revenue through changes to fees and charges, and service efficiencies (Attachment 1 to the memorandum dated 6 May 2015).**
- g) fees and charges for library and information services are approved as included in Attachment 2 to the memorandum dated 6 May 2015.**

CARRIED

Resolution number BUD/2015/23

MOVED by Chairperson LCM Brown, seconded by Cr RI Clow:

Water Supply and Wastewater (Refer Attachment A to the agenda report)

- a) confirm the budgets and water and wastewater pricing increases as set out in the updated budgets.**

CARRIED

Pursuant to Standing Order 3.15.5 Cr W Walker requested his dissenting vote be recorded.

Resolution number BUD/2015/24

MOVED by Deputy Chairperson MP Webster, seconded by Cr RI Clow:

Local Board Discretionary Capital expenditure

- a) provide a new Local Board discretionary capital expenditure fund of \$10 million per annum, noting that this will incorporate the existing Facilities Partnership Fund.**

- b) **approve the following parameters for this fund:**
 - i. **the fund may be managed as a three year amount**
 - ii. **local boards may use the fund to build council-owned assets, add to an existing council-funded renewal or new capital project, work in partnership with an external provider or seed fund a community project.**
- c) **ask staff and local boards to develop a formula for allocation and criteria for qualifying projects and report back to the Finance and Performance Committee.**

CARRIED

Resolution number BUD/2015/25

MOVED by Member DE Taipari, seconded by Cr RI Clow:

Maori Transformational Shift (Refer Attachment A7 to the agenda report)

- a) **note that further work on the council-funded activities and budgets that contribute to Māori wellbeing in the Long-term Plan 2015-2025 has identified \$104.2 million of contribution over the 10 years.**
- b) **note that the total budget for co-governance and co-management arrangements in the Long-term Plan 2015-2025 is \$81.5 million.**

CARRIED

The meeting agreed that the following additions lie on the table, to be considered at the reconvened meeting on Friday, 8 May 2015:

Moved by Member DE Taipari, seconded by Member G Wilcox by way of addition:

- s. ii) agree to identify additional projects to a level of \$30m (over 10 years) on enhancing the Auckland plan outcome of Auckland's Maori identity as a point of difference, through sculpture and public art in the city centre integration projects and priority planning projects being undertaken by Waterfront Auckland and Development Auckland
- s. iii) agree to allocate \$20m (over 10 years) for implementing of the second Treaty Audit and increasing the roll-out of Maori Responsiveness Plans and senior officer training (Programme and budget to be managed by the CEO Office transformation as envisaged by the Te Toa Takitini portfolio structure)
- s. iv) require council work with the Independent Maori Statutory Board to refine the use of the Maori Transformation Shift criteria for council group programmes and budgets, to ensure consistency and report on these improvements to the Finance and Performance Committee as part of reporting on Maori Transformational Shift Expenditure 2015/2016
- s. v) agree further work on identifying programmes and budgets contribution to Maori transformational shifts as part of the Te Toa Takitini scoping work underway and report to Finance and Performance Committee in September 2015 (note that this would lead into the Mayoral Proposed 2016/2017 Annual Plan).

The meeting agreed that Item 4. a), b) and c) lie on the table, to be considered at the reconvened meeting on Friday, 8 May 2015:

- 4. That the Budget Committee recommend to the Governing Body the adoption of the following changes to fees and charges for 2015/2016:
 - a) standardised licensing fees for street trading across Auckland as included in Attachment B1 to the agenda report.
 - b) standardised rental fees for street trading across Auckland as included in Attachment B1 to the agenda report, which include the following amendments to the draft proposal:

- an additional six month rental option for seasonal outdoor dining operators
 - simplified rent for mobile vendors based on typical size and hours, with extra-large vendors being charged an over-size fee.
- c) any increases to street trading charges (licence fee and rent combined) for existing licensees resulting from the implementation of a) and b) above be capped at \$500 per licensee per year for three years starting 2015/2016.

Member DE Taipari left the meeting at 4:05pm.

4. That the Budget Committee recommend to the Governing Body the adoption of the following changes to fees and charges for 2015/2016:

d) standardised cemetery fees across Auckland, as included in Attachment B2 to the agenda report.

Moved by Cr CE Fletcher seconded by Cr CM Casey by way of addition:

d) *standardised cemetery fees across Auckland, as included in Attachment B2 to the agenda report, excluding Great Barrier Island from the standardised cemetery fees.*

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr AJ Anae	Chairperson LCM Brown	
Cr CM Casey	Cr WB Cashmore	
Cr C Darby	Cr LA Cooper	
Cr AM Filipaina	Deputy Mayor PA Hulse	
Cr CE Fletcher	Cr DA Krum	
Cr ME Lee	Cr CM Penrose	
Cr D Quax	Cr SL Stewart	
Cr WD Walker	Member G Wilcox	
Cr J Watson	Cr JG Walker	
	Deputy Chairperson MP Webster	
	Cr GS Wood	

The amendment was declared LOST by 11 votes to 9.

Resolution number BUD/2015/26

MOVED by Chairperson LCM Brown, seconded by Deputy Chairperson MP Webster the substantive motion:

d) standardised cemetery fees across Auckland, as included in Attachment B2 to the agenda report.

CARRIED

Pursuant to Standing Order 3.15.5 Crs Casey, Fletcher, Lee and W Walker requested their dissenting votes be recorded.

Resolution number BUD/2015/27

MOVED by Chairperson LCM Brown, seconded by Cr CM Penrose:

e) standardised event permit fees across Auckland, as included in Attachment B3 to the agenda report.

CARRIED

Resolution number BUD/2015/28

MOVED by Chairperson LCM Brown, seconded by Cr AJ Anae:

f) standardised fees for the remainder of the environmental health and licensing services, as included in Attachment B4 to the agenda report.

CARRIED

Resolution number BUD/2015/29

MOVED by Chairperson LCM Brown, seconded by Cr C Darby:

- g) fees and charges for building control, resource consents and property information, as included in Attachment B5 to the agenda report.**

CARRIED

Resolution number BUD/2015/30

MOVED by Chairperson LCM Brown, seconded by Cr CM Penrose:

- h) fees and charges for the following services**
- i. animal management (Attachment B6 to the agenda report)**
 - ii. food premises (Attachment B7 to the agenda report)**
 - iii. Health protection and hairdresser's licensing (Attachment B8 to the agenda report)**
 - iv. Harbourmaster service (Attachment B9 to the agenda report)**
 - v. Solid waste bylaw licensing (Attachment B10 to the agenda report).**

CARRIED

The meeting agreed that the following amendments lie on the table, to be considered at the reconvened meeting on Friday, 8 May 2015:

Moved by Councillor Penny Webster, seconded by Councillor Bill Cashmore by way of addition:

- a) That the Orewa town centre drops into the Tier 3 of the proposed Bylaw on food and street trading.
- b) Tier 3 has an exemption for 3 years on the street trading rental.

Moved by Cr Cashmore, seconded by Cr Clow by way of amendment:

That the tier three rental fee decision be deferred to 2017/18 year to allow for further investigation into the accumulated effects of Auckland Council fees and charges on the targeted businesses.

Meeting adjourned at 4:20pm

Reconvened meeting of the Budget Committee held in the Reception Lounge, Auckland Town Hall, 301-305 Queen Street, Auckland on Friday, 8 May 2015 at 9.30am.

Budget Committee

OPEN MINUTES

PRESENT

Chairperson	Mayor Len Brown, JP	
Deputy Chairperson	Cr Penny Webster	
Members	Cr Anae Arthur Anae	
	Cr Cameron Brewer	
	Cr Dr Cathy Casey	
	Cr Bill Cashmore	
	Cr Ross Clow	
	Cr Linda Cooper, JP	
	Cr Chris Darby	
	Cr Alf Filipaina	
	Cr Hon Christine Fletcher, QSO	From 10:10am item 13.9.a)
	Deputy Mayor Penny Hulse	From 10:15am item 13.9.a)
	Cr Denise Krum	
	Cr Mike Lee	
	Cr Calum Penrose	
	Cr Dick Quax	Until 3.30pm item 14
	Cr Sharon Stewart, QSM	
	Ms Liane Ngamane	From 10:00am item 13.9.a)
	Mr David Taipari	From 9:55am item 13.9.a)
	Cr Sir John Walker, KNZM, CBE	From 10:22am item 13.9.b); until 3.30pm item 14
	Cr Wayne Walker	From 10:02am item 13.9.a)
	Cr John Watson	From 10:00am item 13.9.a)
	Cr George Wood, CNZM	

13 Long-term Plan 2015-2025 - Mayor's Report (continued)

Resolution number BUD/2015/31

MOVED by Chairperson LCM Brown, seconded by Cr C Darby:

5. That the Budget Committee recommend to the Governing Body the adoption of the following decisions on solid waste services, targeted rates and charges: *(Refer Attachment A to the agenda report)*
- a) introduction of a new annual, on-property, pre-booked inorganic collection service from 2015/2016, to be funded from the waste management targeted rate.
 - b) the targeted rate for solid waste services, including the annual inorganic service, in the former council areas be standardised where services, costs and funding methods are similar, for 2015/2016 as follows:
 - i) Auckland City (including Hauraki Gulf Islands) and Manukau City (adjusted as appropriate in Auckland City to provide for the rates where a ratepayer has opted out of either or both of refuse and recycling services)
 - ii) North Shore and Waitakere
 - iii) Rodney
 - iv) Franklin and Papakura (adjusted as appropriate in rural Franklin where a ratepayer does not receive a recycling service).
 - c) that the costs of providing solid waste services to the Hauraki Gulf Islands in excess of targeted rates revenue from the area be met from the solid waste targeted rates for all of the Auckland region, rather than just the former Auckland City area.
 - d) staff continue to work with the local communities of the Hauraki Gulf Islands to reduce costs and rationalise services where possible.
 - e) user charges billed to the property owner for refuse for the former Auckland City (including the Hauraki Gulf Islands) and Manukau City areas be gradually introduced from 2017/2018 financial year.
 - f) recycling services continue to be funded from the waste management targeted rate.
 - g) the new organic collection to be funded from the waste management targeted rate where the service becomes available.
 - h) standardised existing bag charges at competitive rates in areas where the service is provided by the council.

CARRIED

Resolution number BUD/2015/32

MOVED by Chairperson LCM Brown, seconded by Cr LA Cooper:

6. That the Budget Committee recommend to the Governing Body the adoption of the following changes to Housing for Older Persons rentals as set out below: *(Refer Attachment D to the agenda report)*
- a) the rent on the council's Housing for Older Persons units be set at 30 per cent of tenants' pre-tax income.
 - b) the rent on the council's Housing for Older Persons units be adjusted annually based on tenants income.

- c) for any given year, changes to annual rents on the council's Housing for Older Persons units (including increases and decreases) for existing tenants resulting from a) above, be capped at \$10 per week, implemented in \$5 steps at six month intervals.

CARRIED

Resolution number BUD/2015/33

MOVED by Cr C Darby, seconded by Cr WB Cashmore:

7. That the Budget Committee recommend that the Governing Body:
(Refer Attachment E to the agenda report)

- a) amend the proposed contributions policy as follows:
 - i) replace the funding areas for reserve acquisition, reserve development and community infrastructure with the following four areas: Auckland Wide, Greenfield, Urban and Rural and report back in October 2015 on a further refinement to 18 areas
 - ii) replace the stormwater funding catchment areas with the following areas:

Stormwater	
Helensville	Manukau Central
Kumeu / Huapai	Pukekohe / Waiuku
Warkworth	Manukau South
Hibiscus Coast	Manukau West
East Coast Bays	Tamaki West
Mahurangi	Tamaki East
Waitemata North	Wairoa
Waitemata West	Ararimu
Waitemata Central	Waitakere Ranges
Waitemata Northwest	Urban Auckland
Manukau North	Other

- iii) reduce the unit of demand factor for attached dwellings (low rise) to reflect the lower levels of demand associated with higher density developments
 - iv) reduce the unit of demand factors for retirement village units and aged care rooms to exclude costs for sports fields and playgrounds
 - v) allow the council the discretion to offer a reduction of contribution charges for stormwater where developers provide relevant infrastructure.
- b) note that the Contributions Policy will be updated for the decisions made on capital expenditure and adopted alongside the Long-term Plan 2015-2025 on 25 June 2015.
 - c) note that staff will report back on further refinements to the funding areas for reserve acquisition, reserve development and community infrastructure for consideration alongside the Annual Plan 2016/2017.

CARRIED

Resolution number BUD/2015/34

MOVED by Chairperson LCM Brown, seconded by Cr C Darby:

8. That the Budget Committee:

- a) agree to undertake a review of Auckland Council's mix of funding sources to inform the Annual Plan 2016/2017, with the broad objectives of further reducing the proportion of council revenue funded from rates, maximising

the return on council's investments and exploring alternative sources of funding, including from the optimisation of assets that are poorly aligned with council's core business and the broader strategic growth priorities for Auckland.

- b) direct the Chief Executive to commence the design of the review and its associated processes, following the release of the Local Government New Zealand Funding Review Final Report in June 2015.
- c) request that the terms of reference for the review be reported back to the July 2015 meeting of the Finance and Performance Committee.

CARRIED

Member DE Taipari entered the meeting at 9:55am.

Cr J Watson and Member L Ngamane entered the meeting at 10:00am.

Cr WD Walker entered the meeting at 10:02am.

Cr CE Fletcher entered the meeting at 10:10am.

Moved by Chairperson LCM Brown, seconded by Deputy Chairperson MP Webster:

9. That the Budget Committee recommend to the Governing Body adoption of the following rates policy decisions for the Long-term Plan 2015-2025:

(Refer Attachment F to the agenda report)

- a) a uniform annual general charge of \$385 for 2015/2016 amended each following year of the Long-term Plan 2015-2025 by the amount of the average rates increase.

Moved by Cr GS Wood, seconded by Cr D Quax by way of amendment:

That recommendation 9.a) be amended to change the quantum of the uniform annual general charge to \$500.

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr CE Brewer	Cr AJ Anae	
Cr LA Cooper	Chairperson LCM Brown	
Cr C Darby	Cr CM Casey	
Cr CE Fletcher	Cr WB Cashmore	
Cr DA Krum	Cr RI Clow	
Cr D Quax	Cr AM Filipaina	
Cr SL Stewart	Cr ME Lee	
Deputy Chairperson MP Webster	Cr CM Penrose	
Cr GS Wood	Member DE Taipari	
	Member L Ngamane	
	Cr WD Walker	
	Cr J Watson	

The amendment was declared **LOST** by 12 votes to 9.

Moved by Cr CE Brewer, seconded by Cr SL Stewart by way of amendment:

That recommendation 9.a) be amended to read as follows

- a) a uniform annual charge of the maximum level of 30 per cent (approximately \$900) for 2015/16 amended each following year of the LTP by the amount of the average rates increase.

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr CE Brewer	Cr AJ Anae	
Cr D Quax	Chairperson LCM Brown	
Cr SL Stewart	Cr CM Casey	
Cr GS Wood	Cr WB Cashmore	
	Cr RI Clow	
	Cr LA Cooper	
	Cr C Darby	
	Cr AM Filipaina	
	Cr DA Krum	
	Cr ME Lee	
	Cr CM Penrose	
	Member DE Taipari	
	Member L Ngamane	
	Cr WD Walker	
	Cr J Watson	
	Deputy Chairperson MP Webster	

The amendment was declared LOST by 16 votes to 4.

Deputy Mayor PA Hulse entered the meeting at 10:15am.

Moved by Cr C Darby seconded by Cr CE Brewer by way of amendment:

That recommendation 9.a) be amended to change the quantum of the uniform annual general charge to \$450.

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr CE Brewer	Cr AJ Anae	
Cr C Darby	Chairperson LCM Brown	
Cr CE Fletcher	Cr CM Casey	
Cr DA Krum	Cr WB Cashmore	
Cr D Quax	Cr RI Clow	
Cr SL Stewart	Cr LA Cooper	
Cr GS Wood	Cr AM Filipaina	
	Deputy Mayor PA Hulse	
	Cr ME Lee	
	Cr CM Penrose	
	Member DE Taipari	
	Member L Ngamane	
	Cr WD Walker	
	Cr J Watson	
	Deputy Chairperson MP Webster	

The amendment was declared LOST by 15 votes to 7.

Moved by Chairperson LCM Brown, seconded by Deputy Chairperson MP Webster:

- b) amend the long-term business differential strategy to achieve a proportion of general rates collected from business ratepayers of 33.0 per cent for 2015/2016 falling to 25.8 per cent by 2036/2037 in equal steps and that the differential ratio for business be set annually to reflect this.

Cr JG Walker entered the meeting at 10:22am.

Moved by Cr CE Brewer, seconded by Cr CE Fletcher by way of amendment to Item 9.b):

Business Differential

- b) That instead of stretching out the target for reducing the business differential from

2025/2026 (as was publicly consulted on) to 2036/2037 to save approximately \$5m or 0.5% on residential rates in FY 15/16, that the \$5million be found within the organisation's existing operational budget of more than \$3 billion.

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr CE Brewer	Cr AJ Anae	
Cr LA Cooper	Chairperson LCM Brown	
Cr CE Fletcher	Cr CM Casey	
Cr DA Krum	Cr WB Cashmore	
Cr D Quax	Cr RI Clow	
Cr SL Stewart	Cr C Darby	
Cr GS Wood	Cr AM Filipaina	
	Deputy Mayor PA Hulse	
	Cr ME Lee	
	Cr CM Penrose	
	Member DE Taipari	
	Member L Ngamane	
	Cr JG Walker	
	Cr WD Walker	
	Cr J Watson	
	Deputy Chairperson MP Webster	

The amendment was declared LOST by 16 votes to 7.

Resolution number BUD/2015/35

MOVED by Chairperson LCM Brown, seconded by Deputy Chairperson MP Webster the substantive motion:

9. That the Budget Committee recommend to the Governing Body adoption of the following rates policy decisions for the Long-term Plan 2015-2025:

(Refer Attachment F to the agenda report)

- a) a uniform annual general charge of \$385 for 2015/2016, amended each following year of the Long-term Plan 2015-2025 by the amount of the average rates increase.

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr AJ Anae	Cr CE Brewer	
Chairperson LCM Brown	Cr CE Fletcher	
Cr CM Casey	Cr DA Krum	
Cr WB Cashmore	Cr D Quax	
Cr RI Clow	Cr SL Stewart	
Cr LA Cooper	Cr GS Wood	
Cr C Darby		
Cr AM Filipaina		
Deputy Mayor PA Hulse		
Cr ME Lee		
Cr CM Penrose		
Member DE Taipari		
Member L Ngamane		
Cr JG Walker		
Cr WD Walker		
Cr J Watson		
Deputy Chairperson MP Webster		

The motion was declared CARRIED by 17 votes to 6.

CARRIED

Resolution number BUD/2015/36

MOVED by Chairperson LCM Brown, seconded by Cr WB Cashmore the substantive motion:

- b) amend the long-term business differential strategy to achieve a proportion of general rates collected from business ratepayers of 33.0 per cent for 2015/2016, falling to 25.8 per cent by 2036/2037, in equal steps, and that the differential ratio for business be set annually to reflect this.**

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr AJ Anae	Cr CE Brewer	
Chairperson LCM Brown	Cr LA Cooper	
Cr CM Casey	Cr CE Fletcher	
Cr WB Cashmore	Cr DA Krum	
Cr RI Clow	Cr ME Lee	
Cr C Darby	Cr D Quax	
Cr AM Filipaina	Cr SL Stewart	
Deputy Mayor PA Hulse	Cr GS Wood	
Cr CM Penrose		
Member DE Taipari		
Member L Ngamane		
Cr JG Walker		
Cr WD Walker		
Cr J Watson		
Deputy Chairperson MP Webster		

The motion was declared CARRIED by 15 votes to 8.

CARRIED

Resolution number BUD/2015/37

MOVED by Chairperson LCM Brown, seconded by Cr CM Penrose:

- c) that in line with the amendments to the overall business differential strategy, the Franklin business differential be set at a level which will align with the overall business sector in 2016/2017.**

CARRIED

Moved by Chairperson LCM Brown, seconded by Deputy Chairperson MP Webster:

- d) no further rates transition.

Moved by Cr DA Krum, seconded by Cr CE Fletcher by way of replacement:

- d) remission of residential rates increases above 20% (not including the transport targeted rate) for 2015/2016 followed by no further rates transition from 2016/2017.

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr CE Brewer	Cr AJ Anae	
Cr LA Cooper	Chairperson LCM Brown	
Cr C Darby	Cr CM Casey	
Cr CE Fletcher	Cr WB Cashmore	
Cr DA Krum	Cr RI Clow	
Cr D Quax	Cr AM Filipaina	
Cr SL Stewart	Deputy Mayor PA Hulse	
Cr GS Wood	Cr ME Lee	
	Cr CM Penrose	
	Member DE Taipari	

Member L Ngamane
Cr JG Walker
Cr WD Walker
Cr J Watson
Deputy Chairperson MP Webster

The amendment was declared LOST by 15 votes to 8.

Resolution number BUD/2015/38

MOVED by Chairperson LCM Brown, seconded by Deputy Chairperson MP Webster the substantive motion:

d) no further rates transition.

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr AJ Anae	Cr CE Brewer	
Chairperson LCM Brown	Cr CE Fletcher	
Cr CM Casey	Cr DA Krum	
Cr WB Cashmore	Cr D Quax	
Cr RI Clow	Cr SL Stewart	
Cr LA Cooper	Cr JG Walker	
Cr C Darby	Cr GS Wood	
Cr AM Filipaina		
Deputy Mayor PA Hulse		
Cr ME Lee		
Cr CM Penrose		
Member DE Taipari		
Member L Ngamane		
Cr WD Walker		
Cr J Watson		
Deputy Chairperson MP Webster		

The motion was declared CARRIED by 16 votes to 7.

CARRIED

The meeting adjourned at 11:12am and reconvened at 11:22am.

Resolution number BUD/2015/39

MOVED by Cr C Darby, seconded by Cr RI Clow:

- e) extension of the city centre programme and targeted rate to 2025, funding the depreciation and consequential operating expenditure of city centre programme projects from the general rate from 2019/2020, and introduction of a city centre targeted rate of \$57.50 per separately used or inhabited part of a property on city centre residents.**

CARRIED

Resolution number BUD/2015/40

MOVED by Cr AM Filipaina, seconded by Cr AJ Anae:

- f) increase Mangere-Otahuhu swimming pool targeted rate to fund free adult entry to the new Otahuhu swimming pool.**

CARRIED

Resolution number BUD/2015/41

MOVED by Cr WB Cashmore, seconded by Cr C Darby:

- g) create a new rating differential for properties with no road access (including properties currently classified as sea only access) and set the differential at 0.25 (current sea only access differential).**

CARRIED

Resolution number BUD/2015/42

MOVED by Chairperson LCM Brown, seconded by Cr WB Cashmore:

- h) rates related policies as proposed in the consultation document:**
- i) setting the Uniform Annual General Charge based on separately used or inhabited parts of a rating unit**
 - ii) setting the value based general rate using capital value**
 - iii) the general rate differential categories and descriptions**
 - iv) all targeted rates except waste management, transport and those in b) and c) above**
 - v) the early payment discount policy**
 - vi) the instalment dates and penalties.**
- i) direct staff to report back for consideration as part of development of the Annual Plan 2016/2017 on rating options for:**
- i) motels and other temporary accommodation**
 - ii) Māori freehold land.**
- j) direct staff to complete further work on rates postponement options as a mechanism for assisting rating affordability issues and report this back to the Finance and Performance Committee.**

CARRIED

Resolution number BUD/2015/43

MOVED by Cr CM Penrose, seconded by Cr CE Fletcher by way of addition:

- k) direct staff to report back to the Finance and Performance Committee on options for amending the remission for residents of licence to occupy retirement villages to include the proposed targeted transport levy.**

CARRIED

Secretarial note: The following items left to lie on the table from Thursday, 7 May 2015 were considered at this point.

Resolution number BUD/2015/44

MOVED by Cr CE Fletcher, seconded by Cr CM Casey:

- 3. That the Budget Committee recommend to the Governing Body that the budget (excluding transport) for the final Long-term Plan 2015-2025 be based on the draft budgets, adjusted for the updates set out in the staff reports, and to incorporate the following changes and specific decisions:**

Parks Community and Lifestyle (Refer Attachment A, A5, A8, A9 to the agenda report)

- h) endorse the continuation of \$350,000 operating grant (from existing provision in the budget) to the James Wallace Arts Trust.**

CARRIED

Resolution number BUD/2015/45

MOVED by Cr CM Casey, seconded by Cr RI Clow:

- i) provide a budget of \$360,000 for years one and two of the Long-term Plan 2015-2025 and \$110,000 for year three for emergency housing, homelessness and rough sleeping responses across Auckland.**

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr AJ Anae	Cr CE Brewer	
Chairperson LCM Brown	Cr D Quax	
Cr CM Casey	Cr SL Stewart	
Cr WB Cashmore		
Cr RI Clow		
Cr LA Cooper		
Cr C Darby		
Cr AM Filipaina		
Deputy Mayor PA Hulse		
Cr DA Krum		
Cr ME Lee		
Cr CM Penrose		
Member DE Taipari		
Member L Ngamane		
Cr JG Walker		
Cr WD Walker		
Cr J Watson		
Deputy Chairperson MP Webster		
Cr GS Wood		

The motion was declared CARRIED by 19 votes to 3.

CARRIED

Moved by Chairperson LCM Brown, seconded by Deputy Mayor Penny Hulse:

4. That the Budget Committee recommend to the Governing Body the adoption of the following changes to fees and charges for 2015/2016:
- standardised licensing fees for street trading across Auckland as included in Attachment B1 to the agenda report.
 - standardised rental fees for street trading across Auckland as included in Attachment B1 to the agenda report, which include the following amendments to the draft proposal:
 - an additional six month rental option for seasonal outdoor dining operators
 - simplified rent for mobile vendors based on typical size and hours, with extra-large vendors being charged an over-size fee.
 - any increases to street trading charges (licence fee and rent combined) for existing licensees resulting from the implementation of a) and b) above be capped at \$500 per licensee per year for three years starting 2015/2016.

Resolution number BUD/2015/46

MOVED by Deputy Chairperson MP Webster, seconded by Cr WB Cashmore by way of addition:

- iii) that Orewa be put into tier three**
- iv) for outdoor dining, where no licence has previously been charged, only the licence will be charged in the first and second year**
- v) for outdoor dining where there has been no licence fee charged previously, the rental fee charges be deferred until the 2017/2018 year.**

CARRIED

Resolution number BUD/2015/47

MOVED by Chairperson LCM Brown, seconded by Deputy Chairperson MP Webster the substantive motion:

4. That the Budget Committee recommend to the Governing Body the adoption of the following changes to fees and charges for 2015/2016:
- a) standardised licensing fees for street trading across Auckland, as included in Attachment B1 to the agenda report.
 - b) standardised rental fees for street trading across Auckland, as included in Attachment B1 to the agenda report, which include the following amendments to the draft proposal:
 - i. an additional six-month rental option for seasonal outdoor dining operators
 - ii. simplified rent for mobile vendors, based on typical size and hours, with extra-large vendors being charged an over-size fee
 - iii. that Orewa be put into tier three
 - iv. for outdoor dining, where no licence has previously been charged, only the licence will be charged in the first and second years
 - v. for outdoor dining, where there has been no licence fee charged previously, the rental fee charges be deferred until the 2017/2018 year.
 - c) any increases to street trading charges (licence fee and rent combined) for existing licensees resulting from the implementation of a) and b) above, be capped at \$500 per licensee per year, for three years, starting 2015/2016.

CARRIED

The meeting adjourned at 12:48pm and reconvened at 1:30pm.

Cr RI Clow left the meeting at 12:48pm and returned at 2:12pm.

Cr ME Lee left the meeting at 12:48pm and returned at 1:45pm.

Resolution number BUD/2015/48

MOVED by Cr DA Krum, seconded by Cr AM Filipaina by way of addition:

3. That the Budget Committee recommend to the Governing Body that the budget (excluding transport) for the final Long-term Plan 2015-2025 be based on the draft budgets, adjusted for the updates set out in the staff reports, and to incorporate the following changes and specific decisions:

Environmental Management and Regulation (Refer Attachment A, A4 to the agenda report)

- d) that staff be directed to undertake the following, with the Manukau Harbour Forum:
 - i) identify the current, whole-of-council integrated programme of work related to the Manukau Harbour
 - ii) identify the scope and cost of hydrodynamic modelling of the Manukau Harbour
 - iii) present options and recommendations for the future programme of work in the Manukau Harbour, including the option of hydrodynamic modelling of the harbour
 - iv) work with and discuss this work programme with the Manukau Harbour Forum, prior to reporting back with recommendations to the Regional Strategy and Policy Committee
 - v) that \$400,000 be set aside (within existing budgets) to undertake

hydrodynamic modelling within the first three years of the Long-term Plan 2015-2025, subject to the Regional Strategy and Policy Committee decisions in iv) above, noting that unless additional money is provided, reprioritisation of projects will need to occur.

- e) that staff be directed to report back to the Regional Strategy and Policy Committee on the outcome of the work undertaken in d) above with a view to approving any additional funding that may be required as part of the Annual Plan 2016/2017.

CARRIED

Auckland Development

Moved by Cr GS Wood, seconded by Cr D Quax by way of amendment:

Remove from the 2015-2025 Long-term Plan the Waterfront Development project "Westhaven Promenade" with CAPEX of \$8.0million in 2017/2018 and \$8.0million in 2018/2019.

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr CE Brewer	Cr AJ Anae	
Cr LA Cooper	Chairperson LCM Brown	
Cr CE Fletcher	Cr CM Casey	
Cr D Quax	Cr WB Cashmore	
Cr SL Stewart	Cr C Darby	
Cr J Watson	Cr AM Filipaina	
Cr GS Wood	Deputy Mayor PA Hulse	
	Cr DA Krum	
	Cr ME Lee	
	Cr CM Penrose	
	Member DE Taipari	
	Member L Ngamane	
	Cr JG Walker	
	Cr WD Walker	
	Deputy Chairperson MP Webster	

The amendment was declared **LOST** by 7 votes to 15.

Deputy Mayor PA Hulse left the meeting at 2:11pm.

Moved by Cr CE Brewer, seconded by Cr D Quax by way of amendment:

Defer the Waterfront Development project "Westhaven Promenade" to be delivered in financial year 2018/2019 (\$8.0m) and 2019/20 (\$8.0m)

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr CE Brewer	Cr AJ Anae	
Cr LA Cooper	Chairperson LCM Brown	
Cr D Quax	Cr CM Casey	
Cr SL Stewart	Cr WB Cashmore	
Cr J Watson	Cr C Darby	
Cr GS Wood	Cr AM Filipaina	
	Cr CE Fletcher	
	Cr DA Krum	
	Cr ME Lee	
	Cr CM Penrose	
	Member DE Taipari	
	Member L Ngamane	
	Cr JG Walker	

Cr WD Walker
Deputy Chairperson MP Webster

The motion was declared LOST by 15 votes to 6.

Cr RI Clow returned to the meeting at 2:12pm.

Deputy Mayor PA Hulse returned to the meeting at 2:14pm.

Resolution number BUD/2015/49

MOVED by Member DE Taipari, seconded by Member L Ngamane by way of addition:

Maori Transformational Shift (Refer Attachment A7 to the agenda report)

- c) agree that the work on identifying programmes contributing to the Māori transformational shift and outcomes, as part of the Te Toa Takitini scoping work, identifies at least an additional \$5 million for 2016/2017 and report this to the Finance and Performance Committee in September 2015.
- d) agree to identify \$2 million (over three years, commencing 2015/2016) to implement the council's response programme to the priority recommendations in the Independent Māori Statutory Board's 2014 Treaty Audit report, including increasing the roll-out of Māori Responsiveness Plans and senior staff training.
- e) note that the Chief Executive, through the Te Toa Takitini executive leadership group, will have oversight over both of these resolutions c) and d) above and will receive quarterly progress reports on them.

CARRIED

Pursuant to Standing Order 3.15.5 Crs D Quax, SL Stewart and JG Walker requested their dissenting votes be recorded.

Resolution number BUD/2015/50

MOVED by Cr ME Lee, seconded by Cr WB Cashmore by way of addition:

Governance and Support (Refer Attachment A, A6 to the agenda report)

- d) provide an underwrite of up to \$450,000 to the Auckland Rescue Helicopter (Capital) Trust for the purchase costs of a new rescue helicopter. The underwrite would be provided by way of a capital grant of up to \$450,000 to the Trust as a contribution towards the purchase costs of a new rescue helicopter, and will be:
 - i) the difference between the fundraising target and the amount raised by the Trust (including the sale of the current helicopter), up to a maximum of \$450,000. The final amount of the grant will be determined at the time of purchase
 - ii) provided immediately prior to the settlement of the purchase, which is anticipated to be in the 2016/2017 financial year
 - iii) subject to signoff of business case by the council's Chief Financial Officer.

CARRIED

Resolution number BUD/2015/51

MOVED by Chairperson LCM Brown, seconded by Cr AJ Anae by way of addition:

Parks Community and Lifestyle (Refer Attachment A, A5, A8, A9 to the agenda report)

- j) recommend to the Orakei Local Board that they use their locally driven initiatives fund (LDI) to fund the consequential operating expenditure of bringing forward the Meadowbank Community Centre upgrade.

CARRIED

Resolution number BUD/2015/52

MOVED by Cr CE Brewer, seconded by Cr DA Krum by way of addition:

- k) if j) is agreed by the Orakei Local Board, amend the proposed Long-term Plan 2015-2025 to bring forward the upgrade of the Meadowbank Community Centre from 2020/2021 to 2016/2017 as per previous resolutions agreed to in the Strategy and Finance Committee meetings held on 23 May 2012 and 9 May 2013.**

CARRIED

Resolution number BUD/2015/53

MOVED by Chairperson LCM Brown, seconded by Cr J Watson by way of addition:

- l) note the urgent requirement to remedy erosion problems in Orewa and address this as part of a wider erosion, sea level rise and inundation study to be brought back to council by August 2015, noting that funding for consents is available.**

CARRIED

Resolution number BUD/2015/54

MOVED by Cr LA Cooper, seconded by Deputy Mayor PA Hulse by way of amendment

Environmental Management and Regulation (Refer Attachment A, A4 to the agenda report)

- f) increase the budget for Environmental Management and Regulation by \$161,000 for one additional year, to provide for the continuation of regional funding for the Sustainable Neighbourhoods Programme, until 30 June 2016. This provides transition for the programme prior to the more full implementation of the empowered community and volunteer programme approaches to be more widely adopted across council, including for example environmental services and education.**

CARRIED

Resolution number BUD/2015/55

MOVED by Cr AM Filipaina, seconded by Cr CM Casey by way of addition:

Parks Community and Lifestyle (Refer Attachment A, A5, A8, A9 to the agenda report)

- m) increase the Regional Events budget by \$200,000 annually over the Long-term Plan 2015-2025 period.**

CARRIED

Resolution number BUD/2015/56

MOVED by Cr CM Casey, seconded by Cr AM Filipaina by way of addition:

- n) approve the Auckland Festival of Photography annualised funding through the Long-term Plan 2015-2025 amounting to \$72,000 per annum.**

CARRIED

Resolution number BUD/2015/57

MOVED by Cr C Darby, seconded by Cr CE Fletcher by way of addition:

- o) reinstate the budget for street garden annual plantings in town centres for 2015/2016, with a rates requirement of \$50,000 or 0.004 per cent, to better enable local boards to consider the transition to lower operating expenditure planting options.**

CARRIED

For clarity the resolutions for this item are as follows:

Long-term Plan 2015-2025 – Mayor’s Report

That the Budget Committee recommend to the Governing Body that it:

1. approve that the transport budgets for the final Long-term Plan 2015-2025 be based on the draft budgets, adjusted for the updates set out in the staff reports, with the following changes:
 - a) inclusion of an interim transport capital expenditure budget for the first three years of the Long-term Plan 2015-2025, as follows:

	2015/16	2016/17	2017/18
Additional transport capital expenditure	\$170 million	\$174 million	\$179 million

- b) funding of the council share of the interim transport programme to be by way of a Transport Levy (targeted rate), set at \$99 plus GST per separately used or inhabited part (SUIP) for non-business ratepayers and \$159 plus GST per SUIP for business ratepayers.
 - c) a review of the application of the transport levy to the business sector be carried out as part of the Annual Plan 2016/2017, in consultation with the business sector.
 2. approve that the Mayor and Chief Executive engage with the government to enable the implementation of an alternative funding system by 2018/2019 to fund the implementation of the Auckland Plan Transport Network for the Long-term Plan 2018-2028.
 3. approve that the budget (excluding transport) for the final Long-term Plan 2015-2025 be based on the draft budgets, adjusted for the updates set out in the staff reports, and to incorporate the following changes and specific decisions:

Auckland Development (Refer Attachment A to the agenda report)

- a) the funding of the Vos Yard project from the Heritage Acquisition fund be referred to the Auckland Development Committee, as there is no Long-term Plan 2015-2025 budget impact.

Economic and Cultural Development (Refer Attachment A to the agenda report)

- a) the additional capital expenditure of \$6 million for GridAKL be approved, on the basis that the consequential operating expenditure be managed through the existing Auckland Tourism, Events and Economic Development operating budget.
 - b) that Regional Facilities Auckland undertakes in good faith, to meet with the sporting codes and stakeholders affected by the stadium strategy and consider all options and report back to the council for information within a maximum period of 12 months.

Environmental Management and Regulation (Refer Attachment A, A4 to the agenda report)

- a) a standardised annual inorganic collection service (on-property, booked in advance) to be implemented and paid for via the solid waste targeted rate.
 - b) provide up to \$9 million per annum (an increase of \$3 million per annum) of financial assistance for the Retrofit your Home programme, but with a maximum debt exposure of \$35 million.
 - c) reinstate the budget of \$158,000 for National Biological Control and offset this with the staff savings identified in the staff memorandum of 6 May 2015.

- d) staff be directed to undertake the following, with the Manukau Harbour Forum:
 - i) identify the current, whole-of-council integrated programme of work related to the Manukau Harbour
 - ii) identify the scope and cost of hydrodynamic modelling of the Manukau Harbour
 - iii) present options and recommendations for the future programme of work in the Manukau Harbour, including the option of hydrodynamic modelling of the harbour
 - iv) work with and discuss this work programme with the Manukau Harbour Forum, prior to reporting back with recommendations to the Regional Strategy and Policy Committee
 - v) that \$400,000 be set aside (within existing budgets) to undertake hydrodynamic modelling within the first three years of the Long-term Plan 2015-2025, subject to the Regional Strategy and Policy Committee decisions in iv) above, noting that unless additional money is provided, reprioritisation of projects will need to occur.
- e) staff be directed to report back to the Regional Strategy and Policy Committee on the outcome of the work undertaken in d) above, with a view to approving any additional funding that may be required as part of the Annual Plan 2016/2017.
- f) increase the budget for Environmental Management and Regulation by \$161,000 for one additional year, to provide for the continuation of regional funding for the Sustainable Neighbourhoods Programme, until 30 June 2016. This provides transition for this programme prior to the more full implementation of the empowered community and volunteer programme approaches to be more widely adopted across council, including for example environmental services and education.

Governance and Support (Refer Attachment A, A6 to the agenda report)

- a) increase the funding of the Parakai Reserves Board by \$279,000 operating expenditure (rates impact of \$169,000) and \$50,000 capital expenditure over ten years, as set out in the staff report.
- b) reinstate the funding of Ngāti Whātua Ōrākei Reserves Board by a total of \$811,000 operating expenditure over ten years, as set out in the staff report.
- c) reinstate the funding of the City of Manukau Education Trust (COMET) by \$235,000 per annum.
- d) provide an underwrite of up to \$450,000 to the Auckland Rescue Helicopter (Capital) Trust for the purchase costs of a new rescue helicopter. The underwrite would be provided by way of a capital grant of up to \$450,000 to the Trust as a contribution towards the purchase costs of a new rescue helicopter, and will be:
 - i) the difference between the fundraising target, and the amount raised by the Trust (including the sale of the current helicopter), up to a maximum of \$450,000. The final amount of the grant will be determined at the time of purchase
 - ii) provided immediately prior to the settlement of the purchase, which is anticipated to be in the 2016/2017 financial year
 - iii) subject to signoff of the business case by the council's Chief Financial Officer.

Parks Community and Lifestyle (Refer Attachment A, A5, A8, A9 to the agenda report)

- a) note that an Empowered Communities approach will be implemented during the 2015/2016 financial year with detail of the proposed Community Development and Safety model to be presented to the Regional Strategy and Policy Committee on 4 June 2015.

- b) note that the associated savings target of \$1.6million in 2015/2016 and \$2.0million per annum each year thereafter, until 2025, has been included in the budget and that any necessary review of implementation and related budget can be undertaken as part of the Annual Plan 2016/2017 process.
- c) provide funding of \$1.9 million over the first four years of the Long-term Plan 2015-2025 to Surf Lifesaving Northern Region, for the purposes of redevelopment of the highest priority surf clubs, in line with their request.
- d) increase the regional grants budget by \$350,000 per annum, in line with the 2014/2015 level of funding.
- e) provide funding of \$300,000 operating expenditure in year one of the Long-term Plan 2015-2025, \$100,000 operating expenditure in year two and \$600,000 capital expenditure in year three for a World War 1 memorial in the Domain, noting that this will allow applications for funding from other sources.
- f) the reduction of \$2 million in Libraries and Information operational budgets includes a revised standardisation of library opening hours to achieve an equitable base service level across the region, increased revenue through changes to fees and charges, and service efficiencies (Attachment 1 to the memorandum dated 6 May 2015).
- g) fees and charges for library and information services are approved as included in Attachment 2 to the memorandum dated 6 May 2015.
- h) endorse the continuation of \$350,000 operating grant (from existing provision in the budget) to the James Wallace Arts Trust.
- i) provide a budget of \$360,000 for years one and two of the Long-term Plan 2015-2025, and \$110,000 for year three; for emergency housing, homelessness and rough-sleeping responses across Auckland.
- j) the Ōrākei Local Board use its locally driven initiatives fund (LDI) to fund the consequential operating expenditure of bringing forward the Meadowbank Community Centre upgrade.
- k) if j) is agreed by the Orakei Local Board, amend the proposed Long-term Plan 2015-2025 to bring forward the upgrade of the Meadowbank Community Centre from 2020/2021 to 2016/2017 as per previous resolutions agreed to in the Strategy and Finance Committee meetings held on 23 May 2012 and 9 May 2013.
- l) note the urgent requirement to remedy erosion problems in Orewa and address this as part of a wider erosion, sea level rise and inundation study to be brought back to council by August 2015, noting that funding for consents is available.
- m) that the Regional Events budget be increased by \$200,000 annually over the Long-term Plan 2015-2025 period.
- n) that the Auckland Festival of Photography receives annualised funding through the Long-term Plan 2015-2025, amounting to \$72,000 per annum.
- o) that budget for street garden annual plantings in town centres be reinstated for 2015/2016, with a rates requirement of \$50,000 or 0.004 per cent, to better enable local boards to consider the transition to lower operating expenditure planting options.

Water Supply and Wastewater (Refer Attachment A to the agenda report)

- a) confirm the budgets and water and wastewater pricing increases as set out in the updated budgets.

Local Board Discretionary Capital Expenditure

- a) provide a new Local Board discretionary capital expenditure fund of \$10 million per annum, noting that this will incorporate the existing Facilities Partnership Fund.
- b) approve the following parameters for this fund:
 - i) the fund may be managed as a three year amount
 - ii) local boards may use the fund to build council-owned assets, add to an existing council-funded renewal or new capital project, work in partnership with an external provider or seed fund a community project.
- c) ask staff and local boards to develop a formula for allocation and criteria for qualifying projects and report back to the Finance and Performance Committee.

Māori Transformational Shift (*Refer Attachment A7 to the agenda report*)

- a) note that further work on the council-funded activities and budgets that contribute to Māori wellbeing in the Long-term Plan 2015-2025 has identified \$104.2 million of contribution over the ten years.
 - b) note that the total budget for co-governance and co-management arrangements in the Long-term Plan 2015-2025 is \$81.5 million.
 - c) agree that the work on identifying programmes contributing to the Māori transformational shift and outcomes, as part of the Te Toa Takitini scoping work, identifies at least an additional \$5 million for 2016/2017 and report this to the Finance and Performance Committee in September 2015.
 - d) agree to identify \$2 million (over three years, commencing 2015/2016) to implement the council's response programme to the priority recommendations in the Independent Māori Statutory Board's 2014 Treaty Audit report, including increasing the roll-out of Māori Responsiveness Plans and senior staff training.
 - e) note that the Chief Executive, through the Te Toa Takitini executive leadership group, will have oversight over both of these resolutions c) and d) above and will receive quarterly progress reports on them.
- 4 That the Budget Committee recommend to the Governing Body the adoption of the following changes to fees and charges for 2015/2016:
- a) standardised licensing fees for street trading across Auckland, as included in Attachment B1 agenda report.
 - b) standardised rental fees for street trading across Auckland, as included in Attachment B1 to the agenda report, which include the following amendments to the draft proposal:
 - i) an additional six-month rental option for seasonal outdoor dining operators
 - ii) simplified rent for mobile vendors, based on typical size and hours, with extra-large vendors being charged an over-size fee
 - iii) that Orewa be put into tier three
 - iv) for outdoor dining, where no licence has previously been charged, only the licence will be charged in the first and second year
 - v) for outdoor dining, where there has been no licence fee charged previously, the rental fee charges be deferred until the 2017/2018 year.
 - c) any increases to street trading charges (licence fee and rent combined) for existing licensees resulting from the implementation of a) and b) above, be capped at \$500 per licensee per year, for three years, starting 2015/2016.
 - d) standardised cemetery fees across Auckland, as included in Attachment B2 to the agenda report.
 - e) standardised event permit fees across Auckland, as included in Attachment B3 to the agenda report.

- f) standardised fees for the remainder of the environmental health and licensing services, as included in Attachment B4 to the agenda report.
 - g) fees and charges for building control, resource consents and property information, as included in agenda report.
 - h) fees and charges for the following services:
 - i) animal management (Attachment B6 to the agenda report)
 - ii) food premises (Attachment B7 to the agenda report)
 - iii) health protection and hairdresser's licensing (Attachment B8 to the agenda report)
 - iv) Harbourmaster service (Attachment B9 to the agenda report)
 - v) solid waste bylaw licensing (Attachment B10 to the agenda report).
- 5 That the Budget Committee recommend to the Governing Body the adoption of the following decisions on solid waste services, targeted rates and charges:
- a) introduction of a new annual, on-property, pre-booked inorganic collection service from 2015/2016, to be funded from the waste management targeted rate.
 - b) the targeted rate for solid waste services, including the annual inorganic service, in the former council areas be standardised where services, costs and funding methods are similar, for 2015/2016 as follows:
 - i) Auckland City (including Hauraki Gulf Islands) and Manukau City (adjusted as appropriate in Auckland City to provide for the rates where a ratepayer has opted out of either or both of refuse and recycling services)
 - ii) North Shore and Waitakere
 - iii) Rodney
 - iv) Franklin and Papakura (adjusted as appropriate in rural Franklin where a ratepayer does not receive a recycling service).
 - c) that the costs of providing solid waste services to the Hauraki Gulf Islands in excess of targeted rates revenue from the area be met from the solid waste targeted rates for all of the Auckland region, rather than just the former Auckland City area.
 - d) staff continue to work with the local communities of the Hauraki Gulf Islands to reduce costs and rationalise services where possible.
 - e) user charges billed to the property owner for refuse for the former Auckland City (including the Hauraki Gulf Islands) and Manukau City areas be gradually introduced from the 2017/2018 financial year.
 - f) recycling services continue to be funded from the waste management targeted rate.
 - g) the new organic collection to be funded from the waste management targeted rate where the service becomes available.
 - h) standardised existing bag charges at competitive rates in areas where the service is provided by the council.
6. That the Budget Committee recommend to the Governing Body the adoption of the following changes to Housing for Older Persons rentals:
- a) the rent on the council's Housing for Older Persons units be set at 30 per cent of tenants' pre-tax income.
 - b) the rent on the council's Housing for Older Persons units be adjusted annually based on tenants' income.
 - c) for any given year, changes to annual rents on the council's Housing for Older Persons units (including increases and decreases) for existing tenants resulting

from a) above, be capped at \$10 per week, implemented in \$5 steps at six-month intervals.

7. That the Budget Committee recommend to the Governing Body the adoption of the following changes to the contributions policy:

a) that the proposed contributions policy be amended as follows:

- i) replace the funding areas for reserve acquisition, reserve development and community infrastructure with the following four areas: Auckland Wide, Greenfield, Urban and Rural and report back in October 2015 on a further refinement to 18 areas
- ii) replace the stormwater funding catchment areas with the following areas:

Stormwater	
Helensville	Manukau Central
Kumeu / Huapai	Pukekohe / Waiuku
Warkworth	Manukau South
Hibiscus Coast	Manukau West
East Coast Bays	Tamaki West
Mahurangi	Tamaki East
Waitemata North	Wairoa
Waitemata West	Ararimu
Waitemata Central	Waitakere Ranges
Waitemata Northwest	Urban Auckland
Manukau North	Other

- iii) reduce the unit of demand factor for attached dwellings (low rise) to reflect the lower levels of demand associated with higher density developments
 - iv) reduce the unit of demand factors for retirement village units and aged care rooms to exclude costs for sports fields and playgrounds
 - v) allow the council the discretion to offer a reduction of contribution charges for stormwater, where developers provide relevant infrastructure.
- b) note that the Contributions Policy will be updated for the decisions made on capital expenditure and adopted alongside the Long-term Plan 2015-2025 on 25 June 2015.
- c) note that staff will report back on further refinements to the funding areas for reserve acquisition, reserve development and community infrastructure, for consideration alongside the Annual Plan 2016/2017.
9. That the Budget Committee recommend to the Governing Body the adoption of the rates policy decisions for the Long-term Plan 2015-2025:
- a) a uniform annual general charge of \$385 for 2015/2016, amended each following year of the Long-term Plan 2015-2025 by the amount of the average rates increase.
 - b) that the long-term business differential strategy be amended to achieve a proportion of general rates collected from business ratepayers of 33.0 per cent for 2015/2016, falling to 25.8 per cent by 2036/2037, in equal steps, and that the differential ratio for business be set annually to reflect this.
 - c) that in line with the amendments to the overall business differential strategy, the Franklin business differential be set at a level which will align with the overall business sector in 2016/2017.
 - d) no further rates transition.
 - e) extension of the city centre programme and targeted rate to 2025, funding the depreciation and consequential operating expenditure of city centre programme

- projects from the general rate from 2019/2020, and introduction of a city centre targeted rate of \$57.50 per separately used or inhabited part of a property on city centre residents.
- f) increase Mangere-Otahuhu swimming pool targeted rate to fund free adult entry to the new Otahuhu swimming pool.
 - g) create a new rating differential for properties with no road access (including properties currently classified as sea only access) and set the differential at 0.25 (current sea only access differential).
 - h) rates related policies as proposed in the consultation document:
 - i) setting the Uniform Annual General Charge based on separately used or inhabited parts of a rating unit
 - ii) setting the value based general rate using capital value
 - iii) the general rate differential categories and descriptions
 - iv) all targeted rates except waste management, transport and those in b) and c) above
 - v) the early payment discount policy
 - vi) the instalment dates and penalties.
 - i) direct staff to report back for consideration as part of development of the Annual Plan 2016/2017, on rating options for:
 - i) motels and other temporary accommodation
 - ii) Māori freehold land.
 - j) direct staff to complete further work on rates postponement options as a mechanism for assisting rating affordability issues and report this back to the Finance and Performance Committee.
 - k) direct staff to report back to the Finance and Performance Committee on options for amending the remission for residents of licence to occupy retirement villages to include the proposed targeted transport levy.

The following resolutions were not recommended to the Governing Body:

1. That the Budget Committee
 - d) note the significantly higher rail operating costs for Auckland compared to Wellington and requests the Chief Executive to work with Auckland Transport and report back on options for potential savings in these costs as part of developing the Annual Plan 2016/2017.
 - e) recommend that the Chief Executives of Auckland Council and Auckland Transport review the Transport Programme in view of the feedback received during the consultation process and report back to the Finance and Performance Committee.
8. That the Budget Committee:
 - a) agree to undertake a review of Auckland Council's mix of funding sources to inform the Annual Plan 2016/2017, with the broad objectives of further reducing the proportion of council revenue funded from rates, maximising the return on council's investments and exploring alternative sources of funding, including from the optimisation of assets that are poorly aligned with council's core business and the broader strategic growth priorities for Auckland.
 - b) direct the Chief Executive to commence the design of the review and its associated processes following the release of the Local Government New Zealand Funding Review Final Report in June 2015.
 - c) request that the terms of reference for the review be reported back to the July 2015 meeting of the Finance and Performance Committee.

Attachments

- A 7 May 2015 Budget Committee - Item 13.1 - General rates and transport levy impact by local board
- B 7 May 2015 Budget Committee - Item 13.3 - National Biological Control
- C 7 May 2015 Budget Committee - Item 13.3 - Library savings alternatives

The meeting adjourned at 3:30pm and reconvened at 3:40pm

Crs D Quax and JG Walker left the meeting at 3:30pm.

14 Long-term Plan 2015-2025 - Proposal to establish a new Urban Development Entity (Development Auckland)

MOVED by Chairperson LCM Brown, seconded by Deputy Mayor PA Hulse:

That the Budget Committee recommend that the Governing Body:

- a) agree to establish Development Auckland Ltd by amalgamating Auckland Council Property Ltd and Auckland Waterfront Development Agency Ltd, having taken into account the feedback from the public.
- b) delegate to the Chief Executive of Auckland Council the ability to undertake all necessary steps, other than board appointments, to execute the establishment and transition of Development Auckland Ltd by 1 September 2015.
- c) agree that board appointment process for Development Auckland is delegated to the CCO Governance and Monitoring Committee and will include the following considerations:
 - i. the number of directors required on the board of Development Auckland
 - ii. the skills requirements for the board of Development Auckland
 - iii. which of the existing directors of Auckland Council Properties Limited (ACPL) and Auckland Waterfront Development Agency Ltd (AWDAL) have the skill sets likely to be valuable in the early establishment phase of Development Auckland.
- d) agree that the proposed budgets of Auckland Council Property Ltd and Auckland Waterfront Development Agency Ltd will be consolidated from 1 September 2015 to 30 June 2025 as outlined in a separate report on this agenda.
- e) note that the cost of establishment and transition can be met through appropriate adjustments to existing budgets either through the Annual Plan 2016/2017 or as recommended adjustments during the 2015/2016 year.
- f) agree that the proposed performance measures of Auckland Council Property Ltd and Auckland Waterfront Development Agency Ltd will be combined to form the initial performance framework for Development Auckland Ltd as outlined in a separate report on this agenda.
- g) note that further reports will be brought to the CCO Governance and Monitoring Committee to confirm more detailed operating parameters for Development Auckland Ltd prior to its establishment.
- h) agree that further investigation should continue on value capture mechanisms in order to inform future financial policy.

Extension of Meeting Time

Resolution number BUD/2015/58

MOVED by Chairperson LCM Brown, seconded by Cr CM Casey:

That the Budget Committee agree pursuant to Standing Order 3.3.7, that an extension of time until 4:30pm be granted.

CARRIED

Closure Motion

Resolution number BUD/2015/59

MOVED by Cr LA Cooper, seconded by Chairperson LCM Brown:

That the Budget Committee agree that, pursuant to Standing Order 3.13.1.(c), the motion under debate now be put to a vote.

CARRIED

The Chairperson put the motion by show of hands, which was CARRIED 13 for to 8 against.

Resolution number BUD/2015/60

MOVED by Chairperson LCM Brown, seconded by Deputy Mayor PA Hulse:

That the Budget Committee recommend that the Governing Body:

- a) **agree to establish Development Auckland Ltd by amalgamating Auckland Council Property Ltd and Auckland Waterfront Development Agency Ltd, having taken into account the feedback from the public.**
- b) **delegate to the Chief Executive of Auckland Council the ability to undertake all necessary steps, other than board appointments, to execute the establishment and transition of Development Auckland Ltd by 1 September 2015.**
- c) **agree that board appointment process for Development Auckland is delegated to the CCO Governance and Monitoring Committee and will include the following considerations:**
 - i. **the number of directors required on the board of Development Auckland**
 - ii. **the skills requirements for the board of Development Auckland**
 - iii. **which of the existing directors of Auckland Council Properties Limited (ACPL) and Auckland Waterfront Development Agency Ltd (AWDAL) have the skill sets likely to be valuable in the early establishment phase of Development Auckland.**
- d) **agree that the proposed budgets of Auckland Council Property Ltd and Auckland Waterfront Development Agency Ltd will be consolidated from 1 September 2015 to 30 June 2025 as outlined in a separate report on this agenda.**
- e) **note that the cost of establishment and transition can be met through appropriate adjustments to existing budgets either through the Annual Plan 2016/2017 or as recommended adjustments during the 2015/2016 year.**
- f) **agree that the proposed performance measures of Auckland Council Property Ltd and Auckland Waterfront Development Agency Ltd will be combined to form the initial performance framework for Development Auckland Ltd as outlined in a separate report on this agenda.**
- g) **note that further reports will be brought to the CCO Governance and Monitoring Committee to confirm more detailed operating parameters for Development Auckland Ltd prior to its establishment.**

- h) **agree that further investigation should continue on value capture mechanisms in order to inform future financial policy.**

CARRIED

Pursuant to Standing Order 3.15.5 Crs CE Brewer, CE Fletcher and GS Wood requested their dissenting votes be recorded.

15 Greenways - A regional approach to greenways

Resolution number BUD/2015/61

MOVED by Cr C Darby, seconded by Cr AJ Anae:

That the Budget Committee:

- a) **endorse the development of a regional greenways network plan to complement Local Board greenways plans and Auckland Transport active transportation plans.**
- b) **endorse the establishment of a greenways advisory group to oversee the development and implementation of the regional greenways plan.**

CARRIED

16 Review of Business Improvement Districts Service Delivery Model

A copy of the full BID survey results referred to as Appendix 3 in the agenda report (paragraph 11) and additional feedback from local boards referred to as an addendum in the agenda report (paragraph 40) was tabled at the meeting.

Copies of the documents have been placed on the official copy of the minutes as minutes attachments and are available on the Auckland Council website.

Resolution number BUD/2015/62

MOVED by Chairperson LCM Brown, seconded by Cr AJ Anae:

That the Budget Committee:

- a) **approve Option 3, Differential Services, Needs Based Model, as the service delivery model for the Business Improvement District (BID) Partnership Programme from 1 July 2016.**
- b) **approve the review of the BID Policy by 1 July 2016 to be undertaken in collaboration with Business Improvement Districts and local boards.**

CARRIED

Attachments

- A 7 May 2015 Budget Committee - Item 16 BID Survey Reporting
B 7 May 2015 Budget Committee - Item 16 Addendum report

17 Long-term Plan 2015-2025 - Other Policies

Resolution number BUD/2015/63

MOVED by Chairperson LCM Brown, seconded by Cr RI Clow:

That the Budget Committee recommends that the Governing Body:

- a) **note that updates to reflect decisions made at this meeting will be included in the:**
- i. **Revenue and financing policy**
 - ii. **Allocation of decision making**

- iii. CCO accountability policy
 - iv. Local boards funding policy
 - v. Summary of the Significance and engagement policy
 - vi. Financial strategy
 - vii. Infrastructure strategy.
- b) note that the Revenue and Financing Policy will be adopted by the Governing Body at its meeting on 25 June 2015, prior to adopting the Long-term Plan 2015-2025.
- c) note that the other policies and strategies will be adopted on 25 June 2015 as part of the decision to adopt the Long-term Plan 2015-2025.

CARRIED

18 Long-term Plan 2015-2025 - Performance measures

Resolution number BUD/2015/64

MOVED by Chairperson LCM Brown, seconded by Cr RI Clow:

That the Budget Committee recommends to the Governing Body:

- a) agree the proposed changes to performance measures and targets for inclusion in the final Long-term Plan 2015-2025.

CARRIED

19 Consideration of Extraordinary Items

There was no consideration of extraordinary items.

4:28pm

The Chairperson thanked members for their attendance and attention to business and declared the meeting closed.

CONFIRMED AS A TRUE AND CORRECT RECORD
AT A MEETING OF THE BUDGET COMMITTEE
HELD ON

DATE:.....

CHAIRPERSON:.....