I hereby give notice that an extraordinary meeting of the Finance and Performance Committee will be held on:

**Date:** Thursday, 31 May 2018  
**Time:** 10.30am  
**Meeting Room:** Reception Lounge  
**Venue:** Auckland Town Hall  
301-305 Queen Street  
Auckland

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**Komiti ā Pūtea, ā Mahi Hoki / Finance and Performance Committee**  
**OPEN AGENDA**

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**MEMBERSHIP**

| Chairperson     | Cr Ross Clow  
| Deputy Chairperson | Cr Desley Simpson, JP  
| Members          | Cr Josephine Bartley  
|                  | Cr Dr Cathy Casey  
|                  | Deputy Mayor Bill Cashmore  
|                  | Cr Fa’anana Efeso Collins  
|                  | Cr Linda Cooper, JP  
|                  | Cr Chris Darby  
|                  | Cr Alf Filipaina  
|                  | Cr Hon Christine Fletcher, QSO  
|                  | Mayor Hon Phil Goff, CNZM, JP  
|                  | Cr Richard Hills  
|                  | IMSB Member Terrence Hohneck  

(Quorum 11 members)

Sandra Gordon  
Senior Governance Advisor

25 May 2018

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**Note:** The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. Should Members require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.
Terms of Reference

Responsibilities

The purpose of the Committee is to:
(a) control and review expenditure across the Auckland Council Group to improve value for money
(b) monitor the overall financial management and performance of the council parent organisation and Auckland Council Group
(c) make financial decisions required outside of the annual budgeting processes

Key responsibilities include:

- Advising and supporting the mayor on the development of the Long Term Plan (LTP) and Annual Plan (AP) for consideration by the Governing Body including:
  o Local Board agreements
  o Financial policy related to the LTP and AP
  o Setting of rates
  o Preparation of the consultation documentation and supporting information, and the consultation process, for the LTP and AP
- Monitoring the operational and capital expenditure of the council parent organisation and Auckland Council Group, and inquiring into any material discrepancies from planned expenditure
- Monitoring the financial and non-financial performance targets, key performance indicators, and other measures of the council parent organisation and each Council Controlled Organisation (CCO) to inform the Committee’s judgement about the performance of each organisation
- Advising the mayor on the content of the annual Letters of Expectations (LoE) to CCOs
- Exercising relevant powers under Schedule 8 of the Local Government Act 2002, which relate to the Statements of Intent of CCOs
- Exercising Auckland Council’s powers as a shareholder or given under a trust deed, including but not limited to modification of constitutions and/or trust deeds, granting shareholder approval of major transactions where required, exempting CCOs, and approving policies relating to CCO and CO governance
- Approving the financial policy of the Council parent organisation
- Establishing and managing a structured approach to the approval of non-budgeted expenditure (including grants, loans or guarantees) that reinforces value for money and an expectation of tight expenditure control
- Write-offs
- Acquisition and disposal of property, in accordance with the long term plan
- Recommending the Annual Report to the Governing Body
- Te Toa Takatini
Powers

(a) All powers necessary to perform the committee’s responsibilities, including:
   a. approval of a submission to an external body
   b. establishment of working parties or steering groups.

(b) The committee has the powers to perform the responsibilities of another committee, where it is necessary to make a decision prior to the next meeting of that other committee.

(c) The committee does not have:
   a. the power to establish subcommittees
   b. powers that the Governing Body cannot delegate or has retained to itself (section 2).
Exclusion of the public – who needs to leave the meeting

Members of the public

All members of the public must leave the meeting when the public are excluded unless a resolution is passed permitting a person to remain because their knowledge will assist the meeting.

Those who are not members of the public

General principles

- Access to confidential information is managed on a “need to know” basis where access to the information is required in order for a person to perform their role.
- Those who are not members of the meeting (see list below) must leave unless it is necessary for them to remain and hear the debate in order to perform their role.
- Those who need to be present for one confidential item can remain only for that item and must leave the room for any other confidential items.
- In any case of doubt, the ruling of the chairperson is final.

Members of the meeting

- The members of the meeting remain (all Governing Body members if the meeting is a Governing Body meeting; all members of the committee if the meeting is a committee meeting).
- However, standing orders require that a councillor who has a pecuniary conflict of interest leave the room.
- All councillors have the right to attend any meeting of a committee and councillors who are not members of a committee may remain, subject to any limitations in standing orders.

Independent Māori Statutory Board

- Members of the Independent Māori Statutory Board who are appointed members of the committee remain.
- Independent Māori Statutory Board members and staff remain if this is necessary in order for them to perform their role.

Staff

- All staff supporting the meeting (administrative, senior management) remain.
- Other staff who need to because of their role may remain.

Local Board members

- Local Board members who need to hear the matter being discussed in order to perform their role may remain. This will usually be if the matter affects, or is relevant to, a particular Local Board area.

Council Controlled Organisations

- Representatives of a Council Controlled Organisation can remain only if required to for discussion of a matter relevant to the Council Controlled Organisation.
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1 Apologies

At the close of the agenda no apologies had been received.

2 Declaration of Interest

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

3 Petitions

There is no petitions section.

4 Public Input

There is no public input section.

5 Local Board Input

There is no local board input section.

6 Extraordinary Business

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“An item that is not on the agenda for a meeting may be dealt with at that meeting if-

(a) The local authority by resolution so decides; and

(b) The presiding member explains at the meeting, at a time when it is open to the public,-

   (i) The reason why the item is not on the agenda; and

   (ii) The reason why the discussion of the item cannot be delayed until a subsequent meeting.”
Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,-

(a) That item may be discussed at that meeting if-

(i) That item is a minor matter relating to the general business of the local authority; and

(ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but

(b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.”

7 Notices of Motion

There were no notices of motion.
Te take mō te pūrongo / Purpose of the report

1. To provide an overview of local board feedback and advocacy on the 10-year Budget 2018-2028 (the 10-year Budget).

Whakarāpopototanga matua / Executive summary

2. As part of Auckland Council's shared governance model, local boards have an important statutory role in the development of the 10-year Budget. This happens in three key ways:
   - engaging with local communities and then preparing local board agreements, which are included in the 10-year Budget (Volume 3). Local board agreements detail local projects, budgets, performance measures and local fees and charges for 2018/2019
   - providing feedback on regional topics
   - advocating for projects/issues that are important to communities in their local board areas.

3. From 28 February to 28 March 2018, Council consulted with the public on the 10-year Budget. Each local board has now considered community feedback received for their local area and resolved feedback on the 10-year Budget for the consideration of the Governing Body.

4. Local board agreements will be approved by each local board between 5-7 June 2018, before being adopted by the Governing Body on 28 June 2018.

5. This report summarises feedback and advocacy from local boards on the 10-year Budget and focuses on common themes. As such, it does not include all of the matters raised in local board resolutions. A complete list of local board advocacy priorities is included in Attachment A, and a complete set of the local board resolutions on the 10-year Budget are provided in Attachment B.

6. Key themes arising from those local boards that resolved on regional issues in the 10-year Budget include:
   - support for a regional fuel tax
   - support for a water quality targeted rate and a natural environment targeted rate (the latter at the higher average rate of $47 per year per residential ratepayer)
   - support for a rates increase of 2.5 percent for the first two years and 3.5 percent for years three to 10
   - support for online accommodation providers that meet particular thresholds paying an accommodation provider targeted rate
   - that the council-controlled organisations accountability policy should include engagement and relationships with local boards and should require council-controlled organisations to give effect to local board plans.

7. In general, the advocacy issues and key advocacy projects raised by local boards had a focus on what will be required to cope with the demands of Auckland’s projected population growth, development and intensification. The key themes include:
item 8

- the need for integrated transport infrastructure to support growth and development, including various transport improvements, particularly roading and rail priorities, and well-connected networks
- the provision of community facilities (including pools and multi-use sports and recreation facilities), particularly to accommodate growth
- addressing environmental concerns, such as coastal erosion, pest and weed management, waste management and water quality issues.

Ngā tūtohunga / Recommendation
That the Finance and Performance Committee:

a) consider feedback and advocacy from local boards when making decisions on the 10-year Budget 2018-2028.

Horopaki / Context

8. The 10-year Budget sets out Auckland Council’s priorities and how to pay for them. The Governing Body is responsible for the regional elements of the 10-year Budget and local boards develop annual local board agreements.

9. From 28 February to 28 March 2018, Council consulted with the public on the 10-year Budget. Overall Auckland Council received feedback through the following channels:

- written feedback – 26,556 hard copy and online forms, emails and letters
- in person – Council interacted with a total of 5,374 people through around 100 have your say events and community events
- social media – 114 comments were received through Facebook and Twitter.

10. Local boards considered consultation feedback related to their local board area and then passed resolutions detailing their feedback and advocacy to the 10-year Budget.

Tātaritanga me ngā tohutohu / Analysis and advice

11. This report outlines local board input into the regional elements of the 10-year Budget as follows:

- feedback on regional topics (transport, natural environment, rates and other changes and budget information)
- advocacy on projects/issues that are important to communities in each local board area, including the key advocacy projects.

Local board feedback on regional topics in the 10-year Budget 2018-2028

12. After considering feedback from their communities, local boards resolved on both their regional feedback and advocacy projects at their business meetings between 1-10 May 2018. This report summarises feedback from local boards, and focuses on common themes. As such, it does not include all of the matters raised in local board resolutions. The full set of local board resolutions are provided in Attachment B.

Topic 1: Transport

13. As the population grows, congestion (and the pollution it creates) is getting worse, safety is declining and businesses are struggling to move freight and people. As part of consultation on the 10-year Budget, Aucklanders were asked whether they would support a regional fuel tax of 10 cents per litre (plus GST) to help pay for improvements to the transport system.
14. The majority of local boards that provided views on this issue supported a regional fuel tax, these local boards are: Albert-Eden, Devonport-Takapuna, Franklin, Henderson-Massey, Hibiscus and Bays, Kaipātiki, Māngere-Ōtāhuhu, Maungakiekie-Tāmaki, Ōtara-Papatoetoe, Puketāpapa, Rodney, Waitākere Ranges, Waitematā and Whau (14 local boards).

15. While noting their support many local boards also made qualifications, with the key themes being:
   - that public transport should be prioritised (Albert-Eden, Henderson-Massey, Mangere-Ōtāhuhu, Maungakiekie-Tāmaki, Puketāpapa, Waitakere Ranges and Waitematā)
   - the fuel tax should be spent equitably around the region, including on local projects (Franklin, Hibiscus and Bays, Mangere-Ōtāhuhu, Ōtara-Papatoetoe, Rodney and Whau).

16. The Howick and Manurewa Local Boards specified that they do not support a fuel tax. The Howick Local Board noted that while transport projects are a priority, projects should be funded from cost savings within council and alternative funding sources. The Manurewa Local Board was concerned with affordability for lower income residents and requested that if a fuel tax is implemented funding should be spent equitably across the region.

17. The Great Barrier Local Board asked for an exemption from the Regional Fuel Tax. This is because the island has no public transport, fuel prices are already high and many residents use fuel for household energy needs.

18. The Franklin, Ōtara-Papatoetoe and Papakura Local Boards noted that they consider that other revenue collection systems should be considered for the future, such as congestion charges or a road tolling network.

19. Four local boards noted their concerns that the regional fuel tax will hit lower socio-economic groups the hardest (Henderson-Massey, Manurewa, Maungakiekie-Tāmaki and Papakura) and that this should be considered further.

**Topic 2: Natural environment**

**Water quality targeted rate**

20. Council is proposing to introduce a new targeted rate to accelerate the water quality improvement programme, which would speed up the delivery of cleaner harbours, beaches and streams. The proposed targeted rate would cost the average residential ratepayer $66 per year ($1.30 per week), although this will vary based on property value.


22. While noting their support many local boards also made qualifications, key themes being:
   - projects need to be spread equitably around the region (Hibiscus and Bays, Manurewa, Waiheke, Waitakere Ranges and Whau)
   - some of the spending should be on local projects, managed by local boards (Devonport-Takapuna, Franklin, Hibiscus and Bays, Kaipatiki, Manurewa and Mangere-Ōtāhuhu).

23. Other local boards supported the desired outcomes, just not the vehicle (targeted rates). For example, three local boards wanted a ‘fixed levy’ or ‘flat rate’ rather than a targeted rate (Orakei, Howick and Franklin). The Papakura Local Board would prefer that additional funding for water quality projects be generated by a rates increase and the Upper Harbour Local Board proposed that Council should re-prioritise its budgets to avoid the need for a water quality targeted rate.
Natural environment targeted rate

24. Auckland’s rapid growth is putting pressure on the environment. Council is proposing to invest more in environment initiatives and to fund this through a targeted rate (based on property value). Two options were provided for the natural environment targeted rate, Option A - a targeted rate at an average rate of $21 per year per residential ratepayer or Option B - a targeted rate at an average rate of $47 per year per residential ratepayer. Both options are based on property value.


26. While noting their support many local boards also made qualifications, key themes being:
   - some of the spending should be on projects (often specified) that are managed by local boards (Devonport-Takapuna, Hibiscus and Bays, Kaipatiki and Manurewa).
   - projects need to be spread equitably around the region (Hibiscus and Bays, Franklin, Manurewa, Waiheke, Waitakere Ranges and Whau).

27. There was no support for Option A from local boards.

28. The Waitakere Ranges Local Board supported a higher natural environment targeted rate – an average rate of $66 per year per residential ratepayer. This would be to increase funding for the natural environment and to fully fund the Regional Pest Management Plan.

29. The Puketāpapa and Māngere-Ōtāhuhu Local Boards supported a targeted rate, but did not specify a level. The Māngere-Ōtāhuhu Local Board noted that affordability is a challenge for their community and that they already have a targeted rate for adult swimming pool entry.

30. Some local boards supported the desired outcomes, just not the vehicle (targeted rates):
   - three local boards wanted a ‘fixed levy’ or ‘flat rate’ rather than a targeted rate (Orakei, Howick and Franklin). The Orakei Local Board also supported investigating a polluter pays targeted rate to specifically benefit the environment.
   - the Upper Harbour Local Board believes that Council should re-prioritise its budgets to avoid the need for a targeted rate.

31. The Papakura Local Board has reservations about a targeted rate, is concerned about the focus of the programme and considers that projects need to be spread equitably around the region.

Topic 3: Rates and charges

Rates

32. Aucklanders were asked about a proposed rates increase of 2.5 percent for the first two years and 3.5 percent for years three to 10.

33. The majority of local boards supported the proposed rates increase: Albert-Eden, Devonport-Takapuna, Great Barrier, Henderson-Massey, Hibiscus and Bays, Kaipātiki, Māngere-Ōtāhuhu, Orākei, Puketāpapa, Waitetata and Whau (11 local boards).

34. The Henderson-Massey and Whau Local Boards noted that if the regional fuel tax does not go ahead, they consider that the rates increase would need to be significantly higher.

35. The Kaipātiki Local Board does not support the policy of reducing the business rate differential.

36. The Ōtara-Papatoetoe and Papakura Local Boards would prefer a higher general rates increase instead of the proposed targeted rates.
37. The Waitakere Ranges Local Board would like a higher rates increase of 3.5 per cent to enable more spending on natural environment projects, investment in community facilities and other core infrastructure. The Manurewa Local Board also supports the need for a 3.5 per cent rates increase to ‘cover the bills’.

38. Six local boards expressed concern around rates affordability, including with the additional targeted rates (Hibiscus and Bays, Puketāpapa, Papakura, Māngere-Ōtāhuhu, Manurewa and Otara-Papatoetoe).

39. Four local boards noted that there should be transparency about how rates (or targeted rates) are spent (Great Barrier, Maungakiekie-Tamaki, Manurewa and Papakura).

40. The Waiheke Local Board requests that there be a focus within the organisation to reduce costs.

Rating of the online accommodation sector

41. Aucklanders were asked about whether online accommodation providers that meet particular thresholds should pay business rates and the accommodation provider targeted rate.

42. The majority of local boards supported council’s proposal for rating of the online accommodation sector (13 local boards). Local board feedback can be divided into the following three categories:
   - five local boards specifically supported online accommodation providers that meet particular thresholds paying business rates and the accommodation provider targeted rate: Albert-Eden, Devonport-Takapuna, Māngere-Ōtāhuhu, Orākei and Waitēmatā.
   - seven local boards supported the accommodation provider targeted rate (but did not mention business rates): Great Barrier, Henderson-Massey, Hibiscus and Bays, Kaipātiki, Puketāpapa, Waiheke and Whau.
   - the Rodney Local Board supported online accommodation providers that meet particular thresholds paying the accommodation provider targeted rate, however expressed concern about how the proposed business rate will be applied and administered.

43. The Henderson-Massey Local Board noted that it may be difficult to identify individual providers and this may contribute to avoidance behaviours for property owners who do not intend to operate in a fully commercial capacity.

44. The Whau Local Board noted the need for careful consideration of income thresholds so that, for example, older adults who are receiving a low level of income or accommodating students are not penalised.

45. The Manurewa Local Board recommended that Council do more work on the unintended consequential impacts, before implementing this rate.

Topic 4: Other changes and budget information

46. Eleven local boards passed resolutions on the council-controlled organisations accountability policy review (Albert-Eden, Devonport-Takapuna, Franklin, Hibiscus and Bays, Kaipātiki, Maungakiekie-Tāmaki, Orākei, Papakura, Puketāpapa, Rodney, Upper Harbour), key themes from the resolutions were:
   - that the council-controlled organisations and Council (including local boards) should have trust and confidence in each other
   - that council-controlled organisations should be obliged to consult with local boards and sufficient time should be provided for genuine engagement
   - that council-controlled organisations must give effect and be cognisant of Local Board Plans and where relevant Area Plans to ensure that key local board priorities and projects are supported and integrated.
47. Local boards provided feedback on the Tūpuna Maunga Authority Draft Operational Plan:
   • the Albert-Eden and Waitemata Local Boards specifically support the plan, with the Devonport-Takapuna Local Board providing detailed feedback which was generally supportive.
   • the Papakura Local Board noted that their board is supportive of the establishment of the Tūpuna Maunga o Tāmaki Makaurau Authority to administer the Tūpuna Maunga.

48. Four local boards passed resolutions requesting that if Land Advisory Services introduce a new charging regime for council-owned land owner approval applications then this should exclude community groups and community organisations (Franklin, Hibiscus and Bays, Rodney and Waiheke).

49. Two local boards resolved on waste service charges (the proposed targeted rate to fund the food waste collection service and standardisation of user-pays refuse collection). The Waitemata Local Board supported the targeted rate, however the Orakei Local Board supported the ability for their residents to be able to opt-in or opt-out. Note that local board feedback on the draft Waste Management and Minimisation Plan has been analysed separately and sent to the Waste Hearings Panel for consideration.

50. Two local boards supported the proposal to disestablish Auckland Council Investments Limited (Waitakere Ranges and Waitemata) and two local boards did not support the proposal (Orakei and Papakura).

Local board advocacy

51. This triennium a three-year approach is being taken to progress local initiatives that are unable to be funded by local board budgets. The approach aims to better utilise the 10-year Budget and local board plan processes to progress and advise on a narrower range of local board initiatives, in a more comprehensive way.

52. As part of the Annual Budget 2017/2018 process, local boards began narrowing their priorities to one key advocacy project (also known as One Local Initiative or OLI). Local boards reconfirmed their OLI, and other advocacy in May 2018 and these are listed in the table below:

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<th>Local Board</th>
<th>Key advocacy initiative</th>
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<tbody>
<tr>
<td>Albert-Eden</td>
<td>Continue to implement the Chamberlain Park Masterplan - advocating for funding to reconfigure the existing golf course and creating a flat ‘sport park platform’ for the development of two sports fields.</td>
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<tr>
<td>Devonport-Takapuna</td>
<td>Securing the budget to address congestion issues on Lake Road.</td>
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<tr>
<td>Franklin</td>
<td>Karaka Sports Park - seeking funding of up to $30 million for developing the Karaka Sports Park as a multi-sport and community hub, including upgrades to the playing fields, replacing buildings, and new cycling and walking routes.</td>
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<tr>
<td>Great Barrier</td>
<td>Upgrade the service centre and local board office at Claris with an alternative energy system with electric vehicle chargers.</td>
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<td>Henderson-Massey</td>
<td>A pool in the north west - advocating for prioritising construction of a pool for the north west area, including the purchase of land to prepare for the pool and future sports fields and local community facilities.</td>
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<tr>
<td>Hibiscus and Bays</td>
<td>Seeking $18 million capital funding for implementation of the Orewa Beach Esplanade Enhancement Project (OBESEP) using a phased approach.</td>
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<tr>
<td>Howick</td>
<td>Bring forward development of multi-use community facility and library, and the aquatic centre at Flat Bush.</td>
</tr>
<tr>
<td>Kaipātiki</td>
<td>Redevelopment of Birkenhead War Memorial Park.</td>
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## Local Board | Key advocacy initiative
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Māngere-Ōtāhuhu | Māngere East Precinct: A priority focus and initiatives to enhance this centre as a thriving, liveable community.
Manurewa | Create Manurewa War Memorial Park as a multi-purpose shared space with improved utilisation of its playing fields and provision of greater access to community facilities.
Maungakiekie-Tāmaki | A transit-oriented development at Onehunga that combines rail and bus stops, and provides for future public transport connections, as part of the Onehunga Transform project.
Orākei | A walking and cycling linkage from Gowing Drive in Meadowbank, joining to the Glen Innes to Tamaki Drive Shared Path.
Ōtara-Papatoetoe | Discontinue paying interest on borrowing for Colin Dale Park.
Papakura | Development of a Park and Ride at the Papakura train station.
Puketāpapa | Liston retirement village - retaining seniors' housing on the site and allowing for the entrance to Monte Cecilia Park to be expanded.
Rodney | Request a local indoor courts facility on Huapai Domain.
Upper Harbour | A sub-regional multi-use multi-sport indoor facility within the Upper Harbour area.
Waiheke | Matiatia Strategic Plan - that any future development is guided by this plan (once developed) and appropriate funding is allocated for both transport and non-transport infrastructure related priorities.
Waitākere Ranges | Advocating for the Glen Eden Urban Design Framework and Implementation Plan to be fully funded.
Waitematā | Ponsonby Park at 254 Ponsonby Road - Secure funding, resource and support to deliver the community's agreed vision and chosen design for Ponsonby Park, 254 Ponsonby Road.
Whau | Whau pool and recreation centre – to be funded in the next five years.

53. Council departments provided local boards with information to help inform their position on these initiatives. Local boards then consulted their communities on their key advocacy project in the local board plan and/or the local board agreement process.

54. The OLIs have largely received strong public support, averaging around 65 per cent support where OLIs were specifically consulted on.

55. The process for making decisions on the OLIs post-consultation has been designed to ensure that all OLIs are progressed. Subject to Finance and Performance Committee decisions on the 10-year Budget, it is expected that all OLIs will receive funding for either project delivery, a business case, or investigation work. If funded for a business case or investigation work, there will be a pathway to receive delivery funding.

56. Subsequent to the OLI work being completed leading up to the draft 10-year Budget, cost estimates for some OLIs have increased, principally due to inflation costs based on expected delivery dates. The cost of the combined OLIs exceeds the $200 million OLI funding provisioned in the draft 10-year Budget. In order to progress all OLIs, other funding sources have been identified that could be used to fully or partly fund the OLIs, including the proposed regional fuel tax, development contributions for growth related projects (some dependent on policy changes), unallocated development funding, and some local boards have allocated locally driven initiatives funding.
Other local board advocacy

57. Most boards also identified additional advocacy issues, with common themes across many local boards including:

- the use of development contributions in local areas to deal with growth
- the need for integrated transport infrastructure to support growth and development, including various transport improvements, particularly roading and rail priorities, and well-connected networks
- equitable funding for and adequate provision of community facilities (including pools and multi-use sports and recreation facilities), particularly to accommodate growth
- addressing environmental concerns, such as coastal erosion, pest and weed management, waste management and water quality issues
- addressing social concerns, such as affordable and community housing options, and initiatives to reduce alcohol related harm.

58. The full set of advocacy initiatives identified by local boards are compiled in a table in Attachment A and are also included in the full local board resolutions in Attachment B.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local impacts and local board views

59. Local boards have been involved throughout the development of the 10-year Budget. This has included:

- being briefed on key topics, often together with the Finance and Performance Committee
- leading community consultation on the 10-year Budget
- presenting feedback and advocacy to the Finance and Performance Committee.

60. Local board views and feedback on the 10-year Budget are provided in this report.

Tauākī whakaaweawe Māori / Māori impact statement

61. Many local board decisions are of importance to and impact on Māori. The 10-year Budget, including local board agreements, are important tools that enable and can demonstrate Council’s responsiveness to Māori.

62. Of those who submitted to the 10-year Budget, and provided their ethnicity, 1,623 (10 per cent) identified as Māori. There were also 16 submissions from iwi entities. Local boards considered submissions related to their local board rohe when finalising their feedback and advocacy positions for the 10-year Budget.

Ngā ritenga ā-pūtea / Financial implications

63. The 10-year Budget (long-term plan) is a statutory process which must be completed every three years. The Council budget provides for the resourcing to deliver this project. This report details local board feedback and advocacy on the content of the 10-year Budget.

Ngā raru tūpono / Risks

64. The Governing Body needs to consider feedback and advocacy from local boards as this is a legislative requirement and part of Auckland Council’s shared governance model.

Ngā koringa ā-muri / Next steps

65. Local boards will adopt their local board agreements between 5-7 June 2018 and the Governing Body will then adopt the 10-year Budget on 28 June 2018.
Ngā tāpirihanga / Attachments

<table>
<thead>
<tr>
<th>No.</th>
<th>Title</th>
<th>Page</th>
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<tbody>
<tr>
<td>A</td>
<td>Local board advocacy priorities</td>
<td>21</td>
</tr>
<tr>
<td>B</td>
<td>Local board resolutions on the 10-year Budget <em>(Under Separate Cover)</em></td>
<td></td>
</tr>
</tbody>
</table>

Ngā kaihaina / Signatories

<table>
<thead>
<tr>
<th>Author</th>
<th>Rachel Wilson - Senior Policy Advisor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorisers</td>
<td>Louise Mason - GM Local Board Services</td>
</tr>
<tr>
<td></td>
<td>Phil Wilson - Governance Director</td>
</tr>
<tr>
<td></td>
<td>Matthew Walker - Acting Group Chief Financial Officer</td>
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</tbody>
</table>
### Appendix A: Local Board advocacy

**Taken from Local Board resolutions at their business meetings held 1-10 May 2018**

**Key advocacy project or one local initiative (OLI)**

<table>
<thead>
<tr>
<th>Local Board</th>
<th>Description</th>
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<tbody>
<tr>
<td>Albert-Eden</td>
<td>Continue to implement the Chamberlain Park Masterplan</td>
</tr>
<tr>
<td></td>
<td>- Advocate for funding to reconfigure the existing golf course and create a flat 'sport park platform' for the development of two sports fields.</td>
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<tr>
<td></td>
<td>- The first stage of the master plan; construction of a neighbourhood park, stream restoration and walking/cycling paths has secured funding and is progressing.</td>
</tr>
<tr>
<td>Devonport-Takapuna</td>
<td>Securing the budget to address congestion issues on Lake Road</td>
</tr>
<tr>
<td>Franklin</td>
<td>Karaka Sports Park</td>
</tr>
<tr>
<td></td>
<td>- Franklin Local Board is seeking funding of up to $30 million for developing the Karaka Sports Park as a multi-sport and community hub, including upgrades to the playing fields, replacing buildings, and new cycling and walking routes.</td>
</tr>
<tr>
<td></td>
<td>- The Karaka Sports Park Trust is confident that with a clear council commitment in place, it can attract a significant amount of external funding. Feedback on the local priorities in the 10-year budget was strongly supportive of this proposal, with 66% of submitters supporting and a further 14% partially supporting.</td>
</tr>
<tr>
<td>Great Barrier</td>
<td>Upgrade the service centre and local board office at Claris with an alternative energy system with electric vehicle chargers.</td>
</tr>
<tr>
<td>Henderson-Massey</td>
<td>A pool in the north west.</td>
</tr>
<tr>
<td></td>
<td>- Continue advocating for prioritising construction of a pool for the north west area, including the purchase of land to prepare for the pool and future sports fields and local community facilities.</td>
</tr>
<tr>
<td>Hibiscus and Bays</td>
<td>Implementation of the Orewa Beach Esplanade Enhancement Project (OBEEP)</td>
</tr>
<tr>
<td></td>
<td>- The local board is seeking capital funding of $18m to be allocated to two phases of coastal protection work. Orewa beach, reserve areas and walkways are at significant threat of being lost to sea erosion forces. The first phase is for the construction of 640m of hybrid seawall at northern end in the period FY 2020 – 2022. The second phase is to undertake further protection work over a 670m section at the southern end of the beach over FY 2022 – 2026.</td>
</tr>
<tr>
<td>Attachment A</td>
<td>Item 8</td>
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<tr>
<td><strong>Birkenhead War Memorial Park Redevelopment</strong></td>
<td><strong>Māngere-Ōtahuhu</strong></td>
</tr>
<tr>
<td>Bring forward development of multi-use community facility, library, and the aquatic centre at Flat Bush.</td>
<td>Māngere East Precinct: A priority focus and initiatives to enhance this centre as a thriving, livable community.</td>
</tr>
<tr>
<td>The board is advocating to the Governing Body to bring forward development of the multi-use community facility and library ($20 million, completion by 2023). Feedback from recent consultation on the multi-use facility has told us that place they can come together.</td>
<td>The Māngere East area requires coordinated investment for planning and implementation. The local community facilities are rundown, old or not fit for use. A community facility needs assessment was successful in 2015 and next steps need to be progressed. For this, coordinated planning and investment is vital to shape a high-quality built area for a liveable community.</td>
</tr>
<tr>
<td>Bring forward development plans for the aquatic centre also allows future planning for Barry Curtis Park to evolve once the location of the aquatic centre has been decided.</td>
<td>The Governing Body commit to capital funding through the next review of the Long-term Plan (LTP) for delivery of the Community Facilities Network Plan. Further to coordinate work through Panuku Development Auckland and Auckland Transport to focus on Māngere East area to develop this centre as a liveable community.</td>
</tr>
</tbody>
</table>

| Howick | Manurewa |

| **Kapātiki** | **War Memorial Park** |
| 10-year Budget 2018–2028 – local board feedback and advocacy | Create Manurewa War Memorial Park as a multi-purpose shared space with improved utilisation of its playing fields and provision of greater access to community facilities. |
| **Finance and Performance Committee**
|---|
| **31 May 2018**
| **10-year Budget 2018–2028 – local board feedback and advocacy**
| **Page 23**
| **Attachment A**
| **Item 8**

| **Maungakiekie-Tāmaki** | A transit-oriented development at Onehunga that combines rail and bus stops, and provides for future public transport connections, as part of the Onehunga Transform project. |
| **Ōrākei** | Gowing Drive Linkage to Glen Innes to Tamaki Drive Shared Path  
  - A walking and cycling linkage from Gowing Drive in Meadowbank, joining to the Glen Innes to Tamaki Drive Shared Path and across to Kohimarama. The linkage would connect the communities of Meadowbank/St Johns and Kohimarama/Mission Bay to each other, as well as decrease the number of vehicles on St Johns and Kohimarama roads. This would also provide many students a more direct and safe option to travel to school. |
| **Ōtara-Papatoetoe** | Discontinue paying interest on borrowing for Colin Dale Park  
  - Review the ongoing liability of $280k pa for debt servicing because it is an unfair burden on the board (16% LDI), reducing place making opportunities and community programme funding. The whole of Auckland will benefit. |
| **Papakura** | Development of a Park & Ride at the Papakura train station  
  - As a board, we would like to offer alternative transport routes to free up our local roads from congestion. Hence our advocacy to the Governing Body to fund a shortfall, to build a multi-storey park-and-ride facility at the Papakura train station. This project is widely supported by the community and will encourage more people to use public transport. |
| **Puketāpapa** | The board is seeking that, once Auckland Council owns the Liston retirement village in its entirety, it retains seniors’ housing on the site and also allows for the entrance to Monte Cecilia Park to be expanded. |
| **Rodney** | Request a local indoor courts facility on Huapai Domain; noting that this is the Rodney Local Board’s key advocacy project. |
| **Upper Harbour** | A Sub-regional Multi-use Multi-sport Indoor Facility within the Upper Harbour area. |
| **Waiheke** | Matiatia Strategic Plan  
  - The board is progressing a strategic plan for council owned land at Matiatia and requests that any future... |
development is guided by this plan and appropriate funding is allocated within the Long-term Plan 2018-2028 (LTP) for both transport and non-transport infrastructure related priorities.

- The board requests that as part of this plan, the Governing Body review the status of the Panuku Development Auckland managed land at Matiatia on the basis that a significant financial return on investment (at purchase) is clearly unrealistic and this status has been delaying an outcome to the multitude of issues that exist at Matiatia.

| Waitākere Ranges | Advocating for the Glen Eden Urban Design Framework and Implementation Plan to be fully funded in the 10-year Budget.  
- Key advocacy project of the local board. Has been over a decade since any investment has been made in the public realm elements of the Glen Eden town centre. Glen Eden is the largest centre in the Waitakere Ranges local board area. |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Waitematā | Ponsonby Park at 254 Ponsonby Road  
- Secure funding, resource and support to deliver the community’s agreed vision and chosen design for Ponsonby Park 254 Ponsonby Road.  
Stage 1 – To deliver a civic and green space, repurpose the existing canopy structure for markets and events and develop public toilet facilities.  
Stage 2 - to repurpose the existing building and improve the adjoining streetscape. Potential funding options for stage 2 include the local boards Auckland Transport capex fund and other alternative funding sources. |
| Whau | Whau pool and recreation centre  
- Advocate for a new pool and recreation centre in the Whau to be funded in the first 5 years of the Council 10 year budget to enable:  
  a) the securing of the location before suitably sized sites become unavailable  
  b) exploration of public/private partnerships with major urban developers in the Whau. |
# Other local board advocacy initiatives

<table>
<thead>
<tr>
<th>Board</th>
<th>Initiative</th>
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| Albert-Eden        | Aquatic facilities in Mt Albert  
  - Advocate for the continuing provision of aquatic facilities in the Mt Albert area to replace the Mt Albert Aquatic Centre, which is due for replacement in four to seven years.  
  Indoor sport facilities in Epsom  
  - Advocate for a replacement indoor multi-sport facility at Gillies Avenue, Epsom.                                                                 |
| Devonport-Takapuna | -                                                                                                                                                                                                        |
| Franklin           | Funding growth  
  - Franklin communities are experiencing rapid growth. It is important that growth in Franklin is well-planned and funding is provided for the necessary infrastructure. There is currently a perception that the benefits of development contributions are not directly seen in areas they are collected.  
  - To help plan for growth, the board is refreshing its Sport and Active Recreation Facilities Plan, which will help inform decisions on the future provision of sporting facilities in Franklin. This will guide where growth funding is required.  
  - To fund future transport infrastructure, user-pays funding methods are supported. They are more equitable for rural residents and businesses, ensuring that the burden of funding the transport programme falls more with frequent users of major roads. The introduction of tolls for major road users in the Auckland region is also supported. Tolling encourages car-pooling, fuel saving and travelling at off peak times which helps ease congestion.  
  - As an area of high growth (particularly in greenfield areas), it is important that Franklin receives sufficient growth funding to ensure the projects and initiatives supporting growth can be implemented. A regional planning programme is required to enable growth to be well-planned across Franklin, particularly for Beachlands, Waiuku and Drury. |

Coastal erosion  
- Franklin Local Board does not have the ability to address the erosion issues on our large coastlines to the west and east effectively. Management of coastal erosion should be dealt with on a regional basis, rather than individually by local boards. Regional funding would ensure that erosion issues are dealt with in a consistent and timely way across the region.  
- The preparation of Coastal Compartment Management Plans should be expedited, to commence implementation of the regional Coastal Management Framework.
Fit for purpose and safe roads
- Increased levels of traffic caused by growth require some rural roads to deal with higher volumes of traffic than originally intended. Routes used by heavy industry, particularly quarry trucks, need to be improved and made safer for all users. The impact that projected future growth will have with regards to the increased usage of rural roads also needs to be considered.
- Implementation of recommendations in the Self Explaining Rural Roads (SERR) project across Franklin should be given priority by Auckland Transport to ensure safety issues are addressed and roads are safe for all forms of transport.

Local paths and trails
- Many local boards have now developed plans for a network of walking and cycling paths in their area. More investment is required to implement the paths across the region. Paths are not solely for the use of those living in a particular local board area; they are a regional network and need to be considered as such.
- Regional partnerships with external organisations, such as the Walking Access Commission, local businesses and service clubs would help facilitate the development of the paths network. It would also help to ensure that links to national initiatives, such as the Te Araroa Walkway, are made.
- The development of the ‘Paths’ Brand can be the umbrella brand for all local paths and needs to be accessible for Local Boards to incorporate into marketing & communication plans.

Asset optimization
- The scope of the optimisation programme should include non-service’ assets and there should be meaningful oversight of the process for declaring assets ‘non-service’.
- There should be a clearer definition of ‘strategic assets’ to enable local boards to effectively discharge their allocated decision-making on asset disposals and acquisitions.
- If there is a sound business case to tag a sale to a development, regardless if ‘service’ or not, there should be scope to undertake initiatives that meet a demand.

<table>
<thead>
<tr>
<th>Great Barrier</th>
<th>Retain the Capital Grants fund which provides assistance to community groups to maintain and enhance their community facilities without the need for council facilities to be developed.</th>
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<tbody>
<tr>
<td></td>
<td>Retain the current Local Improvements Projects funding which is essential for delivery of Actea Great Barrier Local Board Plan outcomes and initiatives to future-proof our infrastructure and increase economic viability through the visitor industry.</td>
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<tr>
<td></td>
<td>Request for staffing resource to support planning for Climate Change Mitigation such as managed retreat for coastal roads, infrastructure and the potential use of paper road network.</td>
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<tr>
<td>Area</td>
<td>Description</td>
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| Henderson-Massey     | Develop the “Western Initiative”. Advocating to support resourcing and development of the proposal from the Southern Initiative:  
  - To establish a place-based initiative and team in west Auckland to stimulate and enable community and social innovation in response to the number of social and economic challenges west Auckland faces.  
  - Noting the strong alignment between the local board plan and ongoing advocacy by the Henderson-Massey local board members and ward councillors for a joined up project to respond to the need of their community. |
| Revitalising Henderson metropolitan centre | Advocating to build on investment in Henderson, particularly as significant change will occur after the delivery of the Unlock Henderson project along with proposed transport projects are completed and more people are attracted to live in Henderson. |
| Funding for Te Whau pathway project | Advocate for funding for the Te Whau pathway to be allocated in the Auckland Transport capital programme as part of the adopted Regional Land Transport Programme and for council continue to support and resource the project. |
| Northwest dedicated rapid transit corridor to service rapidly growing population | Advocate for construction to start immediately on the proposed northwest dedicated rapid transit corridor including light rail through to Kumeu and further staged through to Helensville. |
| Hibiscus and Bays    | Deliver Penlink earlier  
  - Auckland Transport (AT) has completed the route designation and has all the necessary resource consents to progress the Penlink project. Penlink is a 7km long road to link the Whangaparaoa Peninsula to State Highway 1 at Redvale. The four-lane toll road, which includes facilities for cyclists and pedestrians, will result in 12-18 minutes fast journey for drivers who use the road. Penlink will provide transport options for an area which currently only has one in and out. Penlink will unlock the economic advantages of the wider area; this is a vital project. Penlink has been included in the Auckland Transport Alignment Project (ATAP). The local board is seeking that Penlink is delivered in the first half of the decade.  
  - Realignment of the East Coast Road/Lonely Track/Glenvar Roads intersection  
  - On East Coast Road the Glenvar/Lonely Track Intersection requires realignment to improve safety immediately following the construction of Glenvar Ridge Road. |
| To prioritise the investigation of equitable operational funding for community houses, youth and arts centres  
| • To confirm base level funding across Auckland for operation support for community houses, youth and art centres as well as recognition of the contribution that community-owned assets make across the council’s network of community facilities (e.g. Hibiscus Coast Youth Centre and Hibiscus Coast Community House) |
| Howick Development of a consistent regional funding approach in response to managing coastal erosion and beach replenishment  
| • Ensure the ongoing development of a coordinated approach to the management of coastal erosion. Feedback on the LTP shows that there is a majority support for continuing the coastal management programme for the area and advocating for a regional funding approach to ensure consistency of measures and management of coastal erosion. |
| Kaipātiki Northcote Development  
| • The Kaipātiki Local Board has long supported and advocated for the strategic values of Northcote to deliver both housing intensification and commercial development. To support this rapid growth, the Kaipātiki Local Board advocates for the provision of a quality public realm, and community facilities investment in Northcote. Specifically, the Kaipātiki Local Board advocates for improved urban amenity, maximum public open space, a destination playground, cycling links, public art, inclusion of cultural and heritage aspects, sustainability (e.g. roof gardens, rain gardens), retention of mature trees, a new community building, and retention of the Northcote Library building, designed by architect David Mitchell. This will support and complement both Panuku Development Auckland Limited and Homes, Land and Community’s planned investments to make Northcote an exemplar for urban renewal. |
| Kauri die-back prevention in Kaipātiki  
| • Protection of green spaces is a key focus for our community. Kauri dieback is of immediate concern due to the significant numbers of Kauri trees in our local reserves, and in light of the recent discovery of a Kauri tree showing signs of the disease. The Kaipātiki Local Board area has a high proportion of bush areas containing kauri trees that currently receive minimal protection from dieback. For example, more than 75 bush entrances will require in-ground cleaning stations, and significant investment in track upgrades will be required to protect our Kauri. The Kaipātiki Local Board advocates that the Kaipātiki Local Board area be included as a regionally important area of focused investment. |
| Pest Free Kaipātiki  
<p>| • Continued support for the implementation of the Pest Free Kaipātiki strategy (2016) by resourcing the components which are council responsibilities and refining council and council controlled organisation delivery models to enable the successful delivery of this community-led initiative. |</p>
<table>
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<tr>
<th>Adequately resourced community facilities</th>
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<tr>
<td>• Ensure our community and arts facilities are ‘resourced for success’ by providing sufficient operational funding grants and support for capital works where required to provide an equitable level of base funding to that provided elsewhere in the region.</td>
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<tr>
<th>Māngere-Ōtāhuhu</th>
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<tr>
<td>Heavy rail link as the preferred regional option, and light rail for central city (CBD) to airport under the Rapid Rail model as the preferred local option.</td>
</tr>
<tr>
<td>• The airport to CBD rapid transit project has long-term strategic importance for Auckland’s future commuter and freight. The current selection for light rail between central Auckland and Māngere fails to consider major growth implications for areas in the south, north and west. Auckland’s strategic long-term transport security for both commuter and industrial heavy freight will not be served by the current plans for industry.</td>
</tr>
<tr>
<td>• The board would like that the Rapid Rail to support heavy and light rail link to the airport option is reconsidered and requests Governing body and Auckland Transport investigate into the heavy rail option.</td>
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<tr>
<th>Waste management and our environment</th>
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<tr>
<td>• The city’s waste-minimisation plan implementation requires that communities are prepared, equipped and supported to reach waste reduction targets. There is a need to get communities ready for change and finding opportunities in the way waste will be managed.</td>
</tr>
<tr>
<td>• Proactive support at this stage of the roll-out of changes in how council manages waste is important. This needs to be for multiple actions - communication, engagement, encouraging social enterprise and community-led initiatives.</td>
</tr>
<tr>
<td>• Ongoing work to develop local community recycling centres and waste reduction is a priority in the southern area. The board requests continued action for the regional scoping exercise to investigate the siting of various regional resource recovery centres and support for local community recycling centres.</td>
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<tr>
<th>Boarding houses and high quality neighbourhoods</th>
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<tr>
<td>• The Māngere-Ōtāhuhu local board area has seen gradual proliferation of boarding houses and council’s investigation has confirmed very poor standards and breaches of the building code on these sites.</td>
</tr>
<tr>
<td>• The board recognises the pressure on land, need for affordable housing and a range of provision for all. However the concern is that this is at the cost of deteriorating neighbourhoods and poor living standards in the area.</td>
</tr>
<tr>
<td>• There is a need for balanced, planned growth that is monitoring for the environmental impacts - traffic, noise- as there is also an “intensification by stealth” taking place. Currently, council has limited means to assess or address the impacts of the proliferation of boarding houses. The board continues to advocate for better monitoring of boarding houses. Data from regular monitoring can better improve boarding house conditions for the tenants. Council must ensure that building code standards and a decent standard of living</td>
</tr>
</tbody>
</table>
Development of an Māngere–Ōtāhuhu Tourism Trail
- Leverage key opportunities with major stakeholders like Auckland International Airport Limited (AIAL) and utilise the unique natural and cultural characteristics of Māngere–Ōtāhuhu to achieve economic outcomes. The airport is New Zealand’s gateway to the world.
- Their longer-term plans to be a major hub connecting Asia and South America over the next 30 years, second runway offer opportunities for partnerships and attracting tourism. Council's investment in the Ōtāhuhu-Middlemore Spatial Priority Area, Greenways and Local Paths can be leveraged for economic and community outcomes by aligning efforts with stakeholders. The board sees potential to achieve local as well as citywide aspirations of more jobs via new industry growth, support for Māori tourism and heritage tourism initiatives - such as “Ōtāhuhu Portage Crossing” project - narrowest part of the North Island.
- The board request Auckland Tourism, Events and Economic Development (ATEED) to prioritise a programme in the local board area to establish and grow Auckland’s cultural and heritage tourism industry.

Fund the Ōtāhuhu Portage route project
- Allocating long-term funding for the Portage route project is a priority. The site is of national significance in terms of history and culture with huge potential to make the area accessible and connected for local and international visitors.
- The project is part of work stream of the Ōtāhuhu-Middlemore Spatial Priority Area, however no funding has been prioritised for this project. The board advocates that this project is funded in the next LTP budget, including exploring funds from council departments that are involved in this spatial priority area’s work streams.

Alcohol harm minimisation initiatives: Supporting Community voice and empowerment
- Reducing harm from alcohol in the local communities is of high priority for Māngere–Ōtāhuhu Local Board. The Sale and Supply of Alcohol Act (the Act) came into effect in late 2013. The Local Alcohol Policy, a key instrument for addressing the negative impacts of alcohol on our communities, is yet to be finalised. The board will continue to support local communities to have their say through the hearings processes afforded them by the recent legislation.
- There are challenges for the community in responding to issues surrounding reducing harm from alcohol. Inaccessible language used by the District License Committee (DLC), inconsistency in decisions across the region and limited integration to address signage inconsistencies between by-laws, district plans and those resulting through DLC decisions are key examples. The board will continue to voice their concerns to ensure that these issues are identified and addressed as it is critical to assess the overall success of the act in
achieving its intent.
- The board seeks a framework to monitor the success of the Act in practice and consideration of legislative change.

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<tr>
<th>Manurewa</th>
<th>Illegal dumping</th>
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<td>The Manurewa Local Board area has experienced a significant increase in illegal dumping and this has been evidenced with data from the Waste Solutions team. The board is therefore advocating for the following:</td>
</tr>
<tr>
<td>1)</td>
<td>That south Auckland be a priority for a community recycling centre.</td>
</tr>
<tr>
<td>2)</td>
<td>A variation to the inorganic collection. Residents and businesses are calling for the return of the traditional inorganic collection.</td>
</tr>
<tr>
<td>3)</td>
<td>Support for a change to the Crimes Act 1961 to target commercial and entrepreneurial illegal dumpers.</td>
</tr>
<tr>
<td>4)</td>
<td>Application of the Lean Model of continuous improvement to create efficiencies and identify savings within existing budgets.</td>
</tr>
<tr>
<td>5)</td>
<td>Support for the development of a rubbish reporting GPS app that interacts with Auckland Council’s CRM reporting tool. This app will allow anyone to take a photo of illegal dumping and will log it using GPS co-ordinates.</td>
</tr>
<tr>
<td>6)</td>
<td>An increase in community engagement and participation in waste management by providing high quality, accessible and relative waste management education.</td>
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<tr>
<td></td>
<td>In order to improve and reduce illegal dumping the board supports retaining a weekly cycle for ‘pay as you throw’ pick-ups</td>
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<tr>
<th>Maungakiekie-Tāmaki</th>
<th>Support for the Ruapotaka marae relocation and rebuild.</th>
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<tr>
<td></td>
<td>Increased investment in the Maungakiekie-Tāmaki Local Board asset-based services budget allocation to allow for better upkeep of our local assets and for increasing the service levels and quality of programmes and other services offered at our local community facilities.</td>
</tr>
<tr>
<td></td>
<td>Support for addressing coastal erosion in the local area prioritizing the addressing of erosion occurring at Wai-o-taki Nature Reserve.</td>
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<tr>
<td>Location</td>
<td>Action Description</td>
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| Ōrākei           | Colin Maiden Park  
- Implementing the masterplan by retaining its previously funded, growth-related projects.                                                                                                                 |
|                  | Tāmaki Drive improvements  
- Improvements to Tāmaki Drive including mitigating flooding risks.                                                                                                                                               |
|                  | Meadowbank Community Centre redevelopment  
- The budget for the Meadowbank Community Centre redevelopment needs to remain in 2020/2021 (and not pushed out again).                                                                                       |
|                  | Merton Reserve BMX  
- For Governing Body to find land for the BMX club to move to.                                                                                                                                              |
|                  | Community Space  
- Provision of a community space in Remuera.                                                                                                                                                                    |
| Ōtara-Papatoetoe | Fit for purpose sports fields and community facilities that serve our local people  
Seek opportunities to upgrade our local sports (sand-carpet, artificial or hybrid) fields and lights, in particular Papatoetoe Recreational Reserve, Rongomai Reserve and Ngati Otara Park.  
Also the development, renewals and/or refurbishment of:  
- Ngati Otara Multi Sport Complex  
- Papatoetoe Town Hall and Chambers  
- East Tāmaki Community Centre  
- Te Puke o Tara Sports Park new changing room/toilet block,  
- Roof renewals- , Tui room, Fresh Gallery Otara Library and Tupu Library  
- Hayman Park – new playground (Stage 2),  
- Acquire and redevelop Sutton Crescent land for public open space and Kolmar use,  
- Manukau Sports Bowl – redevelop in accordance with new master plan  
- Cooper Park (Cooper Crescent)  
- Museum and Art facility (new facility)  
Reduce alcohol harm  
- Advocate for the local alcohol policy to be made operative as soon as possible  
- Advocate to make Otara-Papatoetoe a ‘Dry Area’ around local schools and dairies  
- Support community groups build their capacity to participate in DLC hearings  
- Advocate to reduce the barriers community participation in DLC hearings, including DLC hearing |
| Procedures | DLC membership should reflect the diversity and values of community it serves.  
Continue to advocate to strengthen the Sale and Supply of Alcohol Bill |
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<tbody>
<tr>
<td>Reducing gambling outlets</td>
<td>Continued support of the ‘sinking lid’ policy and building capacity of community groups that support gambling addiction initiatives</td>
</tr>
<tr>
<td>Target 2025 to be Smokefree</td>
<td>Continue to implement Smokefree conditions on all events and grants from the board. Support community groups and programmes that encourage a Smokefree environment.</td>
</tr>
<tr>
<td>Manage the impact of street prostitution</td>
<td>On-going advocacy. No funding required at this stage, as this policy needs to be reviewed after the Local Bill was rejected. On-going advocacy to social service to support vulnerable people.</td>
</tr>
<tr>
<td>Improve water quality of the harbours and waterways</td>
<td>Prioritise remediation of the Ōtara Lake, and streams flowing into the lakes. Improve water quality of the Puhinui Stream,Tamaki Estuary and the Manukau Harbour through the Water Quality targeted rate.</td>
</tr>
<tr>
<td>Improve regional Waste Management</td>
<td>Higher waste disposal levy, a concentration on commercial waste streams construction and demolition waste, organic waste and plastic waste which contribute 80% of Auckland waste. More resources put towards illegal dumping. Advocate for product stewardship as well as elimination of single use plastics. Progress Resource Recovery Centre in the south and explore alternative methods of rubbish disposal-clean burning</td>
</tr>
<tr>
<td>Support the inclusion of social, affordable and well insulated housing in the local area</td>
<td>Work with potential developers, council, central government and Mana Whenua with a focus on achieving a better urban design, as well as providing affordable, well insulated housing within the development mix. Advocate for solutions to homelessness including overnight shelters and emergency housing.</td>
</tr>
<tr>
<td>Improve development, employment and training opportunities for young people and encourage entrepreneurship</td>
<td>Seek/ leverage opportunities for youth especially those classified as NEET, TSI and other council departments to work together to look for innovative funding opportunities within council as well as externally. Work closely with other education provides in the area (MIT, AUT, and PTE’s). Support Youth Connections. Encourage youth leadership development opportunities through groups like TOPS (The Otara- Papatoeoe Squad)</td>
</tr>
</tbody>
</table>
### Safer roads and connectivity within our local area

Prioritise route protection, design and construction of:
- Light rail from Auckland Airport to Puhinui Station through State Highway 20b to Manukau and then through to Botany before considering any other corridors.
- Redevelopment of Puhinui Station
- Development of the Southern Spur rail line Intersection upgrade – Ormiston Rd/Preston Rd/East Tamaki Rd Realignment – Portage Road/Gray Ave/Station Road Realignment – St. George/Kolmar Rd/Wallace Rd.
- Continued implementation of Greenways plan (better cycling and walking tracks)
- Ensuring our local transport network is accessible and safe for people of all communities especially disabled and school students in high risk area (Papatoetoe North)

### Promote Transform Manukau and other potential unlock locations

- Promote the Transform Manukau project to create an exciting and vibrant lifestyle and business. Continue to advocate for Te Papa Manukau in Hayman Park. Funds generated within the transform area should stay within the local board area in which it resides. Consideration for Otara Town Centre to become an Unlock location.

### Papakura

**Regional fund for erosion control**
- With its 3,702 kilometres metre long coastline, Auckland has waterways in all directions. Despite the beauty of that, due to its geography Auckland is also prone to erosion. With climate change happening and more severe weather events and sea level rise to be expected, erosion control becomes increasingly important. The Papakura Local Board is of the view that a regional fund to address this issue is required and should be set aside within the Long Term Plan to deal with this matter.

### Resource recovery centre for the South

- To protect our environment for future generations, we must reduce our waste and recycle. The Papakura Local Board is supportive of the establishment of a network of community resource recovery centres that will make it easy, affordable and convenient for people to reuse and recycle unwanted goods. The board would like to see one established and providing services in the South.

### Investing equally in water quality improvement initiatives

- The Papakura Local Board, as a member board of the Manukau Harbour Forum, is of the view that all harbours in the Auckland region need to be recognised equally in terms of addressing water quality issues which should be reflected in the distribution of funding.
Increase of the Local Board Transport Capital Fund
- The board supports the proposed increase in the Local Board Transport Capital fund of $10 million as it enables local boards to undertake local placemaking initiatives.

Acknowledgement of the Papakura town centre’s metropolitan status and the Integrated Area Plan (Manurewa/Takanini/Papakura) area
- Papakura is identified in the Unitary Plan as a future metropolitan centre which means that it will overtime develop into a larger commercial and retail centre to support residential growth in the surrounding area.
- The board is keen for this transition to happen and to support that, has established the Papakura Commercial Project Group. The board has been advocating for Papakura to become an ‘unlock’ area and for the Papakura town centre to feature in Panuku Development Auckland’s work programme.
- Work has also been undertaken with regards to the development of an Integrated Area Plan. Looking at the various centre alongside the Great South Road and how they can complement each other rather than compete. A plan has been developed and resources now need to be put into implementing the recommendations out of the plan.

Infrastructure to be in place before development happens
- Papakura faces significant levels of growth due to a number of large new developments in and around the local board area, which will continue to put an increased pressure on our current infrastructure.
- Without a coordinated approach between all the infrastructure providers, Council Controlled Organisations, Central Government and developers, there is a risk that this development will occur in an ad hoc manner.

Alleviation of traffic congestion through improving east-west links through grade separation
- Several major transport works are being planned (Mill Road) with some projects already underway like the Takanini interchange upgrade. However, the pace at which the population is growing is faster than the delivery of those key infrastructure networks.
- The local community, in the various community consultation processes the board and the wider organisation have undertaken recently, identifies traffic congestion as one of the major concerns.
- Two major projects have therefore been identified by the Papakura Local Board to address this matter:
  - The development of a multi-story (future proofed) park and ride at the Papakura train station and;
  - The grade separation of the Takanini east-west routes

Bruce Pulman Park to be acknowledged as a regional facility
- Keeping active is important for long-term health. Many Papakura residents are involved in sports and Bruce Pulman Park is one of the great facilities in the local board area.
- The Park, run by a trust, does not only host regional, national and international teams and events, but also
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<th>Puketāpapa</th>
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<tr>
<td><strong>Attachment A</strong></td>
<td><strong>Item 8</strong></td>
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<tr>
<td>provides for a valuable green open space which will help and accommodate the surrounding area to further develop of the coming years.</td>
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<tr>
<td>• The Papakura Local Board would like this facility to be recognised appropriately for the many roles and functions it plays in Papakura.</td>
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<tr>
<td>Further improve and upgrade the Massey Park outdoor pool</td>
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<tr>
<td>• Many of the Papakura sports facilities already host regional and national events which helps to boost the local economy and provides an opportunity to showcase local talent.</td>
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<tr>
<td>• The Massey Park pool has received recent investment to improve the interior and upgrade the indoor swimming pool. The Papakura Local Board is planning further investment to extend the hours of use by installing solar panels to heat the pool.</td>
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<tr>
<td>• The Board would like to see the outdoor pool also being upgraded to an eight lane facility so it meets the standards for national and international events to take place.</td>
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<tr>
<td>Continue with the development of the community hub and library at Takanini</td>
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<tr>
<td>• Planning is well underway for a new community hub and library at Takanini. The Papakura Local Board wants to ensure that this new community facility is easily accessible, safe and suited to a variety of purposes.</td>
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<tr>
<td>The development of the Southern Structure Plan in such a manner that ensures the centres along the Great South Road are being developed in a holistic manner</td>
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<tr>
<td>• The Papakura Local Board is supportive of development of the Southern Structure Plan. However, the plan will need to take into account the impact of any proposed centres on the already established centres along the Great South Road (Papakura and Takanini) to ensure the vitality of these economical centres is being safeguarded.</td>
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<td><strong>Rodney</strong></td>
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<td>Request that the Governing Body prioritise the allocation of growth funding towards the construction of Greenways paths in the Rodney Local Board area which is an area of high population growth.</td>
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<td>Request equitable funding for local facilities region wide, such as operational funding for arts centres and community facilities to bring them in line with similar facilities in other local board areas.</td>
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<tr>
<td>Request that more funding and resource be made available for compliance monitoring and enforcement, particularly in rural areas.</td>
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</table>
Request additional funding for drainage districts in Rodney to address historic underfunding and lack of maintenance in these areas.

Advocate for a review of the Auckland Unitary Plan controls for clean and managed fills to determine the effectiveness (or otherwise) of these in managing the adverse effects on the transport network.

### Upper Harbour

- 

### Waiheke

**Quality roading and infrastructure that supports Waiheke’s character and water management needs**
- The board requests appropriate funding to deliver quality roading, footpaths and a cycling network to a standard consistent with the rest of Auckland (taking into account Waiheke character). This includes effective water management using water sensitive design techniques.

**Catchment management planning**
- Funding for the development and implementation of Watershed / Catchment management plans and progressive upgrade of stormwater infrastructure is essential. This includes flooding and stormwater management, ensuring there is adequate water supply within the aquifer, monitoring of the drainage network and appropriate maintenance and infrastructure development using low impact design.

**Visitor Impact**
- The board seeks funding for increased services, infrastructure maintenance and improvement projects which address the impact of tourism while also providing local benefit.
- This could include implementing a visitor levy or advocating to the Governing Body for visitor growth funding.

**Community Swimming Pool**
- The board requests provision for funding of a Community Swimming Pool within the Long-term Plan 2018-2028 (LTP) as this is a local priority and an identified gap within the Community Facilities Network Plan.

**Marine protected areas**
- The board supports the creation of a network of marine reserves and other protected areas linking the islands in its area of jurisdiction.
### Devolution of decision-making to Local Boards
- The board seeks active support from the Governing Body, Auckland Transport and Panuku for the agreed Waiheke Pilot to provide an increased level of decision-making and greater flexibility on matters such as transport and placemaking projects; particularly for decisions within the roading corridor and with regards to local acquisition and divestment of Panuku property in the local area, such as at Matiatia and Ostend. The pilot will also provide an opportunity for local policy and planning issues to be advanced and for increased local operations leadership.

### Greenways
- The board wish to secure a regional capital fund to further develop a world class destination greenway network on Waiheke.

### Ecological Restoration and environmental programmes
- Waiheke has many unique natural environments which have been neglected over time. Local budgets will not sufficiently enable the continuation of staged ecological restoration and weed management programmes. There needs to be an integrated approach to these programmes across the council, community groups and private landowners.

### (Animal) Pest Free Waiheke
- Development of a tailored animal pest management programme involving the community could result in the island becoming free of animal pests by 2023 (with stouts the priority) and see Kiwi released within that time.

### Plant pest management
- Invasive weeds are a major threat to Waiheke and other island’s ecosystems. There needs to be greater support for community/council programmes and partnerships which aim to eradicate moth plant, rhamnus and pampas grass from the island, and control pest plants on land buffering Whakanewha Regional Park and other ecologically significant sites such as Te Matuku and Motukahua.

### Pest Plant management in road corridors
- Road corridors are major pathways for weeds and failure to manage this issue creates a disincentive for adjoining landowners to manage pest plants on their properties. Auckland Council needs to set an example of good management practice using a ‘minimum herbicide’ approach and working with volunteers and adjoining landowners.

### Senior and community housing
- The number of Waiheke residents aged 65-plus has increased by 53.7 per cent since 2006 and there is a
lack of residential care and respite facilities to meet the needs of this aging population. There is also a lack of community housing options. The board are investigating utilising non-service council property at Belgium Street and Waitai Road (managed by Panuku) for this purpose.

**Rangihoua / Onetangi Sports Park**
- The Local Board is determined to see a Reserve Management Plan developed for Rangihoua / Onetangi Sports Park with urgency which will be either developed as a part of a new Island wide open space omnibus plan, or have its own, or as a part of the Regional Parks omnibus management plan. Irrespective, regional funding will be required to enable regional and local outcomes for conservation, sport and recreation.

**Artworks complex upgrade**
- The Artworks complex provides a valuable arts and culture facility for the community and for visitors to the island. The Artworks Needs Assessment report identified a number of areas requiring attention including building condition issues. Governing Body support is required to progress future upgrades of the complex.
- The board also request the Governing Body address the inequity of legacy funding for art galleries, and develop a policy framework for determining the funding of asset based services which include community art galleries as a priority.

**Sustainable safe transport options including development of cycleways**
- Safe active transport options such as pedestrian, cycling and bridle path networks are a priority as many Waiheke roads are steep, narrow and not well suited to walking and cycling. Investment will provide low impact tourism options, support an active lifestyle and provide safe options for our community and school children.

**Wharf tax**
- Wharf tax collected from Waiheke ferry services should be transparently allocated to Waiheke facilities

**Waste management**
- That as part of the Waiheke Local Board pilot project, delegations be provided to the board to give effect to The Tikapa-Moana Hauraki Gulf Islands Draft Waste Plan (WMMP) to ensure on-island control of the full waste stream with community participation, including the development of on-island Community Resource Recovery Park within the next tier of funding, a Zero Waste Waiheke strategy and a visitor impact strategy. Commercial waste management including construction and road-building waste is now recognised as a region-wide challenge and is also a focus for us on Waiheke Island.

**Acquisition of more park land to extend the regional network and to provide additional camping facilities for visitors to Waiheke Island.**
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<tbody>
<tr>
<td>Support local contractors for council projects on the island to improve the community’s capacity, and assist with the health, resilience and sustainability of the local economy.</td>
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<tr>
<td>Development of catchment management plans for all catchments on Waiheke, with Little Oneroa, Tawaipereira and Blackpool being the first priorities.</td>
</tr>
<tr>
<td>Septic tanks retrofit scheme – expansion to the rest of the island.</td>
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<tr>
<td>Ensure that both Matiatia and Kennedy Point are preserved as transport terminals hubs.</td>
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<tr>
<td>Prioritise safe walking and cycling to schools and supporting the Travelwise programme for Waiheke’s schools.</td>
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<tr>
<td>Development of cycleways on Waiheke and support for the New Zealand Cycle Trail.</td>
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<tr>
<td>Waiheke accessible transport plan is developed and implemented.</td>
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<tr>
<td>Consult, review and advocate to Auckland Transport for implementation of changes to ensure The Esplanade is a useable space which meets community and tourist aspirations.</td>
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<tr>
<td>Optimise bus routes, including more bus routes and more frequent bus services, as per the high frequency networks on the isthmus, with Park and Ride facilities at Onetangi, Rocky Bay, and Ostend and Surfdale, and a bus shuttle from Matiatia to Oneroa via Owahanake carpark.</td>
</tr>
<tr>
<td>Advocate to Auckland Transport to support modern and more environmentally-friendly and accessible buses and bus stops, including kneeling buses and capacity to carry bikes, wheelchairs, pushchairs and luggage.</td>
</tr>
<tr>
<td>Implement an integrated ticketing system for Waiheke ferry and bus services, a subsidy or equity on routes, and to maintain off-island bus travel for Fullers monthly pass holders at no additional cost.</td>
</tr>
<tr>
<td>Auckland Transport to support ferries from both wharves being incorporated into the Public Transport Operation Model (PTOM) system.</td>
</tr>
<tr>
<td>Ensure any regional cycle training programmes/initiatives are to be included on Waiheke.</td>
</tr>
<tr>
<td>Auckland Transport to support a Rakino and inner island ferry from Matiatia.</td>
</tr>
<tr>
<td>Ensure the board are provided with all roading projects and footpath design plans and projects, containing sufficient detail and with enough time to provide for meaningful consultation to prioritise the safety of our active transport users and the protection of our waterways.</td>
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<tr>
<td>Waitākere Ranges</td>
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</table>
|                 | Funding to deliver aspects of Waitākere Ranges ‘greenways’ plan’  
|                 |   - Deliver on an identified network of local walking and cycling connections to reduce reliance on individual car journeys.  
|                 |   - Is an opportunity to develop more recreational focussed linkages to help to relieve pressures due to track closures in the Waitakere Ranges. |
|                 | Funding to progress the now closed Te Henga Quarry to become either a regional or local park  
|                 |   - The Te Henga Quarry closed for commercial operations in 2014, a rudimentary level of remediation has |
been undertaken by the commercial operators. A community and financial commitment was undertaken by the Waitakere City Council to develop the site into a space for community use. Financial returns were taken by Waitakere City Council and Auckland Council. However, since closing and receiving the asset back from Panuku Development Auckland council staff, have not been resourced to develop a plan for future use, and no allocation appears in the 10 year Budget for the delivery of any elements contained in such a plan.

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<tr>
<th>Waitematā</th>
<th>Affordable Housing</th>
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<tbody>
<tr>
<td>Ensure Auckland Council actively builds or enables others to provide affordable housing through appropriate mechanisms and tools.</td>
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<tr>
<td>• Auckland Council should be actively building or enabling others to be providing affordable and fully accessible housing meeting universal design criteria on its own land, including building more intensified affordable housing on its existing and new pensioner housing complexes. Council should also prioritise, support and partner affordable housing to be provided by iwi and by community housing associations and providers through advice, bonds, guaranteeing loans, and resource and building consents.</td>
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| Housing solution for homeless people |
| Deliver short and medium-term housing solutions to address homelessness |
| • The Governing Body to partner with the Waitematā Local Board to enhance provision of city centre public facilities such as toilets, showers and lockers |
| • The Governing Body to financially support the development of Mission HomeGround |
| • The Governing Body to increase funding to support Housing First Auckland |

| Work towards eliminating agrichemical use |
| Secure a budget to eliminate agrichemical spray and embrace the commitment to minimise agrichemical use. |
| • The Governing Body needs to allocate funds to conduct extensive non-chemical weed control and to increase the overall maintenance budget for parks, open spaces and the road corridor to enable the elimination of agrichemicals. |

<p>| Reduce wastewater flows into waterways and the Waitematā Harbour |
| To increase funding for water quality improvements to accelerate the delivery of cleaner harbours, beaches and streams and support the delivery of localised solutions for all four catchments (Meola Reef, Grey Lynn, City Centre and Parnell/ Newmarket) |
| • Our harbours, beaches and streams are being polluted by overflows from ageing sewerage and stormwater systems that can’t cope with heavy rainfall and from contaminants washed into natural waterways. |
| • We support accelerating the water quality programme over 10 years to deliver the required infrastructure to provide a major and early reduction in the volume and frequency of wastewater overflows and contaminants |</p>
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<th><strong>Item 8</strong></th>
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<tr>
<td><strong>Ensure Auckland’s regional arts and cultural institutions and programmes are financially sustainable</strong></td>
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</table>
To secure appropriate funding to ensure the financial sustainability of projects, facilities, venues and events including the delivery of the free entertainment programme currently delivered by Regional Facilities Auckland
- Auckland is fortunate to host a range of significant art and cultural institutions and collections which provide rich cultural opportunities. We support ensuring that these institutions and regional programme of events are strengthened and made financially sustainable.
- Auckland Art Gallery is a major cultural centre for Auckland for visual art, both historic and contemporary. We support increasing funding to the Art Gallery by $20m over the next ten years as part of the 2018-2028 Long-term Plan.

| **Open and Closed Cemetery Maintenance Budget** |
- Secure a regional maintenance budget to maintain a base service level for open and closed cemeteries. There is currently no budget for specialist conservator services to deal with the repair and maintenance and specialist graffiti removal on monuments.

| **Parnell Station** |
- Parnell Station opened in early 2017 to limited services. The Board wants to ensure Parnell Train Station is operational to full services and accessible to all users at the earliest opportunity. This station has the potential to be the fourth busiest station on the network and will be an essential connection for the University of Auckland, Parnell Town Centre, the Domain, Stanley Street and Beach Rd.

| **Parnell Train Station Pedestrian and Cycling Connections** |
- Provide accessible pedestrian and cycling connections to Parnell Station. Open the Greenways route from the Strand through the old Parnell tunnel and create an accessible pedestrian connection from Parnell Station to the Domain, the Strand and Parnell Town Centre.

| **Auckland Domain Capital Improvements Budget** |
- Secure adequate capital funds to progress the Auckland Domain Master Plan.

| **Central Community Recycling Centre Drop Off sites** |
- Secure the acquisition of a second drop-off facility and the completion of a main processing site which, together with the site being developed on Great North Road, will comprise a regional waste management network that will service the needs of Waitamata, Albert-Eden and Puketapapa local boards. This is part of council’s adopted Waste Management and Minimisation Plan forward work programme and the resource recovery network which underpins part of this work.
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<th>Attachment A</th>
<th>Item 8</th>
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### Pt Erin Pool Redevelopment Initiative
- Prioritise Pt Erin Pool for redevelopment according to the recommendations endorsed by the Waitematā Local Board in 2013 in relation to two potential development concepts.

### Auckland is a Child and Youth Friendly City
- Continue to put children and young people first and Auckland to become a child and youth friendly city that is fit for all. The Board advocates for a city where the voices, needs, priorities and rights of children are an integral part of public policies, programmes and decisions. A child and youth friendly city can help build social and economic conditions for strong families and connected communities and help achieve a city that is fit for all.

### Auckland Cycle Network
- Completion of the Auckland Cycle Network. The completion of the Auckland cycling network will provide improved cycle infrastructure through safe, connected, dedicated cycle ways. The Auckland Plan includes a target of completing the Auckland Cycle Network by 2030.

### City of Peace
- To support the development of a regional policy that prohibits the marketing and sales of weapons of war in council facilities including facilities managed by Council Controlled Organisations.

### Ponsonby Road Arts Precinct
- Support the creation of an arts precinct at 1-3 Ponsonby Road through transferring 3 Ponsonby Road from a commercial lease to a community arts facility, subject to the outcome of a business case.

### Local Area Plans
- Budget to be allocated to the development of local area plans.

### Carlile House
- Ensure the restoration and protection of Carlile House and consider acquisition if necessary.

### Built Heritage Acquisition Fund
- Support an effective built heritage acquisition fund to help save at risk buildings or other built features that have heritage merit from destruction by neglect, by purchase, short term hold or sale.

### Broadway and Station Square Access
- Improve access between Broadway and Station Square in Newmarket and link to the Newmarket Laneways Plan.
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<tr>
<td><strong>Restoration and protection of the St James Theatre</strong></td>
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<tr>
<td>- Council provides support to the Auckland Notable Properties Trust in the restoration and protection of St James Theatre.</td>
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<tr>
<td><strong>Auckland Council Living Wage</strong></td>
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<tr>
<td>- Ensure that there is budget provision of a ‘living wage’ for council employees and progressively for contractor employees.</td>
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<tr>
<td><strong>CCO Low Carbon Targets</strong></td>
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<tr>
<td>- Advocate to the Governing Body for CCOs to include low carbon targets in their Statements of Intent.</td>
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<tr>
<td><strong>Single Use Plastic</strong></td>
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<tr>
<td>- Support mechanisms to reduce single use plastic and eliminate single use plastic bags.</td>
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<tr>
<td><strong>Full Council ownership of Ports of Auckland</strong></td>
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<tr>
<td>- Ensure Ports of Auckland Ltd remains in full council ownership.</td>
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<tr>
<td><strong>Investment Policy</strong></td>
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<tr>
<td>- Follow a policy of social and environmentally responsible investment.</td>
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<tr>
<td><strong>Light Rail</strong></td>
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<tr>
<td>- Develop light rail within the isthmus.</td>
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<tr>
<td><strong>Victoria Quarter</strong></td>
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<tr>
<td>- Take action to progress the City Centre Master Plan objectives for the Victoria Quarter area including Nelson Street to deliver a quality urban neighbourhood that enhances the area’s historic character and where the safety of pedestrians is prioritised.</td>
</tr>
<tr>
<td><strong>Safer Streets</strong></td>
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<tr>
<td>- Auckland Transport to adopt a target of zero serious injuries or deaths on our roads as part of a comprehensive safe systems approach to road safety including safe road design, enforcement, safer speeds and driver education.</td>
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<tr>
<td><strong>Residential Slow Speed Zone</strong></td>
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<tr>
<td>- Support the default speed being reduced to 40 km per hour in residential areas.</td>
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<tr>
<td><strong>City Centre 30km per hour Zone</strong></td>
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</table>
| - Auckland Transport to implement the city centre 30km per hour speed zone (as described in the City Centre
### Masterplan

#### Maximise Renewal and Maintenance Opportunities
- Consider how every renewal and maintenance project can be leveraged to improve the road design for all users including layouts that include bus lanes, greenways, and cycle lanes, remove cycle pinch points and add better pedestrian crossings and street trees.

#### Improved Safety and Amenity for Pedestrians
- Auckland Transport to improve intersections with substantial foot traffic for pedestrians and developing solutions to improve safety and amenity for pedestrians. This includes: all intersections with left-slip lanes and no pedestrian facility; intersections with long pedestrian crossing delays undertaking route optimisation for pedestrians in the city centre including automatics pedestrian phases on one-way streets.

#### Change Give Way Rule
- Auckland Transport to advocate for a change of the give way rule requiring motorists to give way to pedestrians crossing parallel to the priority (main) road at intersections.

#### Residential Parking Schemes
- Auckland Transport to continue implementing residential parking schemes to manage commuter parking in central Auckland suburbs following consultation with residents.

#### Consultation on the Footpath Renewal Plan
- Auckland Transport to develop the 2018/2019 footpath renewal programme in consultation with the Waitāmatā Local Board.

#### Greenways Prioritised Routes
- Auckland Transport to work with Auckland Council to deliver the Waitāmatā Local Board Greenways prioritised routes.

#### Other Waitāmatā Local Board Plan priorities - Council Controlled Organisations (CCOs) to support other Waitāmatā Local Board Plan priorities including:
- support the introduction of low impact storm water solutions in the local board area;
- support delivery of green walls, roofs and community gardens on CCO assets such as car parking buildings;
- implementation of the Waitāmatā Local board’s Low Carbon Action Plan;
- Implementation of Auckland’s City Fringe Economic Development Action Plan
- Increase in street trees
<table>
<thead>
<tr>
<th>Street trees and greenery</th>
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<tr>
<td>- Auckland Transport to provide opportunities for greenery in every streetscape improvement and renewal and Auckland Council to meet the consequential operational expenditure for maintenance.</td>
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<tr>
<th>Implementation of the Smoke Free Policy</th>
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<tr>
<td>- Auckland Transport continue to implement the Auckland Council smoke free policy in relation to all transport areas, including train stations, train platforms, bus stations, bus shelters and ferry terminals in the Waitematā Local Board area.</td>
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<tr>
<th>Additional Auckland Harbour Crossing</th>
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<tr>
<td>- Auckland Transport to design the Additional Harbour Crossing incorporating dedicated rapid public transport connections.</td>
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<tbody>
<tr>
<td>- Review of local board Locally Driven Initiative budget levels</td>
</tr>
<tr>
<td>- Advocate for a review of local board funding levels as soon as possible to enable the Board to:</td>
</tr>
<tr>
<td>a. increase support community partners who are facing increased costs</td>
</tr>
<tr>
<td>b. respond to regional strategies and frameworks e.g. Urban Ngahere/Forest</td>
</tr>
<tr>
<td>c. deliver better on new Board roles and duties e.g. local economic development.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Funding for Te Whau pathway project</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Advocate for funding for Te Whau pathway to be included in the Auckland Transport capital programme as part of the adopted Regional Land Transport Programme and for council continue to support and resource the project.</td>
</tr>
</tbody>
</table>
**Te take mō te pūrongo / Purpose of the report**

1. To set out the mayor’s recommendations for the final 10-year Budget 2018-28 (Long-term Plan) for consideration and decisions by the Finance and Performance Committee.

**Whakarāpopototanga matua / Executive summary**

2. This is a late covering report for the above item. The comprehensive agenda report was not available when the agenda went to print and will be provided prior to the 31 May 2018 Finance and Performance Committee meeting.

**Ngā tūtohunga / Recommendation/s guidance**

The recommendations will be provided in the comprehensive agenda report.
Te take mō te pūrongo / Purpose of the report
1. To provide a proposal on how the local board priority One Local Initiatives (OLIs) will be progressed in the 10-year Budget 2018-2028.

Whakarāpopototanga matua / Executive summary
2. This is a late covering report for the above item. The comprehensive agenda report was not available when the agenda went to print and will be provided prior to the 31 May 2018 Finance and Performance Committee meeting.

Ngā tūtohunga / Recommendation/s guidance
The recommendations will be provided in the comprehensive agenda report.
Te take mō te pūrongo / Purpose of the report
1. To provide an update on the local board process to finalise the annual budget for 2018/2019 and outline local proposals that require Governing Body decisions to enable this process to continue.

Whakarāpopototanga matua / Executive summary
2. This is a late covering report for the above item. The comprehensive agenda report was not available when the agenda went to print and will be provided prior to the 31 May 2018 Finance and Performance Committee meeting.

Ngā tūtohunga / Recommendation/s guidance
The recommendations will be provided in the comprehensive agenda report.
Te take mō te pūrongo / Purpose of the report
1. To consider the decision from the Rodney Local Board in relation to the Targeted Transport Rate to support additional transport investment in the Rodney Local Board area.

Whakarāpopototanga matua / Executive summary
2. The Rodney Local Board considered a report from the Manager Financial Policy on a local transport targeted rate at its meeting on Thursday, 24 May 2018. Attached as Attachment A is the original report to the local board meeting of 24 May 2018. Subsequent to the agenda for that meeting being printed it was noted that the footpath list in the agenda (included from the local board’s meeting of 5 December 2017) differed from the list in the Long-term Plan consultation material. The amended original Attachment B is attached, along with a full version of the consultation material, as Attachment B to this agenda report.

3. The Board was provided with options to recommend to the Governing Body a proposed Targeted Transport Rate to support additional transport investment in the Rodney Local Board area.

4. At its meeting held on 24 May 2018, the Rodney Local Board resolved as follows:

   Resolution number RD/2018/61
   That the Rodney Local Board:
   a) recommend that the Governing Body:

      i) adopt an alternative Rodney Local Board Transport targeted rate of $150 per separately used or inhabited part of a rating unit within the Rodney Local Board area, to fund $46 million of transport improvements in the Rodney Local Board area over the next ten years as set out in the updated Attachment B to the agenda report tabled at the meeting and dated 22 May 2018, noting the additional debt impact, provided that the additional $85 million (total $121 million) for road sealing proposed in the Regional Land Transport Plan is adopted, and subject to the following amendments:

         a. The Rodney Local Board, in consultation with Auckland Transport, rebalancing the proposed expenditure on the park and ride facilities in Kumeu and Warkworth and the proposed footpath programme set out in the tabled updated Attachment B to the agenda report (dated 22 May 2018) by reducing expenditure in the Wellsford and Kumeu subdivisions and increasing expenditure in the Warkworth subdivision to more equitably spread the level of investment per separately used or inhabited part of a rating unit (SUIP) across the three subdivisions

         b. the following additions to the proposed footpath programme set out in the tabled updated Attachment B to the agenda report (dated 22 May 2018):

             i) add the following footpaths:

                1. Mahurangi East Road, Snells Beach (west side from number 198 to the Gull Service Station)

                2. Albert Road to Hudson Road, Warkworth
3. Hudson Road, Warkworth full length
4. Matakana Road, Melwood Drive to Clayden Road (Matakana Link Road)
   ii) adopt the Rodney Local Board Transport targeted rate as proposed in the draft 10-Year Budget 2018-2028 if the additional $85 million (total $121 million) for road sealing proposed in the Regional Land Transport Plan is not adopted.

b) request that, if the local transport targeted rate is struck, that Auckland Transport includes the projects to be funded by the targeted rate in the Regional Land Transport Plan.

c) refer this report to the Finance and Performance Committee, along with the local board’s recommendation.

5. The committee is requested to consider the recommendation from the Rodney Local Board.

6. The Governing Body has decision making responsibility for setting rates, including targeted rates. In addition, the proposal includes capital expenditure which requires the Governing Body’s approval for taking on up to $6 million additional debt in 2018/2019 to be repaid by the targeted rate within 10 years of the Long-term Plan. This can be managed within council’s existing debt limits.

Ngā tūtohunga / Recommendation/s
That the Finance and Performance Committee:

a) consider the recommendation of the Rodney Local Board, which was made at its 24 May 2018 business meeting, regarding the proposal for a Rodney Local Board Transport Targeted Rate to support additional transport investment in the Rodney Local Board area.

b) decide whether to strike a rate for the Rodney Local Board Transport Targeted Rate.

Ngā tāpirihanga / Attachments

<table>
<thead>
<tr>
<th>No.</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Original report to the Rodney Local Board meeting of 24 May 2018</td>
<td>57</td>
</tr>
<tr>
<td>B</td>
<td>Amended Attachment B and full version of the 10 year budget consultation document</td>
<td>107</td>
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</table>

Ngā kaihaina / Signatories

<table>
<thead>
<tr>
<th>Author</th>
<th>Sandra Gordon - Senior Governance Advisor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authoriser</td>
<td>Matthew Walker - Acting Group Chief Financial Officer</td>
</tr>
</tbody>
</table>
Te take mō te pūrongo / Purpose of the report
1. To decide on the proposal for a Rodney Local Board Transport Targeted Rate (RLBTTR) to support additional transport investment in the Rodney Local Board area.

Whakarāpopototanga matua / Executive summary
2. To accelerate improvement in the transport services in the Rodney Local Board area a targeted rate of $150 per separately used or inhabited part of a rating unit¹ (SUUP) was proposed to raise $41 million² over ten years. This was consulted on as part of the draft 10 Year Budget 2018-2028.
3. Forty three per cent of respondents were opposed to the proposal with 36 per cent in support. Twenty one per cent of respondents indicated partial support for the proposal.
4. The original proposal was based on accelerating investment in transport improvements in the Rodney Local board area. The base transport program for the area in the draft Regional Land Transport Plan (RLTP), including projects funded by the proposed Regional Fuel Tax (RFT), has expanded considerably and now includes additional investment over ten years in road sealing, public transport service enhancements and footpaths.
5. Given the changes to the base case, officers have developed an alternative proposal for consideration. This would invest $46 million in bus services, Park-N-Rides and footpaths funded by a targeted rate of $150 per SUUP raising $4.0 million in 2018/2019 ($46 million over 10 years).
6. The proposal also includes a conservative estimate of possible NZTA funding. If this funding eventuates the proposal makes provision for an additional bus service starting in the 2019/2020 year.
7. The proposal includes capital expenditure so will require Governing Body’s approval for taking on additional debt. To ensure any possibility of future NZTA funding for the projects they will need to be included in the RLTP by Auckland Transport.
8. The projects in this option have changed from the original proposal. The benefits are still distributed widely across the local board are although the form of the benefits has changed with seal extensions now funded from within the RLTP. The Rodney Local Board will need to consider this option and the original proposal the context of the statutory criteria discussed in the report and in particular the:
   • nature of the additional benefits to the Rodney area of the original proposal and alternative option in excess of the transport investment proposed in the RLTP (including projects funded by the RFT)
   • distribution of the benefits between ratepayers in the area
   • overall impact of the proposed rate on the community.

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¹ A SUUP separately identifies for rating purposes both a Granny flat and the main house and each shop in a shopping mall.
² Uninflated. Equivalent to $46 million inflated.
Ngā tūtohunga / Recommendation/s

That the Rodney Local Board:

a) recommend that the Governing Body either:
   i) does not adopt the proposed Rodney Local Board Transport targeted rate.
   ii) adopt the Rodney Local Board Transport targeted rate as proposed in the draft 10-Year Budget 2018-2028 if the Regional Land Transport Plan and Regional Fuel Tax are adopted but does not include the investments in the Rodney Local Board area noted in this report.
   iii) adopt an alternative Rodney Local Board Transport targeted rate of $150 per separately used or inhabited part of a rating unit within the Rodney Local Board area, to fund $46 million of transport improvements in the Rodney Local Board area as set out in this report over the next ten years noting the additional debt impact subject to the adoption of a Regional Land Transport Plan and Regional Fuel Tax that includes the investments in the Rodney Local Board area noted in this report.

b) request that if recommendation a) ii) or iii) above are adopted that Auckland Transport includes the projects to be funded by the targeted rate in the Regional Land Transport Plan.

Horopaki / Context

Rodney Local Board area transport investment program in draft RLTP

9. The draft capital programme set out in the RLTP (including projects funded by the RFT) includes the following projects in the Rodney local board area:
   - seal extension programme, $121 million (being current plans $12 million, RFT $24 million and RLTP $85 million) – nearly all of which is for Rodney based on current prioritisation
   - Supporting Growth projects in Warkworth, including the Matakania Link Road
   - Warkworth temporary park and ride facility (utilising existing parking area)
   - additional footpath investment from regional allocation in RLTP of $45 million.

10. The RLTP and RFT are presently being consulted on. The Governing Body will make budget decisions at its meeting on 31 May 2018.

Rodney Local Board Plan and Proposed targeted rate

11. The Rodney Local Board consulted on investigating a targeted rate to fund transport improvements, as part of its local board plan. The Consultation Document for the 10 Year Budget 2018-2028 proposed a targeted rate of $150 per SUIP to raise $41 million3 over ten years to fund the transport service improvements.

12. The proposed service improvements are set out in the table below, for full details see Option Three in Attachment B: Transport investment options for Rodney Local Board that was in the December report to the Rodney Local Board entitled Rodney Local Board transport targeted rate. For full details refer to Attachment D, the original report and proposal from the Rodney Local Board business meeting of 5 December 2017.

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3 Uninflated. Equivalent to $46 million inflated.
### Table 1: Proposed projects, costs[^1] and delivery timeframes

<table>
<thead>
<tr>
<th>Project</th>
<th>10 year OPEX</th>
<th>10 year CAPEX</th>
<th>10 year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus service from Huapai to Westgate Delivery from 2019 calendar year</td>
<td>2,300,000</td>
<td>2,300,000</td>
<td></td>
</tr>
<tr>
<td>Bus service from Riverhead to Westgate Delivery from 2019 calendar year</td>
<td>5,270,416</td>
<td>200,000</td>
<td>5,470,416</td>
</tr>
<tr>
<td>Warkworth Park and Ride - 2018/19 – 2020/21</td>
<td>285,208</td>
<td>110,000</td>
<td>395,208</td>
</tr>
<tr>
<td>Huapai Park and Ride – dependant on investigation</td>
<td>4,000,000</td>
<td>4,000,000</td>
<td></td>
</tr>
<tr>
<td>Proposed seal extension programme – delivery over 10 year period</td>
<td>1,100,658</td>
<td>12,448,272</td>
<td>13,548,930</td>
</tr>
<tr>
<td>Proposed footpath programme - delivery over 10 year period</td>
<td>30,000</td>
<td>14,925,826</td>
<td>14,955,826</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8,986,282</strong></td>
<td><strong>31,684,098</strong></td>
<td><strong>40,670,380</strong></td>
</tr>
</tbody>
</table>

### Statutory decision making criteria

13. The council (Governing Body and local boards) are required to consider and consult on any changes to funding for services. The sources of funding for the proposed transport improvements in the Rodney Local Board area must be considered against the statutory criteria in section 101(3) of the Local Government Act 2002. The key elements of this assessment are set out in the options below. A full analysis against the statutory criteria is set out in Attachment A: Assessment against statutory criteria.

### Tātaritanga me ngā tohutohu / Analysis and advice

#### Feedback

14. A total of 1,452 responses were received (including 1,376 in writing, email or online) on the proposed targeted rate from the Rodney Local Board area. The graph below gives an overview of the responses:

![Pie chart showing feedback responses]

<table>
<thead>
<tr>
<th>Targeted Rate</th>
<th>Yes</th>
<th>No</th>
<th>Partial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Written</td>
<td>510</td>
<td>584</td>
<td>282</td>
</tr>
<tr>
<td>Social Media (AC)</td>
<td>1</td>
<td>24</td>
<td>0</td>
</tr>
<tr>
<td>HYS</td>
<td>11</td>
<td>23</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>522</td>
<td>631</td>
<td>299</td>
</tr>
</tbody>
</table>

15. Of the 1,452 total submissions, 1,254 came from residents living in Rodney (including 1,178 in writing, email or online). The table below shows the breakdown of just these responses:

<table>
<thead>
<tr>
<th>Targeted Rate</th>
<th>Yes</th>
<th>No</th>
<th>Partial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Written</td>
<td>428</td>
<td>507</td>
<td>243</td>
</tr>
<tr>
<td>Social Media (AC)</td>
<td>1</td>
<td>24</td>
<td>0</td>
</tr>
<tr>
<td>HYS</td>
<td>11</td>
<td>23</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>440</td>
<td>554</td>
<td>260</td>
</tr>
</tbody>
</table>

[^1]: The costs are net of fare revenue which is not expected to be material. All costs are indicative and are subjected to further review. Delivery will be phased over time to align with revenue generated from targeted rate.

[^2]: Rodney Local Board Transport Targeted Rate
16. Forty-three per cent of respondents did not support the proposal with 36 per cent in support. However, 21 per cent of submitters partially support the proposal (which would bring the combination of support/partially support to 57 per cent).

17. The comments provided by those that gave partial support shows varying degrees of support for the proposal, ranging from those that support the proposal in principle, but not the individual projects or the specific amount ($150); those that want assurances that the rate would be spent in Rodney; and, those that are sceptical that the rate will be collected and spent correctly at all. A notable number qualified their support stating that they could not support the proposal if the regional fuel tax was also implemented.

18. Submissions that did not support the targeted rate commonly cited that rates are already too high; that they object to paying for services other parts of Auckland get from general taxation; or, that they did not know what the projects proposed were/the proposed projects had no value for them.

Response to feedback

19. The targeted rate is legally required to be spent on transport projects in the Rodney Local Board area. The council will maintain a reserve account for the funding and record expenses against that account as they are incurred on the projects by Auckland Transport.

20. The average impact of the rate in conjunction with the proposed regional fuel tax is estimated to be between $270 and $290 per year or $5 to $6 per week. This is the sum of the rate of $150 and the fuel tax on a vehicle of average fuel consumption travelling 15,000km per year ($120 to $140 per year). The cost will vary depending on the number of vehicles a household operates, fuel consumption and mileage and whether the residents are owner occupants or renters.

Alternative option

21. The base transport investment in the Rodney Local Board area in the RLTP (including RFT funded projects) is substantially increased from that on which the original proposal is made. The detailed program is set out in Attachment B: Transport investment options for Rodney Local Board. Given these changes the board may wish to consider an alternative funding package that reflects these changes.

22. Officers have developed the following package based on an indication of preferences from the board. This replaces seal investment with a range of bus services and adding the RLTP funded temporary Park-N-Ride proposal for Warkworth. The projects are:

- additional buses on 122 service from Huapai/Kumeu to Westgate ($230K per annum)
- new bus service from Riverhead to Westgate ($547K per annum)
- new bus service from Wellsford to Warkworth ($226K per annum)
- new bus service from Helensville to Silverdale ($695K per annum) (from 2019/2020 depending on overall NZTA subsidy success)
- new bus service from Huapai to Albany ($670K per annum)
- 120 space Park-N-Ride in Warkworth ($1.485m)
- Huapai/Kumeu Park-N-Ride ($4.0m including land purchase)
- approximately 30 new footpaths ($15m).

23. The bus services proposed will be reviewed annually to determine whether or not their use justifies them being:

- taken over and fully funded by AT
- continued under RLBTR funding
- discontinued.

24. The Rodney Local Board will monitor the performance of the projects and determine whether to reprioritise its expenditure. A material change to spending priorities may require further

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5 The costs are net of fare revenue which is not expected to be material. All costs are indicative and are subject to further review.
appreciate consultation. Officers note that rates must be reset each year as part of the annual or long-term plan process.

25. To fund the proposed expenditure would require a rate set per SUIP of $150 year to raise $4.0 million in 2018/2019. The proposed rate is set conservatively given the uncertainty around the project costs. Financial modelling envisages the rate increasing at 2 per cent per annum. However, the key determinant of future rates levels will be the actual project costs, the success of any applications for NZTA funding and subsequent community consultation and local board decisions.

Distribution of benefits

26. The projects are spread broadly over the Rodney area but the cost of investment varies by subdivision, see table below. The table doesn’t include the costs of the Helensville to Silverdale service proposed for 2019/2020 which would add to the benefits for Kumeu and Dairy Flat.

<table>
<thead>
<tr>
<th>Subdivision</th>
<th>Rodney</th>
<th>Kumeu</th>
<th>Wellsford</th>
<th>Warkworth</th>
<th>Dairy Flat</th>
</tr>
</thead>
<tbody>
<tr>
<td>No of SUIPs</td>
<td>30,798</td>
<td>12,280</td>
<td>3,185</td>
<td>12,673</td>
<td>2,660</td>
</tr>
<tr>
<td>Annualised expenditure</td>
<td>$3,932,108</td>
<td>$2,184,827</td>
<td>$516,560</td>
<td>$938,858</td>
<td>$291,863</td>
</tr>
<tr>
<td>Investment per SUIP</td>
<td>$147</td>
<td>$205</td>
<td>$187</td>
<td>$85</td>
<td>$126</td>
</tr>
</tbody>
</table>

Note: It is proposed to set the rate at $150 given the uncertainty around the project costs as noted above.

27. The nature of projects proposed has been structured to deliver a reasonable distribution of investment and benefit across the Rodney Local Board area. The costs vary across the region resulting in a variation in investment value in different subregions but provide similar levels of benefit relative to population. The subdivisions are established for electoral purposes but don’t align with the likely distribution of transport benefits.

28. The costs of providing some projects, park and rides, (Warkworth $1.2 million and Huapai $4 million), varies widely whereas the benefits are similar. Accordingly sharing the costs across the Rodney area is justified on a benefits basis for these projects.

NZTA funding

29. The Government Policy Statement released on 4 April indicates a change in priority for NZTA funding which would make the proposed projects more likely to qualify for a subsidy. A comprehensive business case is required to support applications for NZTA funding. Fifty one per cent of a qualifying project may be funded by NZTA. It is not clear whether these projects would meet the criteria at this time given their relative priority in the RLTP.

30. Given the above a conservative approach has been taken to budgeting for NZTA potential subsidies. Officers propose adding an additional bus service to the project list rather than reducing the targeted rate requirement by 51 per cent. The service would be planned to begin in the 2019/2020 year if applications for NZTA funding are successful for some or all of the other projects. This is roughly equivalent to achieving an overall NZTA funding of 20 per cent. If a higher level of funding is achieved the local board can decide whether to fund additional projects, bring some of projects forward or reduce the rates requirement.

31. To ensure these projects are eligible for subsidies in future they need to be included in the RLTP. Officers recommend that the Rodney Local Board ask AT to include them in the RLTP.

Funding options

32. A fixed rate per SUIP is proposed as the basis for the rate. The projects in both the original proposal and alternative option are spread over the entire Rodney Local Board area
(distribution of benefits is less on a project cost basis in Warkworth) providing benefits to all residents and properties in the form of:

a) improved personal transport choices and outcomes (bus services, new footpaths and Park and Ride facilities)

b) improved residential amenity (additional new footpaths).

33. Given the nature of the benefits:

- business owners and farms will benefit at a similar level to residential properties rather than in proportion to their scale of activity or capital value
- residential properties of differing capital value will benefit similarly.

34. As the direct transport benefit to all properties is relatively similar a rate set as a fixed charge per separately used or inhabited part of a rating unit (SU/P) is appropriate on the basis of distribution of benefits.

35. As there is a strong relationship between capital value and income, a rate applied on capital value would place more charge on those potentially better able to afford it. A rate applied on capital value would also increase the share paid by business and farm/lifestyle properties as they tend to have higher property values. Business and farm properties can claim back GST and expense rate for tax purposes.

36. A full analysis of alternatives to the form of the rate, including general rates funding, were discussed in officers’ advice in December and is set out in Attachment A: Assessment against statutory criteria.

Overall impact

37. The cost of the proposed and alternative rates are $150 per annum ($2.90 per week). Those ratepayers with affordability issues can access the council’s rates postponement scheme or apply for the rates rebate which the council administers on behalf of the Department of Internal Affairs. Whilst business properties and more remote farms will benefit less than residential properties they can expense rates and claim back GST which means the net cost to them will be $93.90 per year $1.75 per week).

38. For residential ratepayers the cost of a targeted rate adopted in conjunction with the RFT is discussed in paragraph 20 above.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local impacts and local board views

39. The Governing Body has decision making authority for setting rates. The Rodney Local Board will communicate their views on this proposal to the Governing Body if they wish to proceed. No other local board provided comment in their feedback on the draft 10-Year Budget.

Tauākī whakaaweawe Māori / Māori impact statement

40. The council does not hold information on the ethnicity of ratepayers so is not able to identify the exact impact of policy changes on Māori. The impact of the policy options on Māori will be similar to that on other residents in Rodney.

Ngā ritenga ā-pūtea / Financial implications

41. The capital expenditure proposed as part of either the original proposal or alternative option will require additional borrowing of $5.65 million. As the council is operating at close to its borrowing limits the Governing Body’s approval will be required.
Ngā raru tūpono / Risks
42. There is a risk that individual projects proposed may cost more than the estimates in the report. This will be managed by Auckland Transport providing updated advice to the local board before commitments are entered into.

Ngā koringa ā-muri / Next steps
43. If the rate is adopted by the Governing Body the next steps will be:
   - Auckland Transport to set in place plans to deliver the projects
   - Auckland Transport to establish reporting regime for Rodney Local Board
   - establishment of a targeted rate reserve account.

Ngā tāpirihanga / Attachments

<table>
<thead>
<tr>
<th>No.</th>
<th>Title</th>
<th>Page</th>
</tr>
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<tr>
<td>AU</td>
<td>Assessment against statutory criteria</td>
<td>15</td>
</tr>
<tr>
<td>BU</td>
<td>Alternative transport investment option for Rodney Local Board</td>
<td>21</td>
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<td>CI</td>
<td>Legislative information alternative information</td>
<td>27</td>
</tr>
<tr>
<td>DI</td>
<td>Rodney Targeted Rate report and proposal, 5 December 2017</td>
<td>29</td>
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</table>

Ngā kaihaina / Signatories

<table>
<thead>
<tr>
<th>Authors</th>
<th>Andrew Duncan - Manager Financial Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorisers</td>
<td>Ross Tucker - Acting General Manager, Financial Strategy and Planning</td>
</tr>
<tr>
<td></td>
<td>Lesley Jenkins - Relationship Manager</td>
</tr>
</tbody>
</table>
Attachment A: Assessment against statutory criteria

1. When deciding from what sources to meet its funding needs, council must consider the matters set out in section 101(3) of the Local Government Act 2002, see below. This involves elected members exercising their political judgement and considering the proposal in the context of council’s funding decisions as a whole.

101(3) The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of,—

(a) in relation to each activity to be funded,—

(i) the community outcomes to which the activity primarily contributes; and

(ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and

(iii) the period in or over which those benefits are expected to occur; and

(iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and

(v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and

(b) the overall impact of any allocation of liability for revenue needs on the community.

The following section considers the funding the alternative proposal for additional transport investment in the Rodney Local Board area against the criteria in section 101(3) of the Local Government Act 2002. Given the uncertainty around NZTA funding this isn’t incorporated in the analysis below.

As this proposal is similar in many respects to the original the analysis is also similar. An assessment of the original proposal was set out in Attachment A: Assessment against the statutory criteria to the report entitled Rodney Local Board transport targeted rate considered at the Rodney Local Board meeting on 5 December 2017.

The community outcomes to which the activity primarily contributes

The community outcomes to which the activity (transport) primarily contributes are set out in the LTP 2015-2015 as:

1. A fair, safe and healthy Auckland – By promoting walking to increase levels of physical fitness
2. An Auckland of prosperity and opportunity – Through moving people and resources efficiently which has a positive impact on productivity
3. A green Auckland – By reducing our reliance on petrol, air pollution and green-house gas emissions
4. A well connected and accessible Auckland – Providing Auckland with an efficient land transport system that encourages increased patronage of bus, rail and ferry services
5. A beautiful Auckland loved by its people – Fundamentally changing parts of our urban built environment
The transport investments proposed to be funded support these outcomes as noted in the table below.

<table>
<thead>
<tr>
<th>Project/service</th>
<th>Community outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus service from Huapai to Westgate</td>
<td>2, 3 and 4</td>
</tr>
<tr>
<td>Bus service from Riverhead to Westgate</td>
<td>2, 3 and 4</td>
</tr>
<tr>
<td>Bus service from Wellsford to Warkworth</td>
<td>2, 3 and 4</td>
</tr>
<tr>
<td>Bus service from Hierens to Silverdale</td>
<td>2, 3 and 4</td>
</tr>
<tr>
<td>Bus service from Huapai to Albany</td>
<td>2, 3 and 4</td>
</tr>
<tr>
<td>Warkworth Park and Ride</td>
<td>2, 3 and 4</td>
</tr>
<tr>
<td>Huapai Park and Ride (investigation)</td>
<td>2, 3 and 4</td>
</tr>
<tr>
<td>New footpaths</td>
<td>1 and 5</td>
</tr>
</tbody>
</table>

While all the projects connect to wider outcomes for the region their impact is small in a broader sense. The projects are either not included in the RLTP or bring forward work not presently scheduled for many years. Given these factors a targeted rate in the Rodney Local Board area is the most appropriate source of funding to supplement user charge revenue from the services.

The distribution of benefits between the community as a whole; any identifiable part of the community; and individuals

Where the services benefit direct users they should be funded from fares. Fares will be set at a level that does not discourage use thereby eliminating the other benefits of provision of the service. Revenue from fares that balance these factors will not be material. As a result targeted rates revenue will be required to make-up the shortfall.

The investments proposed are spread over the entire Rodney Local Board area. However, the nature of the benefits differs for each project in terms of service improvement and location. The nature of benefits is a key element in determining the appropriate funding source. The benefits of each project are described in the table below in terms of their distribution across potential beneficiaries differentiated geographically, by land use and direct use of the service.

<table>
<thead>
<tr>
<th>Project/service</th>
<th>Beneficiaries</th>
</tr>
</thead>
</table>
| Bus service from Huapai to Westgate | Users
Residential properties within 500m of the bus stops/route and in particular properties in Huapai and Westgate would benefit from alternative transport options to the city and other destinations to the south. Drivers along the route may also benefit from possible localised congestion benefits
No direct benefits to business properties |
| Bus service from Riverhead to Westgate | Users
Residential properties within 500m of the bus stops/route and in |
### Project/service

<table>
<thead>
<tr>
<th>Project/service</th>
<th>Beneficiaries</th>
</tr>
</thead>
</table>
| Bus service from Wellsford to Warkworth | Users  
Particular properties in Riverhead and Westgate would benefit from alternative transport options to the city and other destinations to the south. Drivers along the route may also benefit from possible localised decongestion benefits. No direct benefits to business properties |
| Bus service from Helensville to Silverdale | Users  
This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised decongestion benefits. This includes Helensville, Kaukapakapa and Waitak | |
| Bus service from Huapai to Albany | Users  
This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised decongestion benefits. This includes Huapai, Riverhead, and Coatesville |
| Warkworth Park and Ride | Users  
Residential properties in a wide catchment area around Warkworth would benefit from alternative transport options to the city and other destinations to the south. Drivers along the route may also benefit from possible localised decongestion benefits. Some benefits to business in freeing up parking spaces for retail visits |
| Huapai Park and Ride | Users  
Residential properties in a wide catchment area around Huapai would benefit from alternative transport options to the city and other destinations to the south. Drivers along the route may also benefit from possible localised decongestion benefits. No direct benefits to business properties |
| New footpaths | Individual projects mainly benefit residents in the local area. The wider community benefits from enhanced localised amenity and promoting walking and cycling |

Targeted rates can be set in to cover the entire Rodney area or geographical subsets which benefit the most from the proposed service improvements.

The cost of investment differs by electoral subdivision, see table below.

<table>
<thead>
<tr>
<th>Subdivision</th>
<th>Rodney</th>
<th>Kumeu</th>
<th>Wellsford</th>
<th>Warkworth</th>
<th>Dairy Flat</th>
</tr>
</thead>
<tbody>
<tr>
<td>No of SUlPs</td>
<td>30,798</td>
<td>12,280</td>
<td>3,185</td>
<td>12,673</td>
<td>2,660</td>
</tr>
</tbody>
</table>

| Annualised expenditure | $3,932,108 | $2,184,827 | $516,560 | $938,858 | $291,863 |
| Investment per SUlP   | $147      | $205      | $187     | $85      | $126      |

Note: It is proposed to set the rate at $150 given the uncertainty around the project costs as noted in the report.

Electoral subdivisions are not set to define geographic areas of benefit for transport planning purposes. The projects proposed are spread broadly over the Rodney area although the project list has less apparent direct benefit to Warkworth. The board could address this by
adjusting the timing or content of the footpath programme during implementation when further information on costs is available.

The cost of providing the benefits differs in different parts of the region, in particular for the Warkworth, $1.2 million and Huapai, $4 million, park and rides. While the cost estimates differ between the areas the benefits will be similar in nature and therefore it is reasonable to set the rate based on benefit rather than cost distribution.

For the above reasons it is appropriate to set a uniform targeted rate across the entire local board area.

A targeted rate can also be set differentially to recover more of the cost from land uses that will benefit more from the services. The primary beneficiaries of the investments proposed are residential properties. The benefits arise from improved choice and utility for personal transport and improved residential amenity. There is therefore no case based on benefit distribution for differentiation to allocate more of the rates burden to business or farm properties.

The rates burden can be allocated on a fixed charge per SUIP or based on capital value. As there is a correlation between income and property value a capital value rate. As there is a strong relationship between capital value and income a rate applied on capital value would place more the charge on those potentially better able to afford it. Capital value rating would allocate more of the rates burden to business and farm properties. This isn't justified on the basis of the distribution of benefits noted above. The use of capital value would allocate more of the burden to higher value properties and less to lower value. Property owners will benefit in terms of the improved amenity and options for personal transport. They will also benefit from improvements in property value arising from these benefits. Higher capital value properties may benefit more from the latter affect.

The period in or over which the benefits are expected to occur

The benefits associated with additional operating expenditure should be met by users and targeted or general rates recovering costs from the beneficiaries as they are realised.

The assets to be built with additional funding will deliver benefits over their lifetime. It would therefore be more desirable to meet the capital costs from borrowing thus spreading them over the beneficiaries over the life of the assets. However, given constraints on council borrowing it is appropriate to fund some of the upfront investment from general or targeted rates in order to realise the benefits.

The extent to which the actions or inactions of particular individuals or as a group contribute to the need to undertake the activity

None of the additional services or investments are driven by a response to the actions or inactions of particular individuals or groups.

The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities

Funding these projects from a targeted rate will improve the transparency of decision making on additional funding. Ratepayers will be able to clearly see exactly how any additional funding they provide will be used. This will make it easier for them to express a preference
on increased funding. A fixed rate per SUIP will make it easier to communicate to the community the cost of the service improvements relative to their benefits.

The use of a targeted rate will also improve accountability for expenditure. If a decision is made to raise additional funding by use of a targeted rate then ratepayers can be confident it will be used for that purpose. Targeted rates can only be spent on the activity for which they are raised.

Overall accountability will not be impacted as the form of funding will not influence ratepayers’ ability to hold the council to account for the effectiveness of this expenditure given the technical expertise required to make such an assessment.

It is administratively straightforward to implement a targeted rate in the manner proposed.

**Consideration of overall impact**

Having considered the above criteria, the council needs to consider the proposal in terms of the overall impact on the community. This involves elected members exercising their judgement and considering the proposal in the context of council’s funding decisions as a whole, not just in relation to this activity.

The total cost of a targeted rate applied over the Rodney Local Board area on a per SUIP basis is $150 for the alternative proposal or $2.90 per week. This is unlikely to materially impact on overall affordability for ratepayers.

For those residential ratepayers for whom it may be an issue the council offers rates postponement and administers the rates rebate scheme on behalf of the Department of Internal Affairs.

Higher capital value properties and business properties will in general be better able to manage increases in rates and accordingly consideration may be given to applying the rate on capital value or differentiating the rate between business and non-business properties.

There is a correlation between capital value and income for residential properties with the average household income being higher in areas with higher capital value. Business properties can expense rates and claim back GST.
Attachment B: Alternative transport investment option for Rodney Local Board

This attachment outlines the projects that would be funded under the alternative investment option for transport improvements for Rodney Local Board. Note that all costs are indicatively only and are subjected to change without notice. The programme will continue to be updated as new information becomes available. The base level of investment in the Rodney Local Board area can be established from the draft Regional Land Transport Plan. The investments included in the original proposal are set in Attachment B: Transport investment options for Rodney Local Board included in the report entitled Rodney Local Board transport targeted rate considered at the board’s 5 December 2017 meeting. The costs are net of fare revenue which is not expected to be material. All costs are indicative and are subjected to further review.

Bus service from Huapai to Westgate

Scope: Additional buses to run 122 service in the peak could enhance overall attractiveness to public transport in the Tapu Road/Matua Road catchment area. Under the new network, there is already a 122 service between Tapu Road/Matua Road to Westgate. This proposal is to introduce additional buses in the peak to increase frequency. Terminating at Westgate opens up the option of connecting to 110 service from Westgate to the City Centre and connecting to 120 services to Constellation Station. When inter-timed with 125x service, there would be a service approximately every 15 minutes on the main road in the peak. This service seeks to support forecast growth in North West Auckland. Approximately 30,000 house and 13,000 new jobs are anticipated in the area over 30 years.

Estimated costs: Estimated project cost for 4 trips in the peak direction at peak times would cost around $230,000 p.a.

As per RLTP: AT does not have plans to increase/introduce additional buses to the 122 service.

Beneficiaries: This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised decongestion benefits. This includes Riverhead and Westgate. This is depicted in appendix A, figure 3.

Rationale for Beneficiaries: Beneficiary (bus service catchment area) assumptions for this route were made on allowing 500m catchment of proposed bus stops, but up to 1000m can be considered within the catchment of a stop, depending on the situation. In the case of projects proposed by Rodney Local Board, none of the settlements are that big, so they could all realistically be said to benefit. Location of proposed bus stops were based on their placement at key intersections and existing locations.

Bus service from Riverhead to Westgate

Scope: Riverhead to Westgate would connect to the wider AT Metro network. This would enable connections to more destinations, including 110 services direct to the City Centre, as well as 120 to Constellation Station. The service would operate 30 minutes at peak, and hourly at other times 7 days a week. This service seeks to support forecast growth in North West Auckland. Approximately 30,000 house and 13,000 new jobs are anticipated in the area over 30 years.

Estimated costs: Estimated project cost for 4 trips in the peak direction at peak times, and hourly services at all other times would cost around $520,000 p.a. Whilst a comprehensive review of any current bus stop facilities and requirements for new bus stops and shelters has not been undertaken, AT envisages that a further 5 pairs of bus stops, with shelters on the inbound bus stops, might be required to support this service. This would be a one-off capital cost of $200,000 – based on $40,000 per stop pairing. This is depicted in appendix A, figure 4.

As per RLTP: AT has plans to introduce this service but this wouldn’t be before the 2020/21 financial year.
**Beneficiaries:** This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised decongestion benefits. This includes Riverhead and Westgate. This is depicted in appendix A, figure 4.

**Bus service from Wellsford to Warkworth**

**Scope:** Wellsford to Warkworth would connect to the wider AT Metro network. This would enable connections to more destinations. The service would operate hourly 7am to 7pm, 7 days a week. With additional 7.30am and 8.30am services to Warkworth on weekdays and additional 5.30 and 6.30pm services to Wellsford on weekdays.

**Estimated costs:** Estimated project cost for hourly services 7am to 7pm, 7 days per week, plus additional half hourly services, would cost around $520,000 pa. Whilst a comprehensive review of any current bus stop facilities and requirements for new bus stops and shelters has not been undertaken, AT envisage that additional bus stops, with shelters on some of these, would be required to support this service. This would be a one-off capital cost of $50,000.

**As per RLTP:** AT has no current plans to introduce a service such as this.

**Beneficiaries:** This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised decongestion benefits. This would primarily be of benefit to Wellsford residents.

**Bus service from Helensville to Silverdale (Hibiscus Coast Bus Station)**

**Scope:** Helensville to Hibiscus Coast Bus Station would connect to the wider AT Metro network. This would enable connections to more destinations, including 110 services direct to the City Centre, as well as 120 to Constellation Station. The service would operate hourly 7am to 7pm, 7 days a week. This service seeks to provide connections from the Northwest to the high frequency Northern Express.

**Estimated costs:** Estimated project cost for hourly services 7am to 7pm, 7 days per week would cost around $750,000 pa. Whilst a comprehensive review of any current bus stop facilities and requirements for new bus stops and shelters has not been undertaken, AT envisage that additional bus stops, with shelters on some of these, would be required to support this service. This would be a one-off capital cost of $200,000 – based on $40,000 per stop pairing.

**As per RLTP:** AT has no current plans to introduce a service such as this.

**Beneficiaries:** This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised decongestion benefits. This includes Helensville, Kaukapakapa and Waitoki.

**Bus service from Huapai to Albany (Albany Bus Station)**

**Scope:** Huapai to Albany Bus Station would connect to the wider AT Metro network. This would enable connections to more destinations, including services direct to the City Centre. The service would operate hourly 7am to 7pm, 7 days a week. This service seeks to provide connections from the Northwest to the high frequency Northern Express.

**Estimated costs:** Estimated project cost for hourly services 7am to 7pm, 7 days per week would cost around $715,000 pa. Whilst a comprehensive review of any current bus stop facilities and requirements for new bus stops and shelters has not been undertaken, AT envisage that additional bus stops, with shelters on some of these, would be required to support this service. This would be a one-off capital cost of $200,000 – based on $40,000 per stop pairing.

**As per RLTP:** AT has no current plans to introduce a service such as this.
Beneficiaries: This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised decongestion benefits. This includes Huapai, Riverhead, and Coatesville.

Warkworth Park and Ride

Scope: The local board considers that a park and ride facility at the old Atlas site would be relatively easy to implement, provided a lease land/licence arrangement could be established, subject to further investigation.

Estimated costs: Capital cost for 120 spaces at an estimate of $10,000 per space equals $1.2 million.

As per RLTP: This project has been considered in the draft RLTP and is not planned to be delivered within the 2018-2128 period. Opex cost of $285,000 over 10 years.

Beneficiaries: Warkworth Park and Ride would provide a wide catchment. The Park and Ride would provide an alternative mode of transport the Warkworth area and possible localised decongestion benefits.

Rationale for Beneficiaries: Based on the survey data from FLOW, Passenger origin data from Albany saw people travelling from Snells beach, Waiotki, Helensville, Arkles Bay, and Warkworth. This confirms the fact that stations/terminals which are most distant from the city centre attracts wide catchments, it is plausible to assume Warkworth Park and ride could attract a wide catchment north and north east of Warkworth.

Huapai Park and Ride investigation

Scope: AT investigated the possibility of accelerating a Huapai Park and Ride facility. This project seeks to support forecast growth in North West Auckland. Approximately 30,000 house and 13,000 new jobs are anticipated in the area over 30 years.

AT have undertaken rapid investigation of a number of options

- A Park and Ride facility on 391 and 393 Main Road has been considered. However, AT understands as part of safety improvements along State Highway 16, the Transport Agency (NZTA) are planning on placing a median "barrier" along SH16 opposite and to either side of this land which will prevent right hand turns out on to SH16 from that land. Access to that land from the realignment of Station Road is being investigated however AT traffic engineers advise that right hand turns into that area of land by vehicles travelling south from the Tapu Rd 1 Station Rd intersection should be kept to a minimum as this may create localised congestion in a residential zone.

- Kumeu showgrounds could be established as a Park and Ride. The land is privately owned and current estimates for a lease land arrangement would in the order of $40,000 p.a.

The advice from AT Strategy is that a Huapai park and ride facility was not planned for another decade. However, a programme business case on the park and ride programme is underway, which will look at appropriate locations regionally, including the Huapai/Kumeu area. AC has strongly recommended AT to include Huapai Park and Ride into the draft revised proposal.

Estimated costs: An indicative amount of $4 million dollars, intended to represent the cost of a small park and ride (50 spaces, including land purchase) has been included. The completion of the programme business case will inform the decision on whether a park and ride is sensible in the Huapai/Kumeu area.

As per RLTP: This project has not been considered in the draft RLTP, as it is planned in the 2nd decade.

Beneficiaries: Huapai Park and Ride would provide a wide catchment, as depicted in appendix A, figure 1. The Park and Ride would provide an alternative mode of transport the Huapai area and possible localised decongestion benefits.

Rationale for Beneficiaries: Flow transportation specialist (FLOW) was commissioned by Auckland Transport to undertake a survey of public transport users at key stations and Park and Rides. The survey was designed to provide information on those who currently use the Park and Ride facilities, particularly the trip characteristics of the users, including origin and designation information. These surveys show stations/terminals which are most...
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Attachment A

Attachment B

distant from the city centre, such as Albany, Half Moon Bay, West Harbour, Pukekohe, and Hobsonville attract wide catchments. Passenger origin data from Swanson saw people travelling from Bethells Beach, Waimauku, Riverhead, and Taupaki. Therefore, it is plausible to assume Huapai rail station could attract a wide catchment.

Proposed footpath programme

Scope: The proposed footpaths programme supports integration with public transport by providing improved links to bus stops and other public transport interchanges, provides improved transport links to metropolitan centres, district centres, town centres and village centres and integrate with other planned community infrastructure investment, increase mode choice and encourage active modes, particularly for short distance trips, to improve safety for pedestrians, support overall network resilience and efficiency by providing alternative mode options for shorter trips and to provide wider air quality, economic, health and recreational benefits for local residents living in the areas targeted for increased investment.

Estimated costs: Rodney Local Board has an unprioritised footpath list. A targeted rate that raised $15m could deliver a programme of footpaths spread around Rodney’s township, such as:

- Kaipara Coast Highway - Kaukapakapa (740m, $1.4m)
- Alice Street - Riverhead (254m, $365k)
- Newton Road – Riverhead (245m, $347k)
- Tapu Road, Huapai - Parkview Lane (86m, $123k)
- Springs Road – Riverhead (460m, $664k)
- Fire Station to Peak Rd along SH16 – Kumeu (1.2km, $1.4m)
- Pulham Road – Warkworth (240m, $405k)
- Wilson Road – Warkworth (490m, $690k)
- Rodney street - Wellsford (230m, $339k)
- Domnan Crescent - Murwai (536m, $770k)
- Falls Road – Warkworth (417m, $599k)
- Goodall Road - Snells Beach (216m, $310k)
- Blue Gum Drive - Warkworth (449m, $645k)
- Dairy Flat Highway - Dairy Flat (815m, $1.1m)
- Matakana Road - Matakana (2.1km, $717k)
- Leigh Road – Whangateau (259m, $372k)
- Puhoi Library to the Krippner Road Bridge (1bc, $255k)
- Puhoi to State Highway 1 (1bc, $455k)
- Kahikatea Flat Road – Waitoki (345m, $495k)
- Omaha Drive - Omaha (800m, $1.1m)
- Rodney Street - Wellsford (330m, $108k)
- Rodney Street - Wellsford (Centennial Park Road), (375m, $123k)
- Sandspit Road - Sandspit (924m, $303k)
- Worker Road - Wellsford (259m, $85k)
- School Road – Wellsford (544m, $179k)
- State Highway 1 – Wellsford (1bc, $180k)
- McKinney Road – Warkworth (1bc, $987k)

Estimated maintenance costs for footpaths are roughly $275 dollars per km, per annum. Because the footpaths programme has not been prioritised, AT has included a nominal amount of $30,000 for maintenance of footpaths over 10 years. The programme may need to be revised from time to time in light of operational factors. Indicative location is depicted in appendix A, figure 1.

As per RLTP: This programme has been considered in the draft RLTP, which has provisioned $30m in the draft RLTP. However, when compared to other project proposals for funding, this programme has not been identified as high priority and therefore unlikely to get funding.

Beneficiaries: Although individual projects mainly benefit residents in the local area, the overall programme provides benefits across Rodney’s township by enhancing localised amenity and promoting walking and cycling in the community.
Rationale for Beneficiaries: New footpath proposals are primarily in the urban areas and would benefit town centres, bus stops, education institutions, employment areas, significant community areas. Priority is given to those footpaths which lie within 300m from those areas, along with safety and connection to existing footpath and growth area and other considerations. As per the attached map, these priority footpaths are reasonably dispersed in Rodney and seeks to address infrastructure deficit and provide a basic network of footpaths where key gaps are identified.

Summary of costs for option 3: Distributed benefits

<table>
<thead>
<tr>
<th>Project</th>
<th>10 year OPEX</th>
<th>10 year CAPEX</th>
<th>10 year total</th>
<th>10 year total (inflated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus service from Huapai to Westgate</td>
<td>2,300,000</td>
<td>2,300,000</td>
<td>2,518,436</td>
<td></td>
</tr>
<tr>
<td>Bus service from Riverhead to Westgate</td>
<td>5,270,416</td>
<td>200,000</td>
<td>5,470,416</td>
<td>5,970,958</td>
</tr>
<tr>
<td>Bus service from Wellsford to Warkworth</td>
<td>5,200,000</td>
<td>50,000</td>
<td>5,250,000</td>
<td>5,743,855</td>
</tr>
<tr>
<td>Bus service from Huapai to Albany</td>
<td>6,500,000</td>
<td>200,000</td>
<td>6,700,000</td>
<td>7,317,319</td>
</tr>
<tr>
<td>Warkworth Park and Ride</td>
<td>285,208</td>
<td>1,200,000</td>
<td>1,485,208</td>
<td>1,512,295</td>
</tr>
<tr>
<td>Huapai Park and Ride investigation</td>
<td>4,000,000</td>
<td>4,000,000</td>
<td>4,000,000</td>
<td>4,000,000</td>
</tr>
<tr>
<td>New footpaths</td>
<td>30,000</td>
<td>14,925,826</td>
<td>14,955,826</td>
<td>17,295,270</td>
</tr>
<tr>
<td>Total</td>
<td>19,585,624</td>
<td>20,575,826</td>
<td>40,161,450</td>
<td>44,358,133</td>
</tr>
<tr>
<td>Interest cost</td>
<td>1,693,448</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total targeted rate</td>
<td>46,051,581</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Bus service from Helensville to Silverdale from 2019/2020 (depends on broader NZTA funding) (Given uncertainty regarding the is project the benefits for Kumeu and Dairy Flat aren’t modelled below)

6,750,000 200,000 6,950,000

Note: All costs are indicative only and are subjected to further review. Delivery will be phased, to be aligned with revenue generated from targeted rate. The programme will continue to be updated as new information becomes available. If business cases for the additional public transport services delivered an NZTA subsidy the Helensville to Silverdale service could be delivered within the current funding envelope.

Summary of costs for option 3: Differential benefits based on Rodney subdivision

<table>
<thead>
<tr>
<th>Project</th>
<th>10 year OPEX</th>
<th>10 year CAPEX</th>
<th>10 year Total</th>
<th>10 year total (inflated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kumeu Subdivision</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bus service from Huapai to Westgate</td>
<td>2,300,000</td>
<td>2,300,000</td>
<td>2,518,436</td>
<td></td>
</tr>
<tr>
<td>Bus service from Riverhead to Westgate</td>
<td>5,270,416</td>
<td>200,000</td>
<td>5,470,416</td>
<td>5,970,958</td>
</tr>
<tr>
<td>Bus service from Huapai to Albany (80%)</td>
<td>5,200,000</td>
<td>160,000</td>
<td>5,360,000</td>
<td>5,853,855</td>
</tr>
<tr>
<td>Huapai Park n Ride investigation</td>
<td>4,000,000</td>
<td>4,000,000</td>
<td>4,000,000</td>
<td></td>
</tr>
<tr>
<td>New Footpaths</td>
<td>11,968</td>
<td>5,146,608</td>
<td>5,158,576</td>
<td>5,965,399</td>
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<tr>
<td>Subtotal</td>
<td>12,782,384</td>
<td>9,506,608</td>
<td>22,288,992</td>
<td>24,308,648</td>
</tr>
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</table>
### Attachment A

#### Item 12

**Rodney Local Board Targeted Rate**

**24 May 2018**

<table>
<thead>
<tr>
<th>Project</th>
<th>10 year OPEX</th>
<th>10 year CAPEX</th>
<th>10 year Total</th>
<th>10 year total (inflated)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dairy Flat Subdivision</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Footpaths</td>
<td>3,111</td>
<td>1,667,616</td>
<td>1,670,727</td>
<td>1,932,083</td>
</tr>
<tr>
<td>Bus service from Huapai to Albany (20%)</td>
<td>1,300,000</td>
<td>40,000</td>
<td>1,340,000</td>
<td>1,463,464</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td>1,301,111</td>
<td>1,707,616</td>
<td>3,010,727</td>
<td>3,395,547</td>
</tr>
<tr>
<td><strong>Warkworth Subdivision</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Warkworth Park n Ride</td>
<td>285,208</td>
<td>1,200,000</td>
<td>1,485,208</td>
<td>1,512,295</td>
</tr>
<tr>
<td>Bus service from Wellsford to Warkworth (20%)</td>
<td>1,040,000</td>
<td>10,000</td>
<td>1,050,000</td>
<td>1,148,771</td>
</tr>
<tr>
<td>New Footpaths</td>
<td>12,310</td>
<td>6,891,587</td>
<td>6,903,897</td>
<td>7,983,924</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>1,337,518</td>
<td>8,101,587</td>
<td>9,439,105</td>
<td>10,644,989</td>
</tr>
<tr>
<td><strong>Wellsford Subdivision</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bus service from Wellsford to Warkworth (80%)</td>
<td>4,160,000</td>
<td>40,000</td>
<td>4,200,000</td>
<td>4,595,084</td>
</tr>
<tr>
<td>New Footpaths</td>
<td>2,612</td>
<td>1,220,015</td>
<td>1,222,627</td>
<td>1,413,865</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>4,160,000</td>
<td>1,260,015</td>
<td>5,422,627</td>
<td>6,008,949</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>8,386,282</td>
<td>31,684,098</td>
<td>40,161,450</td>
<td>44,359,133</td>
</tr>
<tr>
<td>Interest cost</td>
<td></td>
<td></td>
<td></td>
<td>1,693,448</td>
</tr>
<tr>
<td><strong>Total targeted rate</strong></td>
<td></td>
<td></td>
<td></td>
<td>46,051,581</td>
</tr>
</tbody>
</table>

**Note:** All costs are indicative only and are subjected to further review. Delivery will be phased, to be aligned with revenue generated from targeted rate. The programme will continue to be updated as new information becomes available.
## Attachment C: Legislative information alternative information

<table>
<thead>
<tr>
<th>Proposal</th>
<th>Targeted rate of $150 per separately used or inhabited part of a rating unit to fund accelerated improvements in transport projects in Rodney.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mayor’s intent reference</td>
<td>n/a</td>
</tr>
<tr>
<td>Impact on Financial strategy</td>
<td>Yes  Requires capital investment of $20.6 million over ten years</td>
</tr>
<tr>
<td>Impact on Infrastructure strategy</td>
<td>No</td>
</tr>
<tr>
<td>Impact on rates</td>
<td>Yes  New targeted rate introduced</td>
</tr>
<tr>
<td>Impact on debt</td>
<td>Yes  It is assumed that the capital expenditure on Park-N-Rides ($5.2 million) would be incurred in the first year and the capital expenditure foootpaths spread over the ten year period. This would require additional borrowing and hence Governing Body approval.</td>
</tr>
<tr>
<td>Impact on levels of service</td>
<td>No  Increase in service level in Rodney Local Board area. Service level increase not material on a regional basis</td>
</tr>
<tr>
<td>Consistency with other council plans</td>
<td>No  The Warkworth Park N Ride is in the unfunded section of the RLTP. The other projects are not presently included.</td>
</tr>
<tr>
<td>Change in ownership or control of a strategic asset</td>
<td>No</td>
</tr>
</tbody>
</table>
Rodney Local Board Transport Targeted Rate

File No.: CP2017/25526

Purpose
1. To provide advice on funding options for a local targeted rate to support additional transport investment in the Rodney Local Board area.

Executive summary
2. To accelerate improvement in the transport services in the Rodney Local Board area it is proposed to introduce a targeted rate to raise $41 million over ten years to fund:
   - Increased frequency of the Huapai to Westgate bus service (effectively providing a 15-minute service out of Huapai, in the peak)
   - Bus service from Riverhead to Westgate
   - Huapai Park and Ride (investigation)
   - Warkworth Park and Ride
   - Proposed seal extension programme
   - Proposed footpath programme.
3. Officers propose a fixed rate of $150 per separately used or inhabited part of a rating unit (SUJP) as the primary benefits manifest in terms of improvement to personal transport options and outcomes and residential amenity. Accordingly the benefits will not differ materially between types of property. The projects are relatively evenly spread over the region and therefore all properties should share the costs.
4. Consideration was given to three alternatives:
   - General rates – not appropriate to fund projects not presently in the Regional land transport plan and benefiting only part of the region
   - Differentiated geographically within Rodney Local Board area
     - investment distribution varies across local board subdivisions
     - projects are reasonably spread across region providing benefits to all areas (subdivisions are electoral boundaries and don’t reflect transport benefit distribution)
   - Differentiated targeted rate on business properties
     - businesses can expense income tax and claim back GST – equivalent to a differential of 1.6 times the residential rate
     - businesses do not benefit more than non-business properties and may benefit less

Recommendation/s
That the Rodney Local Board:
a) decide if it wishes to recommend to the Governing Body consultation as part of the Long-term Plan 2018-2028 on a targeted rate of $150 per separately used or inhabited part of a rating unit to fund $41 million of transport improvements in the Rodney Local Board area over the next ten years.

---

1 A SUJP separately identifies for rating purposes both a granny flat and the main house and each shop in a shopping mall.
Comments

Background

Rodney Local Board Plan

5. The Rodney Local Board consulted on investigating a targeted rate to fund transport improvements, as part of its local board plan. The draft text of the plan stated that “to make an impact and start addressing more of Rodney’s issues, we need extra funding, and for that we propose investigating a new targeted rate and progressing this pending the result of the investigation.” Potential uses for the rate were identified in the plan as including public transport trials (such as buses between Warkworth and Silverdale or rail to Huapai), park and ride facilities in Warkworth and Kumeu-Huapai, and sealing Rodney’s roads. The local board received 1,414 responses to the targeted rate question in the local board plan, and 53% of respondents supported the investigation into the targeted rate.

6. Auckland Transport has analysed the investments suggested in the local board plan consultation. The proposed investments have been adjusted to incorporate projects most likely to make a material difference to transport outcomes relative to their costs. These are set out in the proposal that follows and are discussed in more detail in Attachment B: Transport investment options for Rodney Local Board.

Current Rodney Local Board area transport investment program

7. The draft capital programme includes a number of potential projects in the Rodney local board area for consideration as part of development of the Long-term Plan 2018-2028:
   - seal extension programme, $30 million
   - Supporting Growth projects in Warkworth, including
     - Matakana Link Road
     - future extension of Matakana Link Road to Sandspit Road
     - Warkworth Western Collector
     - Warkworth grade separated park and ride facility.

8. The Supporting Growth projects are a relatively low priority and the potential for funding is highly uncertain. For full details see Attachment B: Transport investment options for Rodney Local Board.

Statutory decision making criteria

9. The council (Governing Body and local boards) are required to consider and consult on any changes to funding for services. This proposal considers the sources of funding for the proposed transport improvements in the Rodney Local Board area against the statutory criteria in section 101(3) of the Local Government Act 2002. The key elements of this assessment are set out in the options below. A full analysis against the statutory criteria is set out in Attachment A: Assessment against statutory criteria.

Rodney Local Board Transport Improvements Proposal

10. To fund a range of additional transport service improvements in the Rodney Local Board area of $41 million over ten years. The proposed service improvements are set out in the table below, for full details see Option Three in Attachment B: Transport investment options for Rodney Local Board. The costs are net of fare revenue which is not expected to be material. All costs are indicative and are subjected to further review. Delivery will be phased over time to align with revenue generated from targeted rate.
11. The proposal does not include rail to Huapai that was referred to in the Rodney Local Board Plan consultation due to the high estimated cost of $18.7m capital plus $5.5m per annum for operating costs relative to potential benefit within the LTP planning timeframes. Two bus service proposals were also removed due to expected low patronage. The investment proposal has been adjusted to replace these projects with a range of other investments to serve the community in that area, including additional bus services to Westgate and investigation of Huapai Park and Ride.

12. Auckland Transport does not currently have plans for a park and ride in the Huapai area until after 2028, and no formal work has been done on identifying potential locations. Auckland Transport is currently undertaking a Programme Business Case for its park and ride programme. This work, which is planned for completion in February 2018, will include examining options for Huapai and will provide a decision on the merits of a facility. In the meantime, Auckland Transport will also investigate potential sites, including temporary options using existing parking sites. We propose a Huapai park and ride facility is tentatively included in the proposal, noting that this is subject to further investigation on the costs, feasibility and operational merits of constructing a facility in the short to medium term. In the meantime a placeholder allowance of $4 million has been made to cover the possibility that land purchase may be required.

Proposed funding

13. The Warkworth Park and Ride assumes the availability of Warkworth Showgrounds carpark, based on a lease/land/licence arrangement between Auckland Transport and Auckland Council’s Community Facilities Department. Further work is required to confirm the suitability of the site for Park and Ride.

14. It is proposed to fund the transport improvements with a targeted rate of $150 per SUIP.

15. The projects are spread over the entire Rodney Local Board area providing benefits to all residents and properties in the form of:

   a) improved personal transport choices and outcomes (bus services, new footpaths and Park and Ride facilities)

   b) improved residential amenity (additional road sealing and new footpaths).

16. Given the nature of the benefits:
Alternative funding options

19. The following alternative funding options were considered:
   - General rates
   - Differentiate by sub-region
   - Differentiated targeted rate on business properties
   - Maintain current investment.

Each of these options is assessed below.

General rates

20. General rates are not an appropriate funding source as the projects proposed are low priority for the region as a whole. While the cost of the service improvements would only increase general rates by 0.3 per cent for all other ratepayers the relative cost benefit of the projects isn’t justified on a regional basis.

Differentiate by sub-region with local board

21. Targeted rates can be set to cover the entire Rodney area or geographical subsets if some benefit more from the proposed service improvements. The projects are spread broadly over the Rodney area but the cost of investment varies by subdivision, see table below.

<table>
<thead>
<tr>
<th>Subdivision</th>
<th>Rodney</th>
<th>Kumeu</th>
<th>Wellsford</th>
<th>Warkworth</th>
<th>Dairy Flat</th>
</tr>
</thead>
<tbody>
<tr>
<td>No of SUIPs</td>
<td>31,207</td>
<td>12,450</td>
<td>3,236</td>
<td>12,805</td>
<td>2,717</td>
</tr>
<tr>
<td>Annualised expenditure (revenue requirement)</td>
<td>$4,067,038</td>
<td>$2,170,054</td>
<td>$363,006</td>
<td>$1,366,906</td>
<td>$167,073</td>
</tr>
<tr>
<td>Investment per SUIP</td>
<td>$150</td>
<td>$200</td>
<td>$129</td>
<td>$123</td>
<td>$71</td>
</tr>
</tbody>
</table>

22. The nature of projects proposed has been structured to deliver a reasonable distribution of investment and benefit across the Rodney Local Board area. The costs vary across the region resulting in a variation in investment value in different sub-regions but provide similar levels of benefit relative to population. The subdivisions are established for electoral purposes but don’t align with the likely distribution of transport benefits.

23. The costs of providing some projects, park and rides (Warkworth $400,000 and Huapai $4 million), varies widely whereas the benefits are similar. Accordingly sharing the costs regionally is justified on a benefits basis for these projects.

Targeted rate with business differential

24. Business properties are able to expense rates and claim back GST. This makes the rate more affordable for these properties. In addition business properties are better placed to
adjust their income in response to a change in costs than residential ratepayers. However, business ratepayers receive similar benefits to residential properties and accordingly should pay the same rate.

25. If a business differential was set it could be based on their tax advantage. Business properties would pay a fixed charge 1.6 times the non-business rate or $232 per SUIP. The non-business rate would be $145 per SUIP. After adjusting for expensing the additional rate against tax and claiming back GST business ratepayers would pay the same as residential ratepayers.

Maintaining current investment and service levels

26. Auckland Transport’s draft capital programme includes a number of potential projects in the Rodney local board area for consideration as part of development of the Long-term Plan 2018-2028:
   - seal extension programme, $30 million
   - Supporting Growth projects in Warkworth, including
     - Matakana Link Road
     - future extension of Matakana Link Road to Sandspit Road
     - Warkworth Western Collector
     - Warkworth grade separated park and ride facility.

27. The Supporting Growth projects are a relatively low priority and the potential for funding is highly uncertain. For full details see Attachment B: Transport investment options for Rodney Local Board.

28. The additional investments in the proposal, which complement the list above, would not occur within the Long-term Plan timeframe.

Consideration

Local board views and implications

29. The Governing Body has decision making authority for setting rates.

30. The Rodney Local Board will communicate their views on this proposal to the Governing Body if they wish to proceed.

31. Other local boards will give formal feedback on the draft Long-term Plan in May 2018 and have the opportunity to comment on this proposal at that time if it proceeds.

Māori impact statement

32. The council does not hold information on the ethnicity of ratepayers so is not able to identify the exact impact of policy changes on Māori. The impact of the policy options on Māori will be similar to that on other residents in Rodney.

Implementation

33. There are no implementation issues.

Attachments

<table>
<thead>
<tr>
<th>No.</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Assessment Against Statutory Criteria</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Transport investment options for Rodney Local Board</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>Legislative Information</td>
<td></td>
</tr>
</tbody>
</table>
Attachment A: Assessment against statutory criteria

1. When deciding from what sources to meet its funding needs, council must consider the matters set out in section 101(3) of the Local Government Act 2002, see below. This involves elected members exercising their political judgement and considering the proposal in the context of council’s funding decisions as a whole.

101(3) The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of—

(a) in relation to each activity to be funded,—
   (i) the community outcomes to which the activity primarily contributes; and
   (ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and
   (iii) the period in or over which those benefits are expected to occur; and
   (iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
   (v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and

(b) the overall impact of any allocation of liability for revenue needs on the community.

The following section considers the funding the proposed additional transport investment in the Rodney Local Board area against the criteria in section 101(3) of the Local Government Act 2002.

The community outcomes to which the activity primarily contributes

The community outcomes to which the activity (transport) primarily contributes are set out in the LTP 2015-2015 as:

1. A fair, safe and healthy Auckland – By promoting walking to increase levels of physical fitness
2. An Auckland of prosperity and opportunity – Through moving people and resources efficiently which has a positive impact on productivity
3. A green Auckland – By reducing our reliance on petrol, air pollution and green-house gas emissions
4. A well connected and accessible Auckland – Providing Auckland with an efficient land transport system that encourages increased patronage of bus, rail and ferry services
5. A beautiful Auckland loved by its people – Fundamentally changing parts of our urban built environment

The transport investments proposed to be funded support these outcomes as noted in the table below.
### Rodney Local Board Targeted Rate: Rodney Local Board Decision

#### 31 May 2018

<table>
<thead>
<tr>
<th>Project/service</th>
<th>Community outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus service from Huapai to Westgate</td>
<td>2, 3 and 4</td>
</tr>
<tr>
<td>Bus service from Riverhead to Westgate</td>
<td>2, 3 and 4</td>
</tr>
<tr>
<td>Wakaruru Park and Ride</td>
<td>2, 3 and 4</td>
</tr>
<tr>
<td>Huapai Park and Ride (investigation)</td>
<td>2, 3 and 4</td>
</tr>
<tr>
<td>Real extension</td>
<td>2 and 5</td>
</tr>
<tr>
<td>New footpaths</td>
<td>1 and 5</td>
</tr>
</tbody>
</table>

While all the projects connect to wider outcomes for the region their impact is small in a broader sense. The projects are either not included in the RLTP or bring forward work not presently scheduled for many years. Given these factors a targeted rate in the Rodney Local Board area is the most appropriate source of funding to supplement user charge revenue from the services.

**The distribution of benefits between the community as a whole; any identifiable part of the community; and individuals**

Where the services benefit direct users they should be funded from fares. Fares will be set at a level that does not discourage use thereby eliminating the other benefits of provision of the service. Revenue from fares that balance these factors will not be material. As a result targeted rates revenue will be required to make-up the shortfall.

The investments proposed are spread over the entire Rodney Local Board area. However, the nature of the benefits differs for each project in terms of service improvement and location. The nature of benefits is a key element in determining the appropriate funding source. The benefits of each project are described in the table below in terms of their distribution across potential beneficiaries differentiated geographically, by land use and direct use of the service.

<table>
<thead>
<tr>
<th>Project/service</th>
<th>Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus service from Huapai to Westgate</td>
<td>Residential properties within 500m of the bus stops/route and in particular properties in Huapai and Westgate would benefit from alternative transport options to the city and other destinations to the south. Drivers along the route may also benefit from possible localised decongestion benefits. No direct benefits to business properties</td>
</tr>
<tr>
<td>Bus service from Riverhead to Westgate</td>
<td>Residential properties within 500m of the bus stops/route and in particular properties in Riverhead and Westgate would benefit from alternative transport options to the city and other destinations to the south. Drivers along the route may also benefit from possible localised decongestion benefits. No direct benefits to business properties</td>
</tr>
</tbody>
</table>
Targeted rates can be set in to cover the entire Rodney area or geographical subsets which benefit the most from the proposed service improvements.

The cost of investment differs by electoral subdivision, see table at paragraph 18 in report. However, electoral subdivisions are not set to define geographic areas of benefit for transport planning purposes. The projects proposed are spread broadly over the Rodney area, see maps for Option 3 in Attachment B: Transport investment options for Rodney Local Board.

The cost of providing the benefits differs in different parts of the region, in particular for the Warkworth, $400,000, and Huapai, $4 million, park and rides. The difference arises from historical reasons i.e. the Warkworth park and ride can take advantage of land already owned by the council whereas land acquisition will probably be required for Huapai. While the costs differ between the areas the benefits will be similar in nature and therefore it is reasonable to set the rate based on benefit rather than cost distribution.

For the above reasons it is appropriate to set a uniform targeted rate across the entire local board area.

A targeted rate can also be set differentially to recover more of the cost from land uses that will benefit more from the services. The primary beneficiaries of the investments proposed are residential properties. The benefits arise from improved choice and utility for personal transport and improved residential amenity. There is therefore no case based on benefit distribution for differentiation to allocate more of the rates burden to business or farm properties.

The rates burden can be allocated on a fixed charge per SUIP or based on capital value. Capital value rating would allocate more of the rates burden to business and farm properties. This isn’t justified on the basis of the distribution of benefits noted above. The use of capital value would allocate more of the burden to higher value properties and less to lower value.
Property owners will benefit in terms of the improved amenity and options for personal transport. They will also benefit from improvements in property value arising from these benefits. Higher capital value properties may benefit more from the latter affect.

Given the foregoing staff recommend that a targeted rate proposal be presented for consultation based on a fixed charge per SUJP.

**The period in or over which the benefits are expected to occur**

The benefits associated with additional operating expenditure should be met by users and targeted or general rates recovering costs from the beneficiaries as they are realised.

The assets to be built with additional funding will deliver benefits over their lifetime. It would therefore be more desirable to meet the capital costs from borrowing thus spreading them over the beneficiaries over the life of the assets. However, given constraints on council borrowing it is appropriate to fund the upfront investment from general or targeted rates in order to realise the benefits.

**The extent to which the actions or inactions of particular individuals or as a group contribute to the need to undertake the activity**

None of the additional services or investments are driven by a response to the actions or inactions of particular individuals or groups. While the costs of maintaining new sealed roads are higher where there are more heavy vehicle movements most of this will be associated with the properties nearby. This factor has already been considered in the assessment of benefits above.

**The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities**

Funding these projects from a targeted rate will improve the transparency of decision making on additional funding. Ratepayers will be able to clearly see exactly how any additional funding they provide will be used. This will make it easier for them to express a preference on increased funding. A fixed rate per SUJP will make it easier to communicate to the community the cost of the service improvements relative to their benefits.

The use of a targeted rate will also improve accountability for expenditure. If a decision is made to raise additional funding by use of a targeted rate then ratepayers can be confident it will be used for that purpose. Targeted rates can only be spent on the activity for which they are raised.

Overall accountability will not be impacted as the form of funding will not influence ratepayers' ability to hold the council to account for the effectiveness of this expenditure given the technical expertise required to make such an assessment.

It is administratively straightforward to implement a targeted rate in the manner proposed.

**Consideration of overall impact**

Having considered the above criteria, the council needs to consider the proposal in terms of the overall impact on the community. This involves elected members exercising their...
judgement and considering the proposal in the context of council’s funding decisions as a whole, not just in relation to this activity.

The total cost of a targeted rate applied over the Rodney Local Board area on a per SUJP basis is $132 per property per annum or $2.50 per week. This is unlikely to materially impact on overall affordability for ratepayers.

For those residential ratepayers for whom it may be an issue the council offers rates postponement and administers the rates rebate scheme on behalf of the Department of Internal Affairs.

Higher capital value properties and business properties will in general be better able to manage increases in rates and accordingly consideration may be given to applying the rate on capital value or differentiating the rate between business and non-business properties. There is a correlation between capital value and income for residential properties with the average household income being higher in areas with higher capital value. Business properties can expense rates and claim back GST.
Attachment B: Transport investment options for Rodney Local Board

This attachment outlines three investment options to provide transport improvements for Rodney Local Board. Note that all costs are indicative only and are subject to change without notice. The programme will continue to be updated as new information becomes available.

Option 1: Draft Regional Land Transport Plan (RLTP) projects only

If a targeted rate is not introduced, funding for projects in the Rodney area will be based on what is currently proposed for funding in the draft RLTP. Funding for the RLTP is primarily based on revenue from general rates, user charges, and debt. Some transport projects are also funded through the National Land Transport Fund (NLTF) which is administered by the Transport Agency (NZTA).

Auckland Transport is in the process of revising the draft RLTP, which involves re-proritising our capital projects for the 2019 – 2028 period. Inclusion of projects in the draft RLTP depends on the outcomes of a comprehensive scoring process with a multi-agency panel comprised of AT and NZTA. A fair assessment of projects is conducted by considering the merits of each project according to their alignment with strategic intent, effectiveness in delivering objectives and value for money associated with the investment. Whether the proposed projects are included in the ten-year plan depends on how the project compares to other proposals and overall funding decisions between Council and Government. The draft RLTP will be out for public consultation early January 2018.

Current Capital investment proposed in the draft RLTP:

Auckland Transport Proposal

The draft RLTP includes a $30m seal extensions programme for 2019 – 2028 period. This would address the 
unsealed portion of Wellsford Valley Road, Ahurua Road, Ngaerewa Road, Underwood Road, Muriwai Valley Road, Te Arari Point Road, Govan Wilson Road and Haruru Road. When compared to other proposals, it is likely to be funded.

The following projects on the Rodney Local Board area are currently included in the draft RLTP.

- Matakanaka Link Road (connection between State Highway 1 and Matakanaka Road)
- Supporting growth projects such as future extension of Matakanaka link Road to Sandspit Road, Western Collector (connection of Western parts of Warkworth with State Highway 1) and a grade separated Park and Ride facility
- More widely, supporting growth projects in the Northwest such as the Redhills network (connection from Coastville Riverhead Highway to Don Buck Road), Fred Taylor Drive upgrade and local crossing over State Highway 18 (from Brigham Creek Road to Hobsonville Road).

State Highway Proposal

Warkworth to Wellsford motorway remains the long term option for the second stage of Road of National Significance and is continuing to be investigated. The Puhoi to Warkworth Road of National Significance is the main State Highway project for Warkworth. In the Northwest, there has been proposals for a direct State Highway 16 to 18 connection, enhancing the connection between Rodney and Upper Harbour.

AT Renewals and Maintenance:

AT plans to continue with its maintenance programme. AT invests more in maintenance and renewals, on a per km basis than its peers. This is depicted in the figure 1 below.
Public transport operations

The New Bus Network was launched for West Auckland in June 2017. The new West Auckland bus network is part of a simpler, more integrated public transport network for Auckland. This includes improved services for Helensville, Huapai and Kumeu as follows:

122, 125 - Improved weekend services on these routes. The combination of 122 and 125 creates an hourly service between Huapai, Kumeu and Westgate, 7 days a week.
125x - Peak express services from Helensville, through Huapai, Kumeu and Westgate to the city centre. This service operates every 30 minutes, 7 days a week.

Option 2: Full Local Board Proposal

This option reflects the full list of project proposals suggested by the Rodney Local Board. AT has reviewed the request and provided initial cost estimates and likely beneficiaries for each project. Note that all costs are indicative only and are subject to change without notice. The programme will continue to be updated as new information becomes available. The likely period in which benefits will be fully realised has not been considered for this exercise. These additional projects would be delivered on top of other potential projects in the RLTP (i.e. Option 1).

East West bus service

Scope: An hourly service between Parakai, Helensville, Kaukapakapa, and Hibiscus Coast Station would offer connections with local Hibiscus Coast buses and Northern Express buses at Hibiscus Coast Station. This service could also be timetabled to connect with the 125 service from Helensville to Westgate. This service seeks to provide alternative mode of transport for the Parakai, Helensville and Kaukapakapa area.

Estimated costs: Estimated operational costs per annum is approximately $420,000 p.a. No assessment of the bus stop requirements through Kaukapakapa has been made to date, so an allowance for one pair, with a shelter on the Silverdale bound side of the road has been made. Cost would be around $40,000.

Beneficiaries: This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport. This includes Parakai, Helensville, Kaukapakapa and Waitoki.

Rationale for Beneficiaries: Beneficiary (bus service catchment area) assumptions for this route were made on allowing 500m catchment of proposed bus stops, but up to 1000m can be considered within the catchment of a stop, depending on the situation. In the case of projects proposed by Rodney Local Board, none of the settlements are that big, so they could all realistically be said to benefit. Location of proposed bus stops were based on their placement at key intersections and existing locations.
Additional comments: AT believes this service would not be the best value for money, as it wouldn’t be frequent enough to be attractive for many commuters, and is expensive to operate all-day for what would be a limited number of users. The service makes sense in the longer term.

Bus service from Riverhead to Huapai
Scope: A route for buses from Riverhead (which is currently not served by AT) could connect to Huapai Station, should a train service be reintroduced. This would offer connections from Riverhead to the wider transport network, and well as local destinations and services in Kumeu and Huapai. The service would operate hourly, 7 days a week, with a peak-period frequency of every 30 minutes in each direction. The route could start at Riverhead School, and travel via Great North Road and Kaipara Portage Road (to maximise the catchment in Riverhead), before travelling to Huapai via Riverhead Road. The route would terminate near Kumeu Library.

Estimated costs: Estimated project cost for 4 trips in the peak direction at peak times would cost around $420,000 p.a. Bus stops in Riverhead will be required to enable safe boarding and alighting. Whilst a comprehensive review of any current bus stop facilities and requirements for new bus stops and shelters has not been undertaken, AT envisages that a further 5 pairs of bus stops, with shelters on the inbound bus stops, might be required to support this service. This would be a one-off capital cost of $200,000 – based on $40,000 per stop pairing.

Beneficiaries: This service will benefit residents living in close proximity to the proposed route, providing alternative mode of transport and connection between centres. This includes Riverhead and Huapai.

Additional comments: AT believes this service would make sense in the longer term, once both Riverhead and Huapai area are develop further. Without a train service from Huapai, it wouldn’t be the best value for money. AT’s view is that the main appeal of a Riverhead to Huapai service is for trips to the local amenities in Kumeu/Huapai for Riverhead residents, as opposed to commuters.

Bus service from Riverhead to Westgate
Scope: Riverhead to Westgate would connect to the wider AT Metro network. This would enable connections to more destinations, including 110 services direct to the City Centre, as well as 120 to Constellation Station. The service would operate 30 minutes at peak, and hourly at other times 7 days a week. This service seeks to support forecast growth in North West Auckland. Approximately 30,000 house and 13,000 new jobs are anticipated in the area over 30 years.

Estimated costs: Estimated project cost for 4 trips in the peak direction at peak times would cost around $520,000 p.a.

Beneficiaries: This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised decongestion benefits. This includes Riverhead and Westgate.

Train service to Huapai
Scope: A 30-minute interval service will require 2 DMUs to operate the timetable, with the trains passing each other at Waiuku Station. This is the maximum frequency service that could be operate on the existing single track line between Swanson and Huapai. Operation of a 10-minute service would require double tracking between Swanson and Huapai, which would incur significant capital expenditure. This service seeks to support forecast growth in North West Auckland. Approximately 30,000 houses and 13,000 new jobs are anticipated in the area over 30 years.

Estimated costs: Estimated project cost for a 30-minute interval service is approximately $18.7m of capital expenditure with $5.5 operating expenditure per annum.
Beneficiaries: This service would provide a wide catchment and would provide an alternative mode of transport the Northwestern area and possible localised decongestion benefits.

Rationale for Beneficiaries: Flow transportation specialist (FLOW) was commissioned by Auckland Transport to undertake a survey of public transport users at key stations and Park and Rides. The survey was designed to provide information on those who currently use the Park and Ride facilities, particularly the trip characteristics of the users, including origin and destination information. These surveys show stations/terminals which are most distant from the city centre, such as Albany, Half Moon Bay, West Harbour, Pukekohe, and Hobsonville attract wide catchments. Passenger origin data from Swanson saw people travelling from Bethells Beach, Whangaparaoa, Riverhead, and Taupaki. Therefore, it is plausible to assume Huapai rail station could attract a wide catchment.

Additional comments: This service performs poorly from an economic perspective due to high capital costs and low patronage forecasts. Therefore, as standalone investments they appear to offer poor value for money. AECOM has calculated the BCRs, based on patronage forecast from Auckland Forecast Centre to reflect both 10 and 30 minute options.

<table>
<thead>
<tr>
<th>Option</th>
<th>Estimated costs</th>
<th>Estimated BCR</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 min – no tunnel upgrade</td>
<td>$18.7M Capex, $5.5M Opex/ year</td>
<td>0.07</td>
</tr>
<tr>
<td>30 min – with tunnel or rolling stock fire safety risk upgrade</td>
<td>$64.67M Capex, $5.8M Opex/ year</td>
<td>0.04</td>
</tr>
</tbody>
</table>

AT’s view is that this is a high cost service that is only likely attract limited patronage. From a strategic and operational perspective, AT does not support heavy rail operation to Huapai in the medium term.

Warkworth Park and Ride

Scope: AT Metro considers that a park and ride facility at the Warkworth Showgrounds would be relatively easy to implement, provided a lease/land/licence arrangement could be established, subject to further investigation. This project would seek to support forecast growth in North Auckland. Approximately 3,000 house and 4,000 new jobs are anticipated in the area over 30 years.

Estimated costs: Establishing a pair of bus shelters will cost around $70,000. This would include two shelters and associated hardstand and kerb work. Further stops on State Highway 1 near the intersection of Woodcock’s Road would also be beneficial, to enable greater access to the service. This is estimated to cost approximately $40,000. This would include a pair of bus stops, with a shelter on the southbound side of the road. Warkworth Showgrounds is on recreation reserve, but leases to the community are managed by the community leases section of Auckland Council. Advice from AT Property suggests $25,000 p.a. as a rough estimate for a lease land arrangement.

Estimated maintenance costs for one bus shelter is roughly $978 dollars per annum.

Beneficiaries: Warkworth Park and Ride would provide a wide catchment, as depicted in appendix A, figure 1. The Park and Ride would provide an alternative mode of transport the Warkworth area and possible localised decongestion benefits.

Rationale for Beneficiaries: Based on the survey data from FLOW, Passenger origin data from Albany saw people travelling from Snells beach, Waitoki, Helensville, Arkles Bay, and Warkworth. This confirms stations/terminals which are most distant from the city centre attracts wide catchments. It is plausible to assume Warkworth Park and ride could attract a wide catchment north and north east of Warkworth.

Proposed seal extension programme

Scope: Auckland has a total legal road length of 7,300km of which approximately 868km (12%) is unsealed. 678km (78%) of the unsealed road network is in Rodney. As mentioned previously, the draft RLTP does have...
$30m planned for the next 10 years. Targeted rates would enable acceleration and ability to deliver more unsealed roads for the next 10 years.

**Estimated costs:** The cost to complete a seal extension varies significantly from road to road but it typically relates to the condition width of the existing roadway and the topography that it follows. A 7.2km wide seal extension would cost around $800,000/km over unsealed near level uncomplicated terrain. However, this would escalate to around $1,400,000/km over narrow and steep complex terrain. Based on the review of the current seal extension priority list the average cost per kilometre to extend the seal on the existing network would be around $980,000/km.

If a targeted seal extension roading rate was implemented and a further $13m was raised over a similar 10-year period, additional projects could also be added to the currently planned seal extension assumed in the draft RLTP. Currently, potential additional projects are:

- Kipper Road (2.7 km, $2.93M)
- Rustybrook Road (1.8 km, $2.01M)
- Weraunui Road (3.3 km, $2.75M)
- Cames Road (130 m, $0.15M)
- Wilson Road #3 (3.6 km, $3.48M)
- Pebble Brook Road (1.2 km, $1.1M)

Estimated maintenance costs for sealed roads are roughly $18,500 dollars per km, per annum. Note all costs are estimates only and the programme may be revised from time to time in light of operational factors.

**Additional comments:** AT is currently trialling a number of cost-effective treatments for unsealed roads. Otta and Notta seal are currently part of a 2-year trial. Given the trial status of these AT would not recommend including these in a targeted rate proposal as AT cannot yet confirm the full cost and OPEX implications of these yet.

**Beneficiaries:** Although individual projects mainly benefit residents in the local area, the overall programme provides benefits across Rodney’s township by improving overall network connectivity to key destinations, with added benefit of mitigating dust effects for residents in close proximity.

**Rationale for Beneficiaries:** One of the prioritisation criteria considers the number of dwellings/businesses in close proximity or along the unsealed roads. To some degree these are the direct beneficiary of the seal extension programme. AT typically only count dwellings located within 100 - 120m of the carriageway. Residence living in close proximity of the unsealed roads will have the benefit of less dust particulates. However, the seal extension programme is well disbursed in the Rodney region, which allows all users to use the facility around the region.

**Proposed footpath programme**

**Scope:** The proposed footpaths programme supports integration with public transport by providing improved links to bus stops and other public transport interchanges, provides improved transport links to metropolitan centres, district centres, town centres and village centres and integrate with other planned community infrastructure investment, increase mode choice and encourage active modes, particularly for short distance trips, to improve safety for pedestrians, support overall network resilience and efficiency by providing alternative mode options for shorter trips and to provide wider air quality, economic, health and recreational benefits for local residents living in the areas targeted for increased investment.

**Estimated costs:** AT currently has a candidate list of approximately 500 requests for new or improved footpath segments. A targeted rate that raised $7m could address the highest priority items on this list such as:

- Albert Street, (317m $455,719)
- Matakana School Road, (182m $261,643)
York Terrace / Elliot street, (338m $485,909)
Tapu Road, (86m $123,634)
Springs Road, (426m $664,171)
Hill Street, (180m $258,768)
Princess Street, (444m $638,294)
Puniri street, (235m $337,836)
Rodney street, (375m $539,100)
SH16, (556m $769,300)
Mahuangai East Road, (266m $382,402)
Goodall Road, (216m $310,522)
Blue Gum Drive, (449m $645,482)
Dairy Flat Highway, (815m $1,171,644)

Estimated maintenance costs for footpaths are roughly $275 dollars per km, per annum. Note all costs are estimates only.

Beneficiaries: Although individual projects mainly benefit residents in the local area, the overall programme provides benefits across Rodney’s township by enhancing localised amenity and promoting walking and cycling in the community.

Rationale for Beneficiaries: New footpath proposals are primarily in the urban areas and would benefit town centres, bus stops, education intilution, employment areas, significant community areas. Priority is given to those footpaths which lie within 300m from those areas, along with safety and connection to existing footpath and growth area and other considerations.

Summary of costs for option 2:

<table>
<thead>
<tr>
<th>Project</th>
<th>10 year OPEX</th>
<th>10 year CAPEX</th>
<th>10 year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus service: Kaikutapakapa/Whitioki</td>
<td>8,200,000</td>
<td>40,000</td>
<td>8,240,000</td>
</tr>
<tr>
<td>Bus service from Riverhead to Huapai</td>
<td>4,200,000</td>
<td></td>
<td>4,200,000</td>
</tr>
<tr>
<td>Bus service from Riverhead to Westgate</td>
<td>5,270,416</td>
<td>200,000</td>
<td>5,470,416</td>
</tr>
<tr>
<td>Train service to Huapai</td>
<td>55,000,000</td>
<td>18,700,000</td>
<td>73,700,000</td>
</tr>
<tr>
<td>Warakino Park and Ride</td>
<td>285,208</td>
<td>110,000</td>
<td>395,208</td>
</tr>
<tr>
<td>Seal extension</td>
<td>1,100,658</td>
<td>12,448,272</td>
<td>13,548,930</td>
</tr>
<tr>
<td>New footpaths</td>
<td>12,787</td>
<td>7,074,430</td>
<td>7,087,217</td>
</tr>
</tbody>
</table>

Total: 74,069,069, 30,572,702, 112,641,771

Note: All costs are indicative only and are subjected to further review. Delivery will be phased, to be aligned with revenue generated from targeted rate.

Option 3: Revised proposal

This option provides a revised version of the full list of Local Board proposals. It retains the bus service between Riverhead to Westgate, Warakino Park and Ride and additional seal extension programme from the previous option. The more expensive rail option has been replaced with a proposed increase in frequency of the Huapai to Westgate bus service (effectively providing a 15-minute service out of Huapai, in the peak). The proposed footpaths programme has been replaced (at the Local Board’s request). This option provides a valuable programme for Rodney, which is more affordable, whilst ensuring a reasonably even distribution of benefits.
across the Local Board area. Note that all costs are indicatively only and are subjected to change without notice. The programme will continue to be updated as new information becomes available.

The likely period in which benefits will be fully realised has not been considered for this exercise and will be conducted in due course.

Bus service from Huapai to Westgate

**Scope:** Additional buses to run 122 service in the peak could enhance overall attractiveness to public transport in the Tapu Road/Matau Road catchment area. Under the new network, there is already a 122 service between Tapu Road/Matau Road to Westgate. This proposal is to introduce additional buses in the peak to increase frequency. Terminating at Westgate opens up the option of connecting to 110 service from Westgate to the City Centre and connecting to 120 services to Constellation Station. When inter-timed with 125x service, there would be a service approximately every 15 minutes on the main road in the peak. This service seeks to support forecast growth in North West Auckland. Approximately 30,000 house and 13,000 new jobs are anticipated in the area over 30 years.

**Estimated costs:** Estimated project cost for 4 trips in the peak direction at peak times would cost around $230,000 p.a.

As per RLTP: AT does not have plans to increase/introduce additional buses to the 122 service.

**Beneficiaries:** This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised decongestion benefits. This includes Riverhead and Westgate. This is depicted in appendix A, figure 3.

**Rationale for Beneficiaries:** Beneficiary (bus service catchment area) assumptions for this route were made on allowing 500m catchment of proposed bus stops, but up to 1000m can be considered within the catchment of a stop, depending on the situation. In the case of projects proposed by Rodney Local Board, none of the settlements are that big, so they could all realistically be said to benefit. Location of proposed bus stops were based on their placement at key intersections and existing locations.

Bus service from Riverhead to Westgate

**Scope:** Riverhead to Westgate would connect to the wider AT Metro network. This would enable connections to more destinations, including 110 services direct to the City Centre, as well as 120 to Constellation Station. The service would operate 30 minutes at peak, and hourly at other times 7 days a week. This service seeks to support forecast growth in North West Auckland. Approximately 30,000 house and 13,000 new jobs are anticipated in the area over 30 years.

**Estimated costs:** Estimated project cost for 4 trips in the peak direction at peak times, and hourly services at all other times would cost around $520,000 p.a. Whilst a comprehensive review of any current bus stop facilities and requirements for new bus stops and shelters has not been undertaken, AT envisage that a further 6 pairs of bus stops, with shelters on the inbound bus stops, might be required to support this service. This would be a one-off capital cost of $200,000 – based on $40,000 per stop pairing. This is depicted in appendix A, figure 4.

As per RLTP: AT has plans to introduce this service but this wouldn't be before the 2020/21 financial year.

**Beneficiaries:** This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised decongestion benefits. This includes Riverhead and Westgate. This is depicted in appendix A, figure 4.

Warkworth Park and Ride

**Scope:** AT Metro considers that a park and ride facility at the Warkworth Showgrounds would be relatively easy to implement, provided a lease land/licence arrangement could be established, subject to further investigation. Approximately 3,000 house and 4,000 new jobs are anticipated in the area over 30 years.
Estimated costs: Establishing a pair of bus shelters will cost around $70,000. This would include two shelters and associated hardstanding and kerb work. Further stops on State Highway 1 near the intersection of Woodcocks Road would also be beneficial, to enable greater access to the service. This is estimated to cost approximately $40,000. This would include a pair of bus stops, with a shelter on the southbound side of the road. AT believes Warkworth Showgrounds is on recreation reserve, but leases to the community may be managed by the community leases section of Auckland Council. Advice from AT Property suggest $25,000 p.a. as a rough estimate for a lease land arrangement.

Estimated maintenance costs for one bus shelter is roughly $978 dollars per annum.

As per RLTP: This project has been considered in the draft RLTP and is planned to be delivered by 2024/2025 period. This does depend on funding decisions between Council and Government.

Beneficiaries: Warkworth Park and Ride would provide a wide catchment, as depicted in appendix A, figure 1. The Park and Ride would provide an alternative mode of transport the Warkworth area and possible localised decongestion benefits.

Rationale for Beneficiaries: Based on the survey data from FLOW, Passenger origin data from Albany saw people travelling from Snells beach, Waikuri, Helensville, Arkes Bay, and Warkworth. This confirms the fact that stations/terminals which are most distant from the city centre attracts wide catchments, it is plausible to assume Warkworth Park and ride could attract a wide catchment north and north east of Warkworth. This is depicted in appendix A, figure 1.

Huapai Park and Ride investigation

Scope: AT investigated the possibility of accelerating a Huapai Park and Ride facility. This project seeks to support forecast growth in North West Auckland. Approximately 30,000 house and 13,000 new jobs are anticipated in the area over 30 years.

AT have undertaken rapid investigation of a number of options

- A Park and Ride facility on 391 and 393 Main Road has been considered. However, AT understands as part of safety improvements along State Highway 16, the Transport Agency (NZTA) are planning on placing a median "barrier" along SH16 opposite and to either side of this land which will prevent right hand turns out on to SH16 from that land. Access to that land from the realignment of Station Road is being investigated however AT traffic engineers advise that right hand turns into that area of land by vehicles travelling south from the Tapu Rd Station Rd intersection should be kept to a minimum as this may create localised congestion in a residential zone.

- Huapai showgrounds could be established as a Park and Ride. The land is privately owned and current estimates for a lease land arrangement would be in the order of $40,000 p.a.

The advice from AT Strategy is that a Huapai park and ride facility was not planned for another decade. However, a programme business case on the park and ride programme is underway, which will look at appropriate locations regionally, including the Huapai/Kumeu area. AC has strongly recommended AT to include Huapai Park and Ride into the draft revised proposal.

Estimated costs: An indicative amount of $4 million dollars, intended to represent the cost of a small park and ride (50 spaces, including land purchase) has been included. The completion of the programme business case will inform the decision on whether a park and ride is sensible in the Huapai/Kumeu area.

As per RLTP: This project has not been considered in the draft RLTP, as it is planned in the 2nd decade.

Beneficiaries: Huapai Park and Ride would provide a wide catchment, as depicted in appendix A, figure 1. The Park and Ride would provide an alternative mode of transport the Huapai area and possible localised decongestion benefits.

Rationale for Beneficiaries: Flow transportation specialist (FLOW) was commissioned by Auckland Transport to undertake a survey of public transport users at key stations and Park and Rides. The survey was designed to
provide information on those who currently use the Park and Ride facilities, particularly the trip characteristics of the users, including origin and designation information. These surveys show stations/terminals which are most distant from the city centre, such as Albany, Half Moon Bay, West Harbour, Pukekohe, and Hobsonville attract wide catchments. Passenger origin data from Swanson saw people travelling from Bethells Beach, Waiwera, Riverhead, and Taupaki. Therefore, it is plausible to assume Huapai rail station could attract a wide catchment. This is depicted in appendix A, figure 1.

Proposed seal extension programme

Scope: Auckland has a total legal road length of 7,300km of which approximately 866km (12%) is unsealed 678km (76%) of the unsealed road network is in Rodney. As mentioned previously, the draft RLTP does have $30m planned for the next 10 years. Targeted rates would enable acceleration and ability to deliver more unsealed roads for the next 10 years.

Estimated costs: The cost to complete a seal extension varies significantly from road to road but it typically relates to the condition width of the existing roadway and the topography that it follows. A 7.2m wide seal extension would cost around $800,000/km over unsealed near level uncomplicated terrain, however, this would escalate to around $1,400,000/km over narrow and steep complex terrain. Based on the review of the current seal extension priority list the average cost per kilometre to extend the seal on the existing network would be around $980,000/km.

If a targeted seal extension road was implemented and a further $13m was raised over a similar 10-year period, additional projects could also be added to the currently planned seal extension assumed in the draft RLTP. Currently, potential additional projects are:

- Kipper Road (2.7 km, $2.93m)
- Rustybrook Road (1.8 km, $1.42m)
- Weranui Road (3.3 km, $2.75m)
- Carnes Road (130 m, $0.15m)
- Wilson Road #3 (3.6 km, $3.48m)
- Pebble Brook Road (1.2km, $1.1m)

Estimated maintenance costs for sealed roads are roughly $18,500 dollars per km, per annum. Note all costs are estimates only and the programme may be revised from time to time in light of operational factors. This is depicted in appendix A, figure 1.

As per RLTP: Currently these projects have not been considered in the draft RLTP due limited funding available in 2018 - 26 period. Therefore, these projects would be considered in the second decade (2026 – 2038 period).

Additional comments: AT is currently trialling a number of cost effective treatments for unsaleable roads. Ota and Notta seal are currently part of a 2-year trial. Given the trial status of these AT would not recommend including these in a targeted rate proposal as AT cannot yet confirm the full cost and OPEX implications of these yet.

Beneficiaries: Although individual projects mainly benefit residents in the local area, the overall programme provides benefits across Rodney’s township by enabling overall network connectivity to key destinations, with added benefit of mitigating dust effects for residents in close proximity.

Rationale for Beneficiaries: One of the prioritisation criteria considers the number of dwellings/businesses in close proximity or along the unsealed roads. To some degree these are the direct beneficiary of the seal extension programme. AT typically only count dwellings located within 100 – 120m of the carriageway. Residence living in close proximity of the unsealed roads will have the benefit of less dust particulates. However, the seal extension programme is well disbursed in the Rodney region, which allows all users to use the facility around the region. This is depicted in appendix A, figure 1.
Proposed footpath programme

Scope: The proposed footpath programme supports integration with public transport by providing improved links to bus stops and other public transport interchanges, provides improved transport links to metropolitan centres, district centres, town centres and village centres and integrate with other planned community infrastructure investment, increase mode choice and encourage active modes, particularly for short distance trips, to improve safety for pedestrians, support overall network resilience and efficiency by providing alternative mode options for shorter trips and to provide wider air quality, economic, health and recreational benefits for local residents living in the areas targeted for increased investment.

Estimated costs: Rodney Local Board has an un prioritised footpath list. A targeted rate that raised $15m could deliver a programme of footpaths spread around Rodney’s township, such as:

- Kapapa Coast Highway - Kaukapakapa (740m, $1.4m)
- Alice Street - Riverhead (254m, $365k)
- Newton Road – Riverhead (245m, $347k)
- Tapu Road, Huapai - Parkview Lane (86m, $123k)
- Springs Road – Riverhead (462m, $984k)
- Fire Station to Peak Rd along SH16 – Kumeu (1.2km, $1.4m)
- Puhinui Road – Warkworth (240m, $405k)
- Wilson Road – Warkworth (490m, $690k)
- Rodney street – Wellsford (230m, $539k)
- Domain Crescent - Munwia (530m, $770k)
- Falls Road – Warkworth (417m, $509k)
- Goodall Road - Snells Beach (216m, $310k)
- Blue Gum Drive - Warkworth (440m, $645k)
- Dairy Flat Highway - Dairy Flat (915m, $1.1m)
- Matakanui Road - Matakanui (2.1km, $717k)
- Leigh Road – Whangateau (259m, $373k)
- Puhi to State Highway 1 (8bc, $255k)
- Puhi to State Highway 1 (8bc, $450k)
- Kahiakata Flat Road – Waitoki (345m, $495k)
- Omaha Drive - Omaha (800m, $1.1m)
- Rodney Street - Wellsford (330m, $108k)
- Rodney Street – Wellsford (Centennial Park Road), (375m, $123k)
- Sandspit Road - Sandspit (924m, $303k)
- Worker Road – Wellsford (259m, $85k)
- School Road – Wellsford (344m, $179k)
- State Highway 1 – Wellsford (ibc, $180k)
- Mckinney Road – Warkworth (ibc, $987k)

Estimated maintenance costs for footpaths are roughly $275 dollars per km, per annum. Because the footpath programme has not been prioritised, AT has included a nominal amount of $30,000 for maintenance of footpaths over 10 years. The programme may need to be revised from time to time in light of operational factors. Indicative location is depicted in appendix A, figure 1.

As per RLTP: This programme has been considered in the draft RLTP, which has provisioned $30m in the draft RLTP. However, when compared to other project proposals for funding, this programme has not been identified as high priority and therefore unlikely to get funding.

Beneficiaries: Although individual projects mainly benefit residents in the local area, the overall programme provides benefits across Rodney’s township by enhancing localised amenity and promoting walking and cycling in the community.

Rationale for Beneficiaries: New footpath proposals are primarily in the urban areas and would benefit towncentres, bus stops, education intuitions, employment areas, significant community areas. Priority are given to those footpaths which lie within 300m from those areas, along with safety and connection to existing footpath...
### Summary of costs for option 3: Distributed benefits

<table>
<thead>
<tr>
<th>Project</th>
<th>10 year OPEX</th>
<th>10 year CAPEX</th>
<th>10 year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus service from Huapai to Westgate</td>
<td>2,300,000</td>
<td></td>
<td>2,300,000</td>
</tr>
<tr>
<td>Bus service from Riverhead to Westgate</td>
<td>5,270,416</td>
<td>200,000</td>
<td>5,470,416</td>
</tr>
<tr>
<td>Waitakere Park and Ride</td>
<td>285,206</td>
<td>110,000</td>
<td>395,206</td>
</tr>
<tr>
<td>Huapai Park and Ride investigation</td>
<td>4,000,000</td>
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<td>4,000,000</td>
</tr>
<tr>
<td>Seal extension</td>
<td>1,100,658</td>
<td>12,448,272</td>
<td>13,548,930</td>
</tr>
<tr>
<td>New footpaths</td>
<td>30,000</td>
<td>14,955,826</td>
<td>14,985,826</td>
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<tr>
<td>Total</td>
<td>8,986,282</td>
<td>31,684,098</td>
<td>40,670,380</td>
</tr>
</tbody>
</table>

**Note:** All costs are indicative only and are subject to further review. Delivery will be phased, to be aligned with revenue generated from targeted rate. The programme will continue to be updated as new information becomes available.

### Summary of costs for option 3: Differential benefits based on Rodney subdivision

<table>
<thead>
<tr>
<th>Project</th>
<th>10 year OPEX</th>
<th>10 year CAPEX</th>
<th>10 year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Kumeu Subdivision</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bus service from Huapai to Westgate</td>
<td>2,300,000</td>
<td></td>
<td>2,300,000</td>
</tr>
<tr>
<td>Bus service from Riverhead to Westgate</td>
<td>5,270,416</td>
<td>200,000</td>
<td>5,470,416</td>
</tr>
<tr>
<td>Huapai Park and Ride investigation</td>
<td>4,000,000</td>
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</tr>
<tr>
<td>Seal Extensions</td>
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<td>4,773,543</td>
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<tr>
<td>New Footpaths</td>
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<td>5,160,776</td>
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<tr>
<td>Subtotal</td>
<td>7,729,079</td>
<td>13,961,456</td>
<td>21,700,535</td>
</tr>
</tbody>
</table>

| **Dairy Flat Subdivision**       |               |               |               |
| New Footpaths                    | 3,111         | 1,667,616     | 1,670,727     |
| Subtotal                         | 3,111         | 1,667,616     | 1,670,727     |

<p>| <strong>Waitakere Subdivision</strong>        |               |               |               |
| Waitakere Park and Ride          | 285,206       | 110,000       | 395,206       |
| Seal Extensions                  | 697,228       | 5,672,728     | 6,369,956     |
| New Footpaths                    | 12,310        | 6,891,587     | 6,903,897     |</p>
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount 1</th>
<th>Amount 2</th>
<th>Amount 3</th>
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<tbody>
<tr>
<td>Subtotal</td>
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<td>13,669,061</td>
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<td>Wellsford Subdivision</td>
<td>246,735</td>
<td>2,160,696</td>
<td>2,407,431</td>
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<tr>
<td>Seal Extensions</td>
<td>2,612</td>
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<td>1,222,627</td>
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<td>New Footpaths</td>
<td>249,346</td>
<td>3,380,711</td>
<td>3,630,057</td>
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<tr>
<td>Total</td>
<td>9,986,282</td>
<td>31,684,098</td>
<td>40,870,380</td>
</tr>
</tbody>
</table>

Note: All costs are indicative only and are subject to further review. Delivery will be phased, to be aligned with revenue generated from targeted rate. The programme will continue to be updated as new information becomes available.
Appendix A: Supporting information for option 3

Figure 1: Proposed projects in Rodney, distributed benefits (Option 3 – Revised proposal)

Note: All projects are indicative only and are subject to change.
Figure 2: Proposed projects in Rodney, differential benefits based on Rodney subdivision (Option 3 – Revised proposal)
Figure 3: Bus service from Huapai to Westgate
Based on 500m catchment from bus stops.

Figure 4: Bus service from Riverhead to Westgate
Based on 500m catchment from bus stops.
Item 12

Attachment D

Attachment A
Attachment B: Alternative transport investment option for Rodney Local Board

This attachment outlines the projects that would be funded under the alternative investment option for transport improvements for Rodney Local Board. Note that all costs are indicative only and are subjected to change without notice. The programme will continue to be updated as new information becomes available. The base level of investment in the Rodney Local Board area can be established from the draft Regional Land Transport Plan. The investments included in the original proposal are set in Attachment B: Transport investment options for Rodney Local Board included in the report entitled Rodney Local Board transport targeted rate considered at the board’s 5 December 2017 meeting. The costs are net of fare revenue which is not expected to be material. All costs are indicative and are subjected to further review.

Bus service from Huapai to Westgate

**Scope:** Additional buses to run 122 service in the peak could enhance overall attractiveness to public transport in the Tapu Road/Matua Road catchment area. Under the new network, there is already a 122 service between Tapu Road/Matua Road to Westgate. This proposal is to introduce additional buses in the peak to increase frequency. Terminating at Westgate opens up the option of connecting to 110 service from Westgate to the City Centre and connecting to 120 services to Constellation Station. When inter-timed with 125x service, there would be a service approximately every 15 minutes on the main road in the peak. This service seeks to support forecast growth in North West Auckland. Approximately 30,000 house and 13,000 new jobs are anticipated in the area over 30 years.

**Estimated costs:** Estimated project cost for 4 trips in the peak direction at peak times would cost around $230,000 p.a.

**As per RLTP:** AT does not have plans to increase/introduce additional buses to the 122 service.

**Beneficiaries:** This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised decongestion benefits. This includes Riverhead and Westgate. This is depicted in appendix A, figure 3.

**Rationale for Beneficiaries:** Beneficiary (bus service catchment area) assumptions for this route were made on allowing 500m catchment of proposed bus stops, but up to 1000m can be considered within the catchment of a stop, depending on the situation. In the case of projects proposed by Rodney Local Board, none of the settlements are that big, so they could all realistically be said to benefit. Location of proposed bus stops were based on their placement at key intersections and existing locations.

Bus service from Riverhead to Westgate

**Scope:** Riverhead to Westgate would connect to the wider AT Metro network. This would enable connections to more destinations, including 110 services direct to the City Centre, as well as 120 to Constellation Station. The service would operate 30 minutes at peak, and hourly at other times 7 days a week. This service seeks to support forecast growth in North West Auckland. Approximately 30,000 house and 13,000 new jobs are anticipated in the area over 30 years.

**Estimated costs:** Estimated project cost for 4 trips in the peak direction at peak times, and hourly services at all other times would cost around $520,000 p.a. Whilst a comprehensive review of any current bus stop facilities and requirements for new bus stops and shelters has not been undertaken, AT envisages that a further 5 pairs of bus stops, with shelters on the inbound bus stops, might be required to support this service. This would be a one-off capital cost of $200,000 – based on $40,000 per stop pairing. This is depicted in appendix A, figure 4.
Rodney Local Board Targeted Rate

As per RLTP: AT has plans to introduce this service but this wouldn’t be before the 2020/21 financial year.

Beneficiaries: This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised congestion benefits. This includes Riverhead and Westgate. This is depicted in appendix A, figure 4.

Bus service from Wellsford to Warkworth

Scope: Wellsford to Warkworth would connect to the wider AT Metro network. This would enable connections to more destinations. The service would operate hourly 7am to 7pm, 7 days a week. With additional 7.30 and 8.30am services to Warkworth on weekdays and additional 5.30 and 6.30pm services to Wellsford on weekdays.

Estimated costs: Estimated project cost for hourly services 7am to 7pm, 7 days per week, plus additional half hourly services, would cost around $520,000 pa. Whilst a comprehensive review of any current bus stop facilities and requirements for new bus stops and shelters has not been undertaken, AT envisage that additional bus stops, with shelters on some of these, would be required to support this service. This would be a one-off capital cost of $50,000.

As per RLTP: AT has no current plans to introduce a service such as this.

Beneficiaries: This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised congestion benefits. This would primarily be of benefit to Wellsford residents.

Bus service from Helensville to Silverdale (Hibiscus Coast Bus Station)

Scope: Helensville to Hibiscus Coast Bus Station would connect to the wider AT Metro network. This would enable connections to more destinations, including 110 services direct to the City Centre, as well as 120 to Constellation Station. The service would operate hourly 6am to 7pm, 7 days a week. This service seeks to provide connections from the Northwest to the high frequency Northern Express.

Estimated costs: Estimated project cost for hourly services 7am to 7pm, 7 days per week would cost around $750,000 pa. Whilst a comprehensive review of any current bus stop facilities and requirements for new bus stops and shelters has not been undertaken, AT envisage that additional bus stops, with shelters on some of these, would be required to support this service. This would be a one-off capital cost of $200,000 – based on $40,000 per stop pairing.

As per RLTP: AT has no current plans to introduce a service such as this.

Beneficiaries: This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised congestion benefits. This includes Helensville, Kaukapakapa and Waitoki.

Bus service from Huapai to Albany (Albany Bus Station)

Scope: Huapai to Albany Bus Station would connect to the wider AT Metro network. This would enable connections to more destinations, including services direct to the City Centre. The service would operate hourly 7am to 7pm, 7 days a week. This service seeks to provide connections from the Northwest to the high frequency Northern Express.

Estimated costs: Estimated project cost for hourly services 7am to 7pm, 7 days per week would cost around $715,000 pa. Whilst a comprehensive review of any current bus stop facilities and requirements for new bus stops and shelters has not been undertaken, AT envisage that additional bus stops, with shelters on some of these, would be required to support this service. This would be a one-off capital cost of $200,000 – based on $40,000 per stop pairing.
As per RLTP: AT has no current plans to introduce a service such as this.

**Beneficiaries:** This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised congestion benefits. This includes Huapai, Riverhead, and Coatesville.

**Warkworth Park and Ride**

**Scope:** The local board considers that a park and ride facility at the old Atlas site would be relatively easy to implement, provided a lease/licence arrangement could be established, subject to further investigation.

**Estimated costs:** Capital cost for 120 spaces at an estimate of $10,000 per space equals $1.2 million.

**As per RLTP:** This project has been considered in the draft RLTP and is not planned to be delivered within the 2018-2028 period. Opex cost of $285,000 over 10 years.

**Beneficiaries:** Warkworth Park and Ride would provide a wide catchment. The Park and Ride would provide an alternative mode of transport the Warkworth area and possible localised decongestion benefits.

**Rationale for Beneficiaries:** Based on the survey data from FLOW, Passenger origin data from Albany saw people travelling from Snells beach, Waitoki, Helensville, Arkles Bay, and Warkworth. This confirms the fact that stations/terminals which are most distant from the city centre attracts wide catchments, it is plausible to assume Warkworth Park and ride could attract a wide catchment north and north east of Warkworth.

**Huapai Park and Ride investigation**

**Scope:** AT investigated the possibility of accelerating a Huapai Park and Ride facility. This project seeks to support forecast growth in North West Auckland. Approximately 30,000 house and 13,000 new jobs are anticipated in the area over 30 years.

AT have undertaken rapid investigation of a number of options

- A Park and Ride facility on 391 and 393 Main Road has been considered. However, AT understands as part of safety improvements along State Highway 16, the Transport Agency (NZTA) are planning on placing a median “barrier” along SH16 opposite and to either side of this land which will prevent right hand turns cut on to SH16 from that land. Access to that land from the realignment of Station Road is being investigated however AT traffic engineers advise that right hand turns into that area of land by vehicles travelling south from the Tapu Rd \ Station Rd intersection should be kept to a minimum as this may create localised congestion in a residential zone.

- Kumeu showgrounds could be established as a Park and Ride. The land is privately owned and current estimates for a lease land arrangement would in the order of $40,000 p.a.

The advice from AT Strategy is that a Huapai park and ride facility was not planned for another decade. However, a programme business case on the park and ride programme is underway, which will look at appropriate locations regionally, including the Huapai/Kumeu area. AC has strongly recommended AT to include Huapai Park and Ride into the draft revised proposal.

**Estimated costs:** An indicative amount of $4 million dollars, intended to represent the cost of a small park and ride (50 spaces, including land purchase) has been included. The completion of the programme business case will inform the decision on whether a park and ride is sensible in the Huapai/Kumeu area.

**As per RLTP:** This project has not been considered in the draft RLTP, as it is planned in the 2nd decade.

**Beneficiaries:** Huapai Park and Ride would provide a wide catchment, as depicted in appendix A, figure 1. The Park and Ride would provide an alternative mode of transport the Huapai area and possible localised decongestion benefits,

**Rationale for Beneficiaries:** Flow transportation specialist (FLOW) was commissioned by Auckland Transport to undertake a survey of public transport users at key stations and Park and Rides. The survey was designed to
provide information on those who currently use the Park and Ride facilities, particularly the trip characteristics of the users, including origin and destination information. These surveys show stations/terminals which are most distant from the city centre, such as Albany, Half Moon Bay, West Harbour, Pukekohe, and Hobsonville attract wide catchments. Passenger origin data from Swanson saw people travelling from Bethells Beach, Waimauku, Riverhead, and Taupaki. Therefore, it is plausible to assume Huapai rail station could attract a wide catchment.

**Proposed footpath programme**

**Scope:** The proposed footpaths programme supports integration with public transport by providing improved links to bus stops and other public transport interchanges, provides improved transport links to metropolitan centres, district centres, town centres and village centres and integrate with other planned community infrastructure investment, increase mode choice and encourage active modes, particularly for short distance trips, to improve safety for pedestrians, support overall network resilience and efficiency by providing alternative mode options for shorter trips and to provide wider air quality, economic, health and recreational benefits for local residents living in the areas targeted for increased investment.

Estimated costs: Rodney Local Board has an unpriontised footpath list. A targeted rate that raised $15m could deliver a programme of footpaths spread around Rodney’s township, such as:

- Kaipara Coast Highway - Kaukapakapa (approx. 740m)
- Alice Street - Riverhead (approx. 254m)
- Newton Road – Riverhead (approx. 245m)
- Puriri Street – Helensville (approx. 42m)
- Springs Road – Parakai (approx. 462m)
- Fire Station to Peak Rd along SH16 – Kumeū (approx. 1.2km)
- Pulham Road – Warkworth (approx. 240m)
- Wilson Road – Warkworth (approx. 490m)
- State Highway 1 - Wellsford (approx. 230m)
- Domain Crescent - Muriwai (tbc)
- Pipitiwai Drive, Helensville (approx. 986m)
- Falls Road – Warkworth (approx. 417m)
- Goodall Road - Snells Beach (approx. 216m)
- Blue Gum Drive - Warkworth (approx. 449m)
- Dairy Flat Highway - Dairy Flat (approx. 815m)
- Matakana Road - Matakana (approx. 2.1km)
- Leigh Road – Whangateau (approx. 259m)
- Hill Street – Warkworth (approx. 180m)
- Puhoi to State Highway 1 (tbc)
- Coatesville Riverhead Highway – Coatesville (tbc)
- Omaha Drive - Omaha (approx. 800m)
- Rodney Street (Eastern side) - Wellsford (approx. 330m)
- Rodney Street (Corner at no. 95) - Wellsford (approx. 15m)
- Rodney Street - Wellsford (Centennial Park Road), (approx. 375m)
- Sandspit Road - Sandspit (approx. 924m)
- Worker Road - Wellsford (approx. 259m)
- School Road – Wellsford approx. (544m)
- State Highway 1 – Wellsford (tbc)
- Mckinney Road – Warkworth (tbc)

Estimated maintenance costs for footpaths are roughly $275 dollars per km, per annum. Because the footpaths programme has not been prioritised, AT has included a nominal amount of $30,000 for maintenance of footpaths over 10 years. The programme may need to be revised from time to time in light of operational factors. Indicative location is depicted in appendix A, figure 1.
As per RLTP: This programme has been considered in the draft RLTP, which has provisioned $30m in the draft RLTP. However, when compared to other project proposals for funding, this programme has not been identified as high priority and therefore unlikely to get funding.

Beneficiaries: Although individual projects mainly benefit residents in the local area, the overall programme provides benefits across Rodney’s township by enhancing localised amenity and promoting walking and cycling in the community.

Rationale for Beneficiaries: New footpath proposals are primarily in the urban areas and would benefit towncentres, bus stops, education intuition, employment areas, significant community areas. Priority are given to those footpaths which lie within 300m from those areas, along with safety and connection to existing footpath and growth area and other considerations. As per the attached map, these priority footpaths are reasonably disperse in Rodney and seeks to address infrastructure deficit and provide a basic network of footpaths where key gaps are identified.

Summary of costs for option 3: Distributed benefits

<table>
<thead>
<tr>
<th>Project</th>
<th>10 year OPEX</th>
<th>10 year CAPEX</th>
<th>10 year total</th>
<th>10 year total (inflated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus service from Huapai to Westgate</td>
<td>2,300,000</td>
<td>2,300,000</td>
<td>4,600,000</td>
<td>5,180,436</td>
</tr>
<tr>
<td>Bus service from Riverhead to Westgate</td>
<td>5,270,416</td>
<td>200,000</td>
<td>5,470,416</td>
<td>5,970,958</td>
</tr>
<tr>
<td>Bus service from Wellsford to Warkworth</td>
<td>5,200,000</td>
<td>50,000</td>
<td>5,250,000</td>
<td>5,743,855</td>
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<tr>
<td>Bus service from Huapai to Albany</td>
<td>6,500,000</td>
<td>200,000</td>
<td>6,700,000</td>
<td>7,317,319</td>
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<tr>
<td>Warkworth Park and Ride</td>
<td>285,208</td>
<td>1,200,000</td>
<td>1,485,208</td>
<td>1,512,295</td>
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<tr>
<td>Huapai Park and Ride investigation</td>
<td>4,000,000</td>
<td>4,000,000</td>
<td>8,000,000</td>
<td>8,400,000</td>
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<td>New footpaths</td>
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<tr>
<td>Interest cost</td>
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<td></td>
<td>1,693,448</td>
<td></td>
</tr>
<tr>
<td>Total targeted rate</td>
<td></td>
<td></td>
<td>46,051,581</td>
<td></td>
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</tbody>
</table>

Note: All costs are indicative only and are subjected to further review. Delivery will be phased, to be aligned with revenue generated from targeted rate. The programme will continue to be updated as new information becomes available. If business cases for the additional public transport services delivered an NZTA subsidy the Helensville to Silverdale service could be delivered within the current funding envelope.

Summary of costs for option 3: Differential benefits based on Rodney subdivision

<table>
<thead>
<tr>
<th>Project</th>
<th>10 year OPEX</th>
<th>10 year CAPEX</th>
<th>10 year Total</th>
<th>10 year total (inflated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kumeu Subdivision</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bus service from Huapai to Westgate</td>
<td>2,300,000</td>
<td>2,300,000</td>
<td>4,600,000</td>
<td>5,180,436</td>
</tr>
<tr>
<td>Bus service from Riverhead to Westgate</td>
<td>5,270,416</td>
<td>200,000</td>
<td>5,470,416</td>
<td>5,970,958</td>
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### Rodney Local Board Targeted Rate

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<th>10 year OPEX</th>
<th>10 year CAPEX</th>
<th>10 year Total</th>
<th>10 year total (inflated)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Kumeu Subdivision</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bus service from Huapai to Albany (80%)</td>
<td>5,200,000</td>
<td>160,000</td>
<td>$5,360,000</td>
<td>5,853,855</td>
</tr>
<tr>
<td>Huapai Park n Ride investigation</td>
<td>4,000,000</td>
<td>4,000,000</td>
<td>4,000,000</td>
<td></td>
</tr>
<tr>
<td>New Footpaths</td>
<td>11,968</td>
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<td>5,158,576</td>
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<tr>
<td><strong>Subtotal</strong></td>
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<td><strong>Dairy Flat Subdivision</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>New Footpaths</td>
<td>3,111</td>
<td>1,667,616</td>
<td>1,670,727</td>
<td>1,932,083</td>
</tr>
<tr>
<td>Bus service from Huapai to Albany (20%)</td>
<td>1,300,000</td>
<td>40,000</td>
<td>1,340,000</td>
<td>1,463,464</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>1,301,111</td>
<td>1,707,616</td>
<td>3,010,727</td>
<td>3,395,547</td>
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<tr>
<td><strong>Warkworth Subdivision</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Warkworth Park n Ride</td>
<td>285,208</td>
<td>1,200,000</td>
<td>1,485,208</td>
<td>1,512,295</td>
</tr>
<tr>
<td>Bus service from Wellsford to Warkworth (20%)</td>
<td>1,040,000</td>
<td>10,000</td>
<td>1,050,000</td>
<td>1,148,771</td>
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<td>New Footpaths</td>
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<td>6,891,587</td>
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<td><strong>Subtotal</strong></td>
<td>1,337,518</td>
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<td><strong>Wellsford Subdivision</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Bus service from Wellsford to Warkworth (80%)</td>
<td>4,160,000</td>
<td>40,000</td>
<td>4,200,000</td>
<td>4,595,084</td>
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<tr>
<td>New Footpaths</td>
<td>2,612</td>
<td>1,220,015</td>
<td>1,222,627</td>
<td>1,413,865</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td>4,160,000</td>
<td>1,260,015</td>
<td>5,422,627</td>
<td>6,008,949</td>
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<tr>
<td><strong>Total</strong></td>
<td>8,986,282</td>
<td>31,684,098</td>
<td>40,161,450</td>
<td>44,358,133</td>
</tr>
</tbody>
</table>

| Interest cost                                    |               |               |               | 1,693,448            |
| Total targeted rate                              |               |               |               | 46,051,581           |

**Note:** All costs are indicative only and are subjected to further review. Delivery will be phased, to be aligned with revenue generated from targeted rate. The programme will continue to be updated as new information becomes available.
7.12: Rodney Local Board Transport Targeted Rate

**Purpose**

1. To provide advice on funding options for a local targeted rate to support additional transport investment in the Rodney Local Board area.

**Executive summary**

2. To accelerate improvement in the transport services in the Rodney Local Board area it is proposed to introduce a targeted rate to raise $41 million over ten years to fund:
   - Increased frequency of the Huapai to Westgate bus service (effectively providing a 15-minute service out of Huapai, in the peak)
   - Bus service from Riverhead to Westgate
   - Huapai Park and Ride (investigation)
   - Warkworth Park and Ride
   - Proposed seal extension programme
   - Proposed footpath programme.

3. Officers propose a fixed rate of $150 per separately used or inhabited part of a rating unit (SUIP) as the primary benefits manifest in terms of improvement to personal transport options and outcomes and residential amenity. Accordingly the benefits will not differ materially between types of property. The projects are relatively evenly spread over the region and therefore all properties should share the costs.

4. Consideration was given to three alternatives:
   - General rates – not appropriate to fund projects not presently in the Regional land transport plan and benefiting only part of the region
   - Differentiated geographically within Rodney Local Board area
     - investment distribution varies across local board subdivisions
     - projects are reasonably spread across region providing benefits to all areas (subdivisions are electoral boundaries and don’t reflect transport benefit distribution)
   - Differentiated targeted rate on business properties
     - businesses can expense income tax and claim back GST – equivalent to a differential of 1.6 times the residential rate
     - businesses do not benefit more than non-business properties and may benefit less

**Recommendation/s**

That the Rodney Local Board:

a) decide if it wishes to recommend to the Governing Body consultation as part of the Long-term Plan 2018-2028 on a targeted rate of $150 per separately used or inhabited part of a rating unit to fund $41 million of transport improvements in the Rodney Local Board area over the next ten years.

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1. A SUIP separately identifies for rating purposes both a granny flat and the main house and each shop in a shopping mall.
Comments

Background

Rodney Local Board Plan

5. The Rodney Local Board consulted on investigating a targeted rate to fund transport improvements, as part of its local board plan. The draft text of the plan stated that "to make an impact and start addressing more of Rodney's issues, we need extra funding, and for that we propose investigating a new targeted rate and progressing this pending the result of the investigation." Potential uses for the rate were identified in the plan as including public transport trials (such as buses between Warkworth and Silverdale or rail to Huapai), park and ride facilities in Warkworth and Kumeu-Huapai, and sealing Rodney's roads. The local board received 1,414 responses to the targeted rate question in the local board plan, and 53% of respondents supported the investigation into the targeted rate.

6. Auckland Transport has analysed the investments suggested in the local board plan consultation. The proposed investments have been adjusted to incorporate projects most likely to make a material difference to transport outcomes relative to their costs. These are set out in the proposal that follows and are discussed in more detail in Attachment B: Transport investment options for Rodney Local Board.

Current Rodney Local Board area transport investment program

7. The draft capital programme includes a number of potential projects in the Rodney local board area for consideration as part of development of the Long-term Plan 2018-2028:

- seal extension programme, $30 million
- Supporting Growth projects in Warkworth, including
  - Matakana Link Road
  - future extension of Matakana Link Road to Sandspit Road
- Warkworth Western Collector
- Warkworth grade separated park and ride facility.

8. The Supporting Growth projects are a relatively low priority and the potential for funding is highly uncertain. For full details see Attachment B: Transport investment options for Rodney Local Board.

Statutory decision making criteria

9. The council (Governing Body and local boards) are required to consider and consult on any changes to funding for services. This proposal considers the sources of funding for the proposed transport improvements in the Rodney Local Board area against the statutory criteria in section 101(3) of the Local Government Act 2002. The key elements of this assessment are set out in the options below. A full analysis against the statutory criteria is set out in Attachment A: Assessment against statutory criteria.

Rodney Local Board Transport Improvements Proposal

10. To fund a range of additional transport service improvements in the Rodney Local Board area of $41 million over ten years. The proposed service improvements are set out in the table below, for full details see Option Three in Attachment B: Transport investment options for Rodney Local Board. The costs are net of fare revenue which is not expected to be material. All costs are indicative and are subject to further review. Delivery will be phased over time to align with revenue generated from targeted rate.

Table 1: Proposed delivery timeframes

<table>
<thead>
<tr>
<th>Project</th>
<th>10 year OPEX</th>
<th>10 year CAPEX</th>
<th>10 year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rodney Local Board Transport Targeted Rate</td>
<td></td>
<td></td>
<td>416</td>
</tr>
</tbody>
</table>
11. The proposal does not include rail to Huapai that was referred to in the Rodney Local Board Plan consultation due to the high estimated cost of $18.7m capital plus $5.5m per annum for operating costs relative to potential benefit within the LTP planning timeframes. Two bus service proposals were also removed due to expected low patronage. The investment proposal has been adjusted to replace these projects with a range of other investments to serve the community in that area, including additional bus services to Westgate and investigation of Huapai Park and Ride.

12. Auckland Transport does not currently have plans for a park and ride in the Huapai area until after 2028, and no formal work has been done on identifying potential locations. Auckland Transport is currently undertaking a Programme Business Case for its park and ride programme. This work, which is planned for completion in February 2018, will include examining options for Huapai and will provide a decision on the merits of a facility. In the meantime, Auckland Transport will also investigate potential sites, including temporary options using existing parking sites. We propose a Huapai park and ride facility is tentatively included in the proposal, noting that this is subject to further investigation on the costs, feasibility and operational merits of constructing a facility in the short to medium term. In the meantime a placeholder allowance of $4 million has been made to cover the possibility that land purchase may be required.

Proposed funding

13. The Warkworth Park and Ride assumes the availability of Warkworth Showgrounds carpark, based on a lease landlicence arrangement between Auckland Transport and Auckland Council’s Community Facilities Department. Further work is required to confirm the suitability of the site for Park and Ride.

14. It is proposed to fund the transport improvements with a targeted rate of $150 per SUIP.

15. The projects are spread over the entire Rodney Local Board area providing benefits to all residents and properties in the form of:

   a) improved personal transport choices and outcomes (bus services, new footpaths and Park and Ride facilities)

   b) improved residential amenity (additional road sealing and new footpaths).

16. Given the nature of the benefits:

   • business owners and farms will benefit at a similar level to residential properties rather than in proportion to their scale of activity or capital value

   • residential properties of differing capital value will benefit similarly.
17. As the benefit to all properties is relatively similar a rate set as a fixed charge per separately used or inhabited part of a rating unit (SUlP) is appropriate.

18. The cost of the rate is estimated to be $150 per annum or $2.90 per week. This is unlikely to present material affordability issues for most ratepayers. Those ratepayers with affordability issues can access the council's rates postponement scheme or apply for the rates rebate which the council administers on behalf of the Department of Internal Affairs. Whilst business properties and more remote farms will benefit less than residential properties they can expense rates and claim back GST which means the net cost to them will be $93.90 per annum or $1.80 per week.

**Alternative funding options**

19. The following alternative funding options were considered

- General rates
- Differentiate by sub-region
- Differentiated targeted rate on business properties
- Maintain current investment.

20. Each of these options is assessed below.

**General rates**

21. General rates are not an appropriate funding source as the projects proposed are low priority for the region as a whole. While the cost of the service improvements would only increase general rates by 0.3 per cent for all other ratepayers the relative cost benefit of the projects isn't justified on a regional basis.

**Differentiate by sub-region with local board**

19. Targeted rates can be set to cover the entire Rodney area or geographical subsets if some benefit more from the proposed service improvements. The projects are spread broadly over the Rodney area but the cost of investment varies by subdivision, see table below.

<table>
<thead>
<tr>
<th>Subdivision</th>
<th>Rodney</th>
<th>Kumeu</th>
<th>Wellsford</th>
<th>Warkworth</th>
<th>Dairy Flat</th>
</tr>
</thead>
<tbody>
<tr>
<td>No of SUlPs</td>
<td>31,207</td>
<td>12,450</td>
<td>3,236</td>
<td>12,805</td>
<td>2,717</td>
</tr>
<tr>
<td>Annualised expenditure (revenue requirement)</td>
<td>$4,057,038</td>
<td>$2,170,054</td>
<td>$363,006</td>
<td>$1,366,906</td>
<td>$167,073</td>
</tr>
<tr>
<td>Investment per SUlP</td>
<td>$150</td>
<td>$200</td>
<td>$129</td>
<td>$123</td>
<td>$71</td>
</tr>
</tbody>
</table>

20. The nature of projects proposed has been structured to deliver a reasonable distribution of investment and benefit across the Rodney Local Board area. The costs vary across the region resulting in a variation in investment value in different sub-regions but provide similar levels of benefit relative to population. The subdivisions are established for electoral purposes but don't align with the likely distribution of transport benefits.

21. The costs of providing some projects, park and rides (Warkworth $400,000 and Huapai $4 million), varies widely whereas the benefits are similar. Accordingly sharing the costs regionally is justified on a benefits basis for these projects.

**Targeted rate with business differential**

22. Business properties are able to expense rates and claim back GST. This makes the rate more affordable for these properties. In addition business properties are better placed to adjust their income in response to a change in costs than residential ratepayers. However, business ratepayers receive similar benefits to residential properties and accordingly should pay the same rate.

23. If a business differential was set it could be based on their tax advantage. Business properties would pay a fixed charge 1.6 times the non-business rate or $232 per SUlP. The non-business rate would be $145 per SUlP. After adjusting for expensing the additional rate against tax and claiming back GST business ratepayers would pay the same as residential ratepayers.

**Maintaining current investment and service levels**

Rodney Local Board Transport Targeted Rate
24. Auckland Transport’s draft capital programme includes a number of potential projects in the Rodney local board area for consideration as part of development of the Long-term Plan 2018-2028:
   - seal extension programme, $30 million
   - Supporting Growth projects in Warkworth, including
     - Matakana Link Road
     - future extension of Matakana Link Road to Sandspit Road
     - Warkworth Western Collector
     - Warkworth grade separated park and ride facility.
25. The Supporting Growth projects are a relatively low priority and the potential for funding is highly uncertain. For full details see Attachment B: Transport investment options for Rodney Local Board.
26. The additional investments in the proposal, which complement the list above, would not occur within the Long-term Plan timeframe.

Consideration

Local board views and implications

27. The Governing Body has decision making authority for setting rates.
28. The Rodney Local Board will communicate their views on this proposal to the Governing Body if they wish to proceed.
29. Other local boards will give formal feedback on the draft Long-term Plan in May 2018 and have the opportunity to comment on this proposal at that time if it proceeds.

Māori impact statement

30. The council does not hold information on the ethnicity of ratepayers so is not able to identify the exact impact of policy changes on Māori. The impact of the policy options on Māori will be similar to that on other residents in Rodney.

Implementation

31. There are no implementation issues.

Attachments

<table>
<thead>
<tr>
<th>No.</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Assessment Against Statutory Criteria</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Transport investment options for Rodney Local Board</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>Legislative Information</td>
<td></td>
</tr>
</tbody>
</table>

Signatories

<table>
<thead>
<tr>
<th>Authors</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Andrew Duncan - Manager Financial Policy</td>
<td></td>
</tr>
<tr>
<td>Eric Wen - Advisor - Financial Policy</td>
<td></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Authorisers</th>
<th></th>
</tr>
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<tbody>
<tr>
<td>Lesley Jenkins - Relationship Manager</td>
<td></td>
</tr>
<tr>
<td>Ross Tucker - Acting General Manager, Financial Strategy and Planning</td>
<td></td>
</tr>
</tbody>
</table>
Attachment A: Assessment against statutory criteria

1. When deciding from what sources to meet its funding needs, council must consider the matters set out in section 101(3) of the Local Government Act 2002, see below. This involves elected members exercising their political judgement and considering the proposal in the context of council’s funding decisions as a whole.

101(3) The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of,—

(a) in relation to each activity to be funded,—
   (i) the community outcomes to which the activity primarily contributes; and
   (ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and
   (iii) the period in or over which those benefits are expected to occur; and
   (iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
   (v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and

(b) the overall impact of any allocation of liability for revenue needs on the community.

The following section considers the funding the proposed additional transport investment in the Rodney Local Board area against the criteria in section 101(3) of the Local Government Act 2002.

The community outcomes to which the activity primarily contributes

The community outcomes to which the activity (transport) primarily contributes are set out in the LTP 2015-2015 as:

1. A fair, safe and healthy Auckland – By promoting walking to increase levels of physical fitness
2. An Auckland of prosperity and opportunity – Through moving people and resources efficiently which has a positive impact on productivity
3. A green Auckland – By reducing our reliance on petrol, air pollution and green-house gas emissions
4. A well connected and accessible Auckland – Providing Auckland with an efficient land transport system that encourages increased patronage of bus, rail and ferry services
5. A beautiful Auckland loved by its people – Fundamentally changing parts of our urban built environment

The transport investments proposed to be funded support these outcomes as noted in the table below.
While all the projects connect to wider outcomes for the region their impact is small in a broader sense. The projects are either not included in the RLTP or bring forward work not presently scheduled for many years. Given these factors a targeted rate in the Rodney Local Board area is the most appropriate source of funding to supplement user charge revenue from the services.

The distribution of benefits between the community as a whole; any identifiable part of the community; and individuals

Where the services benefit direct users they should be funded from fares. Fares will be set at a level that does not discourage use thereby eliminating the other benefits of provision of the service. Revenue from fares that balance these factors will not be material. As a result targeted rates revenue will be required to make-up the shortfall.

The investments proposed are spread over the entire Rodney Local Board area. However, the nature of the benefits differs for each project in terms of service improvement and location. The nature of benefits is a key element in determining the appropriate funding source. The benefits of each project are described in the table below in terms of their distribution across potential beneficiaries differentiated geographically, by land use and direct use of the service.

<table>
<thead>
<tr>
<th>Project/service</th>
<th>Community outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus service from Huapai to Westgate</td>
<td>2, 3 and 4</td>
</tr>
<tr>
<td>Bus service from Riverhead to Westgate</td>
<td>2, 3 and 4</td>
</tr>
<tr>
<td>Warkworth Park and Ride</td>
<td>2, 3 and 4</td>
</tr>
<tr>
<td>Huapai Park and Ride (investigation)</td>
<td>2, 3 and 4</td>
</tr>
<tr>
<td>Seal extension</td>
<td>2 and 5</td>
</tr>
<tr>
<td>New footpaths</td>
<td>1 and 5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project/service</th>
<th>Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus service from Huapai to Westgate</td>
<td>Users Residential properties within 500m of the bus stops/route and in particular properties in Huapai and Westgate would benefit from alternative transport options to the city and other destinations to the south. Drivers along the route may also benefit from possible localised decongestion benefits No direct benefits to business properties</td>
</tr>
<tr>
<td>Bus service from Riverhead to Westgate</td>
<td>Users Residential properties within 500m of the bus stops/route and in particular properties in Riverhead and Westgate would benefit from alternative transport options to the city and other destinations to the south. Drivers along the route may also benefit from possible localised decongestion benefits No direct benefits to business properties</td>
</tr>
<tr>
<td>Project/service</td>
<td>Beneficiaries</td>
</tr>
<tr>
<td>-----------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Warkworth Park and Ride</td>
<td>Users Residential properties in a wide catchment area around Warkworth would benefit from alternative transport options to the city and other destinations to the south. Drivers along the route may also benefit from possible localised decongestion benefits. Some benefits to business in freeing up parking spaces for retail visits.</td>
</tr>
<tr>
<td>Huapai Park and Ride</td>
<td>Users Residential properties in a wide catchment area around Huapai would benefit from alternative transport options to the city and other destinations to the south. Drivers along the route may also benefit from possible localised decongestion benefits. No direct benefits to business properties.</td>
</tr>
<tr>
<td>Seal extension</td>
<td>Primary beneficiaries are properties within 100-120m of carriageway from the reduction in dust particulates. Benefits also accrue across Rodney, enhancing overall network connectivity to key destinations and safety.</td>
</tr>
<tr>
<td>New footpaths</td>
<td>Individual projects mainly benefit residents in the local area. The wider community benefits from enhanced localised amenity and promoting walking and cycling.</td>
</tr>
</tbody>
</table>

Targeted rates can be set in to cover the entire Rodney area or geographical subsets which benefit the most from the proposed service improvements.

The cost of investment differs by electoral subdivision, see table at paragraph 19 in report. However, electoral subdivisions are not set to define geographic areas of benefit for transport planning purposes. The projects proposed are spread broadly over the Rodney area, see maps for Option 3 in Attachment B. Transport investment options for Rodney Local Board.

The cost of providing the benefits differs in different parts of the region, in particular for the Warkworth, $400,000, and Huapai, $4 million, park and rides. The difference arises from historical reasons i.e. the Warkworth park and ride can take advantage of land already owned by the council whereas land acquisition will probably be required for Huapai. While the costs differ between the areas the benefits will be similar in nature and therefore it is reasonable to set the rate based on benefit rather than cost distribution.

For the above reasons it is appropriate to set a uniform targeted rate across the entire local board area.

A targeted rate can also be set differentially to recover more of the cost from land uses that will benefit more from the services. The primary beneficiaries of the investments proposed are residential properties. The benefits arise from improved choice and utility for personal transport and improved residential amenity. There is therefore no case based on benefit distribution for differentiation to allocate more of the rates burden to business or farm properties.

The rates burden can be allocated on a fixed charge per SUIP or based on capital value. Capital value rating would allocate more of the rates burden to business and farm properties. This isn’t justified on the basis of the distribution of benefits noted above. The use of capital value would allocate more of the burden to higher value properties and less to lower value.
Property owners will benefit in terms of the improved amenity and options for personal transport. They will also benefit from improvements in property value arising from these benefits. Higher capital value properties may benefit more from the latter affect.

Given the foregoing staff recommend that a targeted rate proposal be presented for consultation based on a fixed charge per SUIP.

The period in or over which the benefits are expected to occur

The benefits associated with additional operating expenditure should be met by users and targeted or general rates recovering costs from the beneficiaries as they are realised.

The assets to be built with additional funding will deliver benefits over their lifetime. It would therefore be more desirable to meet the capital costs from borrowing thus spreading them over the beneficiaries over the life of the assets. However, given constraints on council borrowing it is appropriate to fund the upfront investment from general or targeted rates in order to realise the benefits.

The extent to which the actions or inactions of particular individuals or as a group contribute to the need to undertake the activity

None of the additional services or investments are driven by a response to the actions or inactions of particular individuals or groups. While the costs of maintaining new sealed roads are higher where there are more heavy vehicle movements most of this will be associated with the properties nearby. This factor has already been considered in the assessment of benefits above.

The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities

Funding these projects from a targeted rate will improve the transparency of decision making on additional funding. Ratepayers will be able to clearly see exactly how any additional funding they provide will be used. This will make it easier for them to express a preference on increased funding. A fixed rate per SUIP will make it easier to communicate to the community the cost of the service improvements relative to their benefits.

The use of a targeted rate will also improve accountability for expenditure. If a decision is made to raise additional funding by use of a targeted rate then ratepayers can be confident it will be used for that purpose. Targeted rates can only be spent on the activity for which they are raised.

Overall accountability will not be impacted as the form of funding will not influence ratepayers’ ability to hold the council to account for the effectiveness of this expenditure given the technical expertise required to make such an assessment.

It is administratively straightforward to implement a targeted rate in the manner proposed.

Consideration of overall impact

Having considered the above criteria, the council needs to consider the proposal in terms of the overall impact on the community. This involves elected members exercising their
judgement and considering the proposal in the context of council’s funding decisions as a whole, not just in relation to this activity.

The total cost of a targeted rate applied over the Rodney Local Board area on a per SUIP basis is $150 per property per annum or $2.50 per week. This is unlikely to materially impact on overall affordability for ratepayers.

For those residential ratepayers for whom it may be an issue the council offers rates postponement and administers the rates rebate scheme on behalf of the Department of Internal Affairs.

Higher capital value properties and business properties will in general be better able to manage increases in rates and accordingly consideration may be given to applying the rate on capital value or differentiating the rate between business and non-business properties. There is a correlation between capital value and income for residential properties with the average household income being higher in areas with higher capital value. Business properties can expense rates and claim back GST.
Attachment B: Transport investment options for Rodney Local Board

This attachment outlines three investment options to provide transport improvements for Rodney Local Board. Note that all costs are indicatively only and are subject to change without notice. The programme will continue to be updated as new information becomes available.

Option 1: Draft Regional Land Transport Plan (RLTP) projects only

If a targeted rate is not introduced, funding for projects in the Rodney area will be based on what is currently proposed for funding in the draft RLTP. Funding for the RLTP is primarily based on revenue from general rates, user changes, and debt. Some transport projects are also funded through the National Land Transport Fund (NLTF) which is administered by the New Zealand Transport Agency (NZTA).

Auckland Transport is in the process of revising the draft RLTP, which involves reprioritising our capital projects for the 2019 – 28 period. Inclusion of projects in the draft RLTP depends on the outcomes of a comprehensive scoring process with a multi-agency panel comprised of AT and NZTA. A fair assessment of projects is conducted by considering the merits of each project according to their alignment with strategic intent, effectiveness in delivering objectives and value for money associated with the investment. Whether the proposed projects are included in the ten-year plan depends on how the project compares to other proposals and overall funding decisions between Council and Government. The draft RLTP will be out for public consultation early January 2018.

Current Capital investment proposed in the draft RLTP:

Auckland Transport Proposal

The draft RLTP includes a $30m seal extensions programme for 2019 – 28 period. This would address the unsealed portion of Wellsford Valley Road, Ahuroa Road, Ngarewa Road, Underwood Road, Muriwai Valley Road, Te Arai Point Road, Govan Wilson Road and Hanuru Road. When compared to other proposals, it is likely to be funded.

The following projects on the Rodney Local Board area are currently included in the draft RLTP.

- Matakana Link Road (connection between State Highway 1 and Matakana Road)
- Supporting growth projects such as future extension of Matakana link Road to Sandspit Road, Western Colledor (connection of Western parts of Warkworth with State Highway 1) and a grade separated Park and Ride facility
- More widely, supporting growth projects in the Northwest such as the Redhills network (connection from Coatesville Riverhead Highway to Don Duck Road), Fred Taylor Drive upgrade and local crossing over State Highway 18 (from Brigham Creek Road to Hobsonville Road).

State Highway Proposal

Warkworth to Wellsford motorway remains the long term option for the second stage of the Road of National Significance and is continuing to be investigated. The Puhoi to Warkworth Road of National Significance is the main State Highway project for Warkworth. In the Northwest, there has been proposals for a direct State Highway 16 to 18 connection, enhancing the connection between Rodney and Upper Harbour.

AT Renewals and Maintenance:

AT plans to continue with its maintenance programme. AT invests more in maintenance and renewals, on a per km basis than its peers. This is depicted in the figure 1 below.
Figure 1: Comparison of maintenance and renewals (remelting) spend in New Zealand

Public transport operations

The New Bus Network was launched for West Auckland in June 2017. The new West Auckland bus network is part of a simpler, more integrated public transport network for Auckland. This includes improved services for Helensville, Huapai and Kumeū as follows:

122, 125 - Improved weekend services on these routes. The combination of 122 and 125 creates an hourly service between Huapai, Kumeū and Westgate, 7 days a week.

125x - Peak express services from Helensville, through Huapai, Kumeū and Westgate to the city centre. This service operates every 30 minutes, 7 days a week.

Option 2: Full Local Board Proposal

This option reflects the full list of project proposals suggested by the Rodney Local Board. AT has reviewed the request and provided initial cost estimates and likely beneficiaries for each project. Note that all costs are indicative only and are subjected to change without notice. The programme will continue to be updated as new information becomes available. The likely period in which benefits will be fully realised has not been considered for this exercise. These additional projects would be delivered on top of other potential projects in the RLTP (i.e. Option 1).

East West bus service

Scope: An hourly service between Parakai, Helensville, Kaukapakapa, and Hibiscus Coast Station would offer connections with local Hibiscus Coast buses and Northern Express buses at Hibiscus Coast Station. This service could also be timetabled to connect with the 125 service from Helensville to Westgate. This service seeks to provide alternative mode of transport for the Parakai, Helensville and Kaukapakapa area.

Estimated costs: Estimated operational costs per annum is approximately $820,000 p.a. No assessment of the bus stop requirements through Kaukapakapa has been made to date, so an allowance for one pair, with a shelter on the Silverdale bound side of the road has been made. Cost would be around $40,000.

Beneficiaries: This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport. This includes Parakai, Helensville, Kaukapakapa and Waitoki.

Rationale for Beneficiaries: Beneficiary (bus service catchment area) assumptions for this route were made on allowing 500m catchment of proposed bus stops, but up to 1000m can be considered within the catchment of a stop, depending on the situation. In the case of projects proposed by Rodney Local Board, none of the settlements are that big, so they could all realistically be said to benefit. Location of proposed bus stops were based on their placement at key intersections and existing locations.
**Additional comments:** AT believes this service would not be the best value for money, as it wouldn’t be frequent enough to be attractive for many commuters, and is expensive to operate all-day for what would be a limited number of users. The service makes sense in the longer term.

**Bus service from Riverhead to Huapai**

**Scope:** A route for buses from Riverhead (which is currently not served by AT) could connect to Huapai Station, should a train service be reintroduced. This would offer connections from Riverhead to the wider transport network, and well as local destinations and services in Kumeū and Huapai. The service would operate hourly, 7 days a week, with a peak-period frequency of every 30 minutes in each direction. The route could start at Riverhead School, and travel via Great North Road and Kaipara Portage Road (to maximise the catchment in Riverhead), before travelling to Huapai via Riverhead Road. The route would terminate near Kumeū Library.

**Estimated costs:** Estimated project cost for 4 trips in the peak direction at peak times would cost around $420,000 p.a. Bus stops in Riverhead will be required to enable safe boarding and alighting. Whilst a comprehensive review of any current bus stop facilities and requirements for new bus stops and shelters has not been undertaken, AT envisage that a further 5 pairs of bus stops, with shelters on the inbound bus stops, might be required to support this service. This would be a one-off capital cost of $200,000 – based on $40,000 per stop pairing.

**Beneficiaries:** This service will benefit residents living in close proximity to the proposed route, providing alternative mode of transport and connection between centres. This includes Riverhead and Huapai.

**Additional comments:** AT believes this service would make sense in the longer term, once both Riverhead and Huapai area are develop further. Without a train service from Huapai, it wouldn’t be the best value for money. AT’s view is that the main appeal of a Riverhead to Huapai service is for trips to the local amenities in Kumeū/Huapai for Riverhead residents, as opposed to commuters.

**Bus service from Riverhead to Westgate**

**Scope:** Riverhead to Westgate would connect to the wider AT Metro network. This would enable connections to more destinations, including 110 services direct to the City Centre, as well as 120 to Constellation Station. The service would operate 30 minutes at peak, and hourly at other times 7 days a week. This service seeks to support forecast growth in North West Auckland. Approximately 30,000 house and 13,000 new jobs are anticipated in the area over 30 years.

**Estimated costs:** Estimated project cost for 4 trips in the peak direction at peak times would cost around $520,000 p.a.

**Beneficiaries:** This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised decongestion benefits. This includes Riverhead and Westgate.

**Train service to Huapai**

**Scope:** A 30-minute interval service will require 2 DMUs to operate the timetable, with the trains passing each other at Waitakere station. This is the maximum frequency service that could be operated on the existing single track line between Swanson and Huapai. Operation of a 10-minute service would require double tracking between Swanson and Huapai, which would incur significant capital expenditure. This service seeks to support forecast growth in North West Auckland. Approximately 30,000 houses and 13,000 new jobs are anticipated in the area over 30 years.

**Estimated costs:** Estimated project cost for a 30-minute interval service is approximately $18.7m of capital expenditure with $5.5m operating expenditure per annum.
Rodney Local Board Targeted Rate

**Beneficiaries:** This service would provide a wide catchment and would provide an alternative mode of transport for the Northwestern area and possible localised decongestion benefits.

**Rationale for Beneficiaries:** Flow transportation specialist (FLOW) was commissioned by Auckland Transport to undertake a survey of public transport users at key stations and Park and Rides. The survey was designed to provide information on those who currently use the Park and Ride facilities, particularly the trip characteristics of the users, including origin and designation information. These surveys show stations/terminals which are most distant from the city centre, such as Albany, Half Moon Bay, West Harbour, Pukekohe, and Hobsonville attract wide catchments. Passenger origin data from Swanson saw people travelling from Bethells Beach, Waimauku, Riverhead, and Taupaki. Therefore, it is plausible to assume Huapai rail station could attract a wide catchment.

**Additional comments:** This service performs poorly from an economic perspective due to high capital costs and low patronage forecasts. Therefore, as standalone investments they appear to offer poor value for money. AECOM has calculated the BCRs, based on patronage forecast from Auckland Forecast Centre to reflect both 10 and 30 minute options.

<table>
<thead>
<tr>
<th>Option</th>
<th>Estimated costs</th>
<th>Estimated BCR</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 min – no tunnel upgrade</td>
<td>$18.7M Capex, $5.5M Opex/ year</td>
<td>0.07</td>
</tr>
<tr>
<td>30 min – with tunnel or rolling stock fire safety risk upgrade</td>
<td>$64.67M Capex, $5.8M Opex/ year</td>
<td>0.04</td>
</tr>
</tbody>
</table>

AT’s view is that this is a high cost service that is only likely to attract limited patronage. From a strategic and operational perspective, AT does not support heavy rail operation to Huapai in the medium term.

**Warkworth Park and Ride**

**Scope:** AT Metro considers that a park and ride facility at the Warkworth Showgrounds would be relatively easy to implement, provided a lease land/licence arrangement could be established, subject to further investigation. This project would seek to support forecast growth in North Auckland. Approximately 3,000 house and 4,000 new jobs are anticipated in the area over 30 years.

**Estimated costs:** Establishing a pair of bus shelters will cost around $70,000. This would include two shelters and associated hardstanding and kerb work. Further stops on State Highway 1 near the intersection of Woodcocks Road would also be beneficial, to enable greater access to the service. This is estimated to cost approximately $40,000. This would include a pair of bus stops, with a shelter on the southbound side of the road. Warkworth Showgrounds is on recreation reserve, but leases to the community are managed by the community leases section of Auckland Council. Advice from AT Property suggests $25,000 p.a. as a rough estimate for a lease land arrangement.

Estimated maintenance costs for one bus shelter is roughly $978 dollars per annum.

**Beneficiaries:** Warkworth Park and Ride would provide a wide catchment, as depicted in appendix A, figure 1. The Park and Ride would provide an alternative mode of transport the Warkworth area, possible localised decongestion and some benefits to business in freeing up parking spaces for retail visits.

**Rationale for Beneficiaries:** Based on the survey data from FLOW, Passenger origin data from Albany saw people travelling from Snells beach, Waitoki, Helensville, Arkles Bay, and Warkworth. This confirms stations/terminals which are most distant from the city centre attracts wide catchments. It is plausible to assume Warkworth Park and ride could attract a wide catchment north and north east of Warkworth.

**Proposed seal extension programme**

**Scope:** Auckland has a total legal road length of 7,300km of which approximately 868km (12%) is unsealed. 678km (78%) of the unsealed road network is in Rodney. As mentioned previously, the draft RLTP does have
$30m planned for the next 10 years. Targeted rates would enable acceleration and ability to deliver more unsealed roads for the next 10 years.

**Estimated costs**: The cost to complete a seal extension varies significantly from road to road but it typically relates to the condition width of the existing roadway and the topography that it follows. A 7.2m wide seal extension would cost around $800,000/km over unsealed near level uncomplicated terrain, however, this would escalate to around $1,400,000/km over narrow and steep complex terrain. Based on the review of the current seal extension priority list the average cost per kilometre to extend the seal on the existing network would be around $980,000/km.

If a targeted seal extension roading rate was implemented and a further $13m was raised over a similar 10 - year period, additional projects could also be added to the currently planned seal extension assumed in the draft RLTP. Currently, potential additional projects are:

- Krippner Road (approx. 2.7 km)
- Rustybrook Road (approx. 1.8 km)
- Weranui Road (approx. 3.3 km)
- Cames Road (approx. 130 m)
- Wilson Road #3 (approx. 3.6 km)
- Pebble Brook Road (approx. 1.2km)

Estimated maintenance costs for sealed roads are roughly $18,500 dollars per km, per annum. Note all costs are estimates only and the programme may be revised from time to time in light of operational factors.

**Additional comments**: AT is currently trialling a number of cost effective treatments for unsealing roads. Otta and Notta seal are currently part of a 2-year trial. Given the trial status of these AT would not recommend including these in a targeted rate proposal as AT cannot yet confirm the full cost and OPEX implications of these yet.

**Beneficiaries**: Although individual projects mainly benefit residents in the local area, the overall programme provides benefits across Rodney’s township by improving overall network connectivity to key destinations, with added benefit of mitigating dust effects for residents in close proximity.

**Rationale for Beneficiaries**: One of the prioritisation criteria considers the number of dwellings/businesses in close proximity or along the unsealed roads. To some degree these are the direct beneficiary of the seal extension programme. AT typically only count dwellings located within 100 - 120m of the carriageway. Residence living in close proximity of the unsealed roads will have the benefit of less dust particulates. However, the seal extension programme is well disbursed in the Rodney region, which allows all users to use the facility around the region.

**Proposed footpath programme**

**Scope**: The proposed footpaths programme supports integration with public transport by providing improved links to bus stops and other public transport interchanges, provides improved transport links to metropolitan centres, district centres, town centres and village centres and integrate with other planned community infrastructure investment, increase mode choice and encourage active modes, particularly for short distance trips, to improve safety for pedestrians, support overall network resilience and efficiency by providing alternative mode options for shorter trips and to provide wider air quality, economic, health and recreational benefits for local residents living in the areas targeted for increased investment.

**Estimated costs**: AT currently has a candidate list of approximately 500 requests for new or improved footpath segments. A targeted rate that raised $7m could address the highest priority items on this list such as:

- Albert Street, Riverhead (approx. 317m)
- Matakana Road, Matakana (approx. 182m)
Rodney Local Board Targeted Rate

- York Terrace / Elliot street, Riverhead (approx. 338m)
- Tapu Road, Huapai (approx. 86m)
- Springs Road, Parakai (approx. 462m)
- Hill Street, Warkworth (approx. 180m)
- Princess Street, Riverhead (approx. 444m)
- Puriri street, Helensville (approx. 235m)
- Rodney street, Wellsford (approx. 375m)
- SH16, Waimauku (approx. 556m)
- Mahurangi East Road, Snells Beach (approx. 266m)
- Goodall Road, Snells Beach (approx. 216m)
- Blue Gum Drive, Warkworth (approx. 449m)
- Dairy Flat Highway, Dairy Flat (approx. 815m)

Estimated maintenance costs for footpaths are roughly $275 dollars per km, per annum. Note all costs are estimates only.

**Beneficiaries:** Although individual projects mainly benefit residents in the local area, the overall programme provides benefits across Rodney’s township by enhancing localised amenity and promoting walking and cycling in the community.

**Rationale for Beneficiaries:** New footpath proposals are primarily in the urban areas and would benefit town centres, bus stops, education intuitions, employment areas, significant community areas. Priority is given to those footpaths which lie within 300m from those areas, along with safety and connection to existing footpath and growth area and other considerations.

### Summary of costs for option 2:

<table>
<thead>
<tr>
<th>Project</th>
<th>10 year OPEX</th>
<th>10 year CAPEX</th>
<th>10 year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus service: Kaukapakapa/Waitoki</td>
<td>8,200,000</td>
<td>40,000</td>
<td>8,240,000</td>
</tr>
<tr>
<td>Bus service from Riverhead to Huapai</td>
<td>4,200,000</td>
<td></td>
<td>4,200,000</td>
</tr>
<tr>
<td>Bus service from Riverhead to Westgate</td>
<td>5,270,416</td>
<td>200,000</td>
<td>5,470,416</td>
</tr>
<tr>
<td>Train service to Huapai</td>
<td>55,000,000</td>
<td>18,700,000</td>
<td>73,700,000</td>
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<tr>
<td>Warkworth Park and Ride</td>
<td>285,208</td>
<td>110,000</td>
<td>395,208</td>
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<tr>
<td>Seal extension</td>
<td>1,100,658</td>
<td>12,448,272</td>
<td>13,548,930</td>
</tr>
<tr>
<td>New footpaths</td>
<td>12,787</td>
<td>7,074,430</td>
<td>7,087,217</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>74,069,069</strong></td>
<td><strong>38,572,702</strong></td>
<td><strong>112,641,771</strong></td>
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</tbody>
</table>

**Note:** All costs are indicative only and are subjected to further review. Delivery will be phased, to be aligned with revenue generated from targeted rate.

**Option 3: Revised proposal**

This option provides a revised version of the full list of Local Board proposals. It retains the bus service between Riverhead to Westgate, Warkworth Park and Ride and additional seal extension programme from the previous option. The more expensive rail option has been replaced with a proposed increase in frequency of the Huapai and Kumeū to Westgate bus service (effectively providing a 15-minute service out of Huapai, in the peak). The proposed footpaths programme has been replaced (at the Local Board’s request). This option provides a valuable programme for Rodney, which is more affordable, whilst ensuring a reasonably even distribution of
benefits across the Local Board area. Note that all costs are indicatively only and are subject to change without notice. The programme will continue to be updated as new information becomes available.

The likely period in which benefits will be fully realised has not been considered for this exercise and will be conducted in due course.

**Bus service from Huapai - Kumeū to Westgate**

**Scope:** Additional buses to run 122 service in the peak could enhance overall attractiveness to public transport in the Tapu Road/Matua Road catchment area. Under the new network, there is already a 122 service between Tapu Road/Matua Road, Kumeū, to Westgate. This proposal is to introduce additional buses in the peak to increase frequency. Terminating at Westgate opens up the option of connecting to 110 service from Westgate to the City Centre and connecting to 120 services to Constellation Station. When inter-timed with 125x service, there would be a service approximately every 15 minutes on the main road in the peak. This service seeks to support forecast growth in North West Auckland. Approximately 30,000 house and 13,000 new jobs are anticipated in the area over 30 years.

**Estimated costs:** Estimated project cost for 4 trips in the peak direction at peak times would cost around $230,000 p.a.

**As per RLTP:** AT does not have plans to increase/introduce additional buses to the 122 service.

**Beneficiaries:** This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised decongestion benefits. This includes Riverhead and Westgate. This is depicted in appendix A, figure 3.

**Rationale for Beneficiaries:** Beneficiary (bus service catchment area) assumptions for this route were made on allowing 500m catchment of proposed bus stops, but up to 1000m can be considered within the catchment of a stop, depending on the situation. In the case of projects proposed by Rodney Local Board, none of the settlements are that big, so they could all realistically be said to benefit. Location of proposed bus stops were based on their placement at key intersections and existing locations.

**Bus service from Riverhead to Westgate**

**Scope:** Riverhead to Westgate would connect to the wider AT Metro network. This would enable connections to more destinations, including 110 services direct to the City Centre, as well as 120 to Constellation Station. The service would operate 30 minutes at peak, and hourly at other times 7 days a week. This service seeks to support forecast growth in North West Auckland. Approximately 30,000 house and 13,000 new jobs are anticipated in the area over 30 years.

**Estimated costs:** Estimated project cost for 4 trips in the peak direction at peak times, and hourly services at all other times would cost around $520,000 p.a. Whilst a comprehensive review of any current bus stop facilities and requirements for new bus stops and shelters has not been undertaken, AT envisage that a further 5 pairs of bus stops, with shelters on the inbound bus stops, might be required to support this service. This would be a one-off capital cost of $200,000 – based on $40,000 per stop pairing. This is depicted in appendix A, figure 4.

**As per RLTP:** AT has plans to introduce this service but this wouldn’t be before the 2020/21 financial year.

**Beneficiaries:** This service will benefit residents living in close proximity to the proposed route, providing an alternative mode of transport and possible localised decongestion benefits. This includes Riverhead and Westgate. This is depicted in appendix A, figure 4.

**Warkworth Park and Ride**

**Scope:** AT Metro considers that a park and ride facility at the Warkworth Showgrounds would be relatively easy to implement, provided a lease land/licence arrangement could be established, subject to further investigation. Approximately 3,000 house and 4,000 new jobs are anticipated in the area over 30 years.
Estimated costs: Establishing a pair of bus shelters will cost around $70,000. This would include two shelters and associated hardstanding and kerb work. Further stops on State Highway 1 near the intersection of Woodcocks Road would also be beneficial, to enable greater access to the service. This is estimated to cost approximately $40,000. This would include a pair of bus stops, with a shelter on the southbound side of the road. AT believes Warkworth Showgrounds is on recreation reserve, but leases to the community may be managed by the community leases section of Auckland Council. Advice from AT Property suggest $25,000 p.a. as a rough estimate for a lease land arrangement.

Estimated maintenance costs for one bus shelter is roughly $978 dollars per annum.

As per RLTP: This project has been considered in the draft RLTP and is planned to be delivered by 2024/2025 period. This does depend on funding decisions between Council and Government.

Beneficiaries: Warkworth Park and Ride would provide a wide catchment, as depicted in appendix A, figure 1. The Park and Ride would provide an alternative mode of transport the Warkworth area, possible localised decongestion and some benefits to business in freeing up parking spaces for retail visits.

Rationale for Beneficiaries: Based on the survey data from FLOW, Passenger origin data from Albany saw people travelling from Snells beach, Waitoki, Helensville, Arkles Bay, and Warkworth. This confirms the fact that stations/terminals which are most distant from the city centre attracts wide catchments, it is plausible to assume Warkworth Park and ride could attract a wide catchment north and north east of Warkworth. This is depicted in appendix A, figure 1.

Huapai/Kumeū Park and Ride investigation

Scope: AT investigated the possibility of accelerating a Huapai/Kumeū Park and Ride facility. This project seeks to support forecast growth in North West Auckland. Approximately 30,000 house and 13,000 new jobs are anticipated in the area over 30 years.

AT have undertaken rapid investigation of a number of options

- A Park and Ride facility on 391 and 393 Main Road has been considered. However, AT understands as part of safety improvements along State Highway 16, the Transport Agency (NZTA) are planning on placing a median "barrier" along SH16 opposite and to either side of this land which will prevent right hand turns out on to SH16 from that land. Access to that land from the realignment of Station Road is being investigated however AT traffic engineers advise that right hand turns into that area of land by vehicles travelling south from the Tapu Rd \ Station Rd intersection should be kept to a minimum as this may create localised congestion in a residential zone.

- Kumeū showgrounds could be established as a Park and Ride. The land is privately owned and current estimates for a lease land arrangement would in the order of $40,000 p.a.

The advice from AT Strategy is that a Huapai/Kumeū park and ride facility was not planned for another decade. However, a programme business case on the park and ride programme is underway, which will look at appropriate locations regionally, including the Huapai/Kumeū area. AC has strongly recommended AT to include Huapai/Kumeū Park and Ride into the draft revised proposal.

Estimated costs: An indicative amount of $4 million dollars, intended to represent the cost of a small park and ride (50 spaces, including land purchase) has been included. The completion of the programme business case will inform the decision on whether a park and ride is sensible in the Huapai/Kumeū area.

As per RLTP: This project has not been considered in the draft RLTP, as it is planned in the 2nd decade.

Beneficiaries: Huapai/Kumeū Park and Ride would provide a wide catchment, as depicted in appendix A, figure 1. The Park and Ride would provide an alternative mode of transport the Huapai/Kumeū area and possible localised decongestion benefits

Rationale for Beneficiaries: Flow transportation specialist (FLOW) was commissioned by Auckland Transport to undertake a survey of public transport users at key stations and Park and Rides. The survey was designed to
provide information on those who currently use the Park and Ride facilities, particularly the trip characteristics of the users, including origin and designation information. These surveys show stations/terminals which are most distant from the city centre, such as Albany, Half Moon Bay, West Harbour, Pukekohe, and Hobsonville attract wide catchments. Passenger origin data from Swanson saw people travelling from Bethells Beach, Waimauku, Riverhead, and Taupaki. Therefore, it is plausible to assume Huapai rail station could attract a wide catchment. This is depicted in appendix A, figure 1.

Proposed seal extension programme

Scope: Auckland has a total legal road length of 7,300km of which approximately 868km (12%) is unsealed. 678km (78%) of the unsealed road network is in Rodney. As mentioned previously, the draft RLTP does have $30m planned for the next 10 years. Targeted rates would enable acceleration and ability to deliver more unsealed roads for the next 10 years.

Estimated costs: The cost to complete a seal extension varies significantly from road to road but it typically relates to the condition width of the existing roadway and the topography that it follows. A 7.2m wide seal extension would cost around $800,000/km over unsealed near level uncomplicated terrain, however, this would escalate to around $1,400,000/km over narrow and steep complex terrain. Based on the review of the current seal extension priority list the average cost per kilometre to extend the seal on the existing network would be around $980,000/km.

If a targeted seal extension roading rate was implemented and a further $13m was raised over a similar 10-year period, additional projects could also be added to the currently planned seal extension assumed in the draft RLTP. Currently, potential additional projects are:

- Krippner Road (approx. 2.7 km)
- Rustybrook Road (approx. 1.8 km)
- Weranui Road (approx. 3.3 km)
- Cames Road (approx. 130 m)
- Wilson Road #3 (approx. 3.6 km)
- Pebble Brook Road (approx. 1.2km)

Estimated maintenance costs for sealed roads are roughly $18,500 dollars per km, per annum. Note all costs are estimates only and the programme may be revised from time to time in light of operational factors. This is depicted in appendix A, figure 1.

As per RLTP: Currently these projects have not been considered in the draft RLTP due limited funding available in 2018 - 28 period. Therefore, these projects would be considered in the second decade (2028 – 2038 period).

Additional comments: AT is currently trialling a number of cost effective treatments for uns healing roads. Otta and Notta seal are currently part of a 2-year trial. Given the trial status of these AT would not recommend including these in a targeted rate proposal as AT cannot yet confirm the full cost and OPEX implications of these yet.

Beneficiaries: Although individual projects mainly benefit residents in the local area, the overall programme provides benefits across Rodney’s’ township by enabling overall network connectivity to key destinations, with added benefit of mitigating dust effects for residents in close proximity.

Rationale for Beneficiaries: One of the prioritisation criteria considers the number of dwellings/businesses in close proximity or along the unsealed roads. To some degree these are the direct beneficiary of the seal extension programme. AT typically only count dwellings located within 100 - 120m of the carriageway. Residence living in close proximity of the unsealed roads will have the benefit of less dust particulates. However, the seal extension programme is well disbursed in the Rodney region, which allows all users to use the facility around the region. This is depicted in appendix A, figure 1.
Proposed footpath programme

Scope: The proposed footpaths programme supports integration with public transport by providing improved links to bus stops and other public transport interchanges, provides improved transport links to metropolitan centres, district centres, town centres and village centres and integrate with other planned community infrastructure investment, increase mode choice and encourage active modes, particularly for short distance trips, to improve safety for pedestrians, support overall network resilience and efficiency by providing alternative mode options for shorter trips and to provide wider air quality, economic, health and recreational benefits for local residents living in the areas targeted for increased investment.

Estimated costs: Rodney Local Board has an un prioritised footpath list. A targeted rate that raised $15m could deliver a programme of footpaths spread around Rodney's townships, such as:

- Kaipara Coast Highway - Kaukapakapa (approx. 740m)
- Alice Street - Riverhead (approx. 254m)
- Newton Road – Riverhead (approx. 245m)
- Puriri Street – Helensville (approx. 42m)
- Springs Road – Parakai (approx. 462m)
- Fire Station to Peak Rd along SH16 – Kumeū (approx. 1.2km)
- Pulham Road – Warkworth (approx. 240m)
- Wilson Road – Warkworth (approx. 490m)
- State Highway 1 - Wellsford (approx. 230m)
- Domain Crescent - Muriwai (tbc)
- Pipitawa Drive, Helensville (approx. 986m)
- Falls Road – Warkworth (approx. 417m)
- Goodall Road - Snells Beach (approx. 216m)
- Blue Gum Drive - Warkworth (approx. 449m)
- Dairy Flat Highway - Dairy Flat (approx. 815m)
- Matakana Road - Matakana (approx. 2.1km)
- Leigh Road – Whangateau (approx. 259m)
- Hill Street – Warkworth (approx. 180m)
- Puhoi to State Highway 1 (tbc)
- Coatesville Riverhead Highway – Coatesville (tbc)
- Omaha Drive - Omaha (approx. 800m)
- Rodney Street (Eastern side) - Wellsford (approx. 330m)
- Rodney Street (Corner at no. 95) - Wellsford (approx. 15m)
- Rodney Street - Wellsford (Centennial Park Road), (approx. 375m)
- Sandspit Road - Sandspit (approx. 924m)
- Worker Road - Wellsford (approx. 259m)
- School Road – Wellsford approx. (544m)
- State Highway 1 – Wellsford (tbc)
- Mckinney Road – Warkworth (tbc)

Estimated maintenance costs for footpaths are roughly $275 dollars per km, per annum. Because the footpaths programme has not been prioritised, AT has included a nominal amount of $30,000 for maintenance of footpaths over 10 years. Note all costs are estimates only and the programme may need to be revised from time to time in light of operational factors. Indicative location is depicted in appendix A, figure 1.

As per RLTP: This programme has been considered in the draft RLTP, which has provisioned $30m in the draft RLTP. However, when compared to other project proposals for funding, this programme has not been identified as high priority and therefore unlikely to get funding.

Beneficiaries: Although individual projects mainly benefit residents in the local area, the overall programme provides benefits across Rodney’s townships by enhancing localised amenity and promoting walking and cycling in the community.

Rationale for Beneficiaries: New footpath proposals are primarily in the urban areas and would benefit town centres, bus stops, education intuition, employment areas, significant community areas. Priority are given to
those footpaths which lie within 300m from those areas, along with safety and connection to existing footpath and growth area and other considerations. As per the attached map, these priority footpaths are reasonably dispersed in Rodney and seeks to address infrastructure deficit and provide a basic network of footpaths where key gaps are identified. This is depicted in appendix A, figure 1

### Summary of costs for option 3: Distributed benefits

<table>
<thead>
<tr>
<th>Project</th>
<th>10 year OPEX</th>
<th>10 year CAPEX</th>
<th>10 year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus service from Huapai - Kumeū to Westgate</td>
<td>2,300,000</td>
<td>2,300,000</td>
<td></td>
</tr>
<tr>
<td>Bus service from Riverhead to Westgate</td>
<td>5,270,416</td>
<td>5,470,416</td>
<td></td>
</tr>
<tr>
<td>Warkworth Park and Ride</td>
<td>265,208</td>
<td>395,208</td>
<td></td>
</tr>
<tr>
<td>Huapai/Kumeū Park and Ride investigation</td>
<td>4,000,000</td>
<td>4,000,000</td>
<td></td>
</tr>
<tr>
<td>Seal extension</td>
<td>1,100,658</td>
<td>13,548,930</td>
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<tr>
<td>New footpaths</td>
<td>30,000</td>
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<td><strong>Total</strong></td>
<td><strong>8,986,282</strong></td>
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</table>

**Note:** All costs are indicative only and are subject to further review. Delivery will be phased, to be aligned with revenue generated from targeted rate. The programme will continue to be updated as new information becomes available.

### Summary of costs for option 3: Differential benefits based on Rodney subdivision

<table>
<thead>
<tr>
<th>Project</th>
<th>10 year OPEX</th>
<th>10 year CAPEX</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Kumeū Subdivision</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bus service from Huapai - Kumeū to Westgate</td>
<td>2,300,000</td>
<td>2,300,000</td>
<td></td>
</tr>
<tr>
<td>Bus service from Riverhead to Westgate</td>
<td>5,270,416</td>
<td>5,470,416</td>
<td></td>
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<tr>
<td>Huapai/Kumeū Park n Ride investigation</td>
<td>4,000,000</td>
<td>4,000,000</td>
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<tr>
<td>Seal Extensions</td>
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<td><strong>Dairy Flat Subdivision</strong></td>
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<tr>
<td>New Footpaths</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td><strong>3,111</strong></td>
<td><strong>1,670,727</strong></td>
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<td><strong>Warkworth Subdivision</strong></td>
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<tr>
<td>Warkworth Park n Ride</td>
<td>265,208</td>
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<tr>
<td>Seal Extensions</td>
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<td>New Footpaths</td>
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<td><strong>Subtotal</strong></td>
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Rodney Local Board Targeted Rate

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<th>Wellsford Subdivision</th>
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<tbody>
<tr>
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<td>Total</td>
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<td>31,687,130</td>
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Note: All costs are indicative only and are subject to further review. Delivery will be phased, to be aligned with revenue generated from targeted rate. The programme will continue to be updated as new information becomes available.
Appendix A: Supporting information for option 3

Figure 1: Proposed projects in Rodney, distributed benefits (Option 3 – Revised proposal)
Figure 2: Proposed projects in Rodney, differential benefits based on Rodney subdivision (Option 3 – Revised proposal)
Figure 3: Bus service from Huapai and Kumeū to Westgate
Based on 500m catchment from bus stops

Figure 4: Bus service from Riverhead to Westgate
Based on 500m catchment from bus stops
### Attachment C: Legislative information

<table>
<thead>
<tr>
<th>Proposal</th>
<th>a)</th>
</tr>
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<tbody>
<tr>
<td>Mayor’s intent reference</td>
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<tr>
<td>Impact on Financial strategy</td>
<td>Yes</td>
</tr>
<tr>
<td>Impact on Infrastructure strategy</td>
<td>No</td>
</tr>
<tr>
<td>Impact on rates</td>
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</tr>
<tr>
<td>Impact on debt</td>
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</tr>
<tr>
<td>Impact on levels of service</td>
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<td>Consistency with other council plans</td>
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Local Transport Capital Fund: options for distribution and size of the fund

File No.: CP2018/08550

Te take mō te pūrongo / Purpose of the report
1. To outline options for the future size and underlying distribution methodology of the Local Transport Capital Fund (LTCF).

Whakarāpopototanga matua / Executive summary
2. In September 2017, the Governing Body agreed, in principle, to an increase to the LTCF as an outcome of the governance framework review. Staff were directed to undertake further work with Auckland Transport and local boards on the size of the increase, and the distribution methodology.
3. The LTCF was established in 2012 and currently sits at $10.8 million per annum. It is allocated on a pure population basis. Two options for the size of funding increase have been modelled, an increase of $6 million and an increase of $10 million per annum.
4. Staff have also modelled three different distribution options: the current population model, a model applying the Local Boards Funding Policy, and a model that includes a mix of a fixed level of funding per board, along with a variable rate determined by the Local Boards Funding Policy.
5. Each of the options has been assessed against a set of criteria. The pure population model is not supported by staff, while each of the other two models has merits. On balance, staff recommend that the Local Boards Funding Policy be applied to the distribution of the LTCF, with an additional amount of $10 million per annum being added to the fund. Feedback has been sought from local boards on their preferences.

Ngā tūtohunga / Recommendation
That the Finance and Performance Committee:
   a) recommend to the Governing Body that:
      i) the Local Boards Funding Policy allocation methodology of population (90 per cent), deprivation (five per cent) and land area (five per cent), be applied to the distribution of the local transport capital fund
      ii) the inclusion of an additional $10 million per annum (inflation adjusted) funding for the local transport capital fund in the Regional Land Transport Plan be endorsed.

Horopaki / Context
6. The LTCF was established by resolution of the Strategy and Finance Committee [SF/2012/40] in April 2012, in order to provide local boards with access to funding for local transport projects that had strong local significance, but which were unlikely to be prioritised through the regional transport planning process.
7. The establishment of the fund is consistent with the government’s original policy intent that local boards would have a role in funding local transport projects out of a dedicated local budget [CAB Minute (09) 30/10] and that “local boards will have an advisory role with respect to transport services and a budget for the transport elements of ‘place shaping’”.

8. The objectives of the fund are to:
   - ensure locally important transport projects are given appropriate priority
   - provide local boards with more direct ability to influence local transport projects.

9. Projects must be deliverable, meet transport safety criteria and not compromise the transport network. Auckland Transport retains the responsibility for delivering projects funded by the LTCF and the budget remains with Auckland Transport. Depreciation and consequential operating expenditure are also the responsibility of Auckland Transport, as is the core administration of the fund.

10. The fund was initially set at $10 million per annum (since adjusted for inflation, and now sitting at $10.8 million) and is currently split between the local boards on the basis of population, excepting Waiheke and Great Barrier Island local boards, which receive two per cent and one per cent of the fund respectively. The population figures that the distribution is based on have remained at 2012 levels.

11. At the Governing Body meeting of 28 September 2017, at which the recommendations of the Governance Framework Review Political Working Party were considered, it was agreed [GB/2017/117] that officers would report back to the governing body through the 10-year budget process on options for significantly increasing the LTCF, as well as providing an assessment of options for allocating the additional funding.

12. This report outlines options for the quantum of the proposed increase and the method of allocating the proposed increase among the 21 local boards. Workshops have been held with each local board to discuss these proposals and formal feedback sought through business meetings.

Tātaritanga me ngā tohutohu / Analysis and advice

13. Issues with the local transport capital fund identified through the governance framework review were grouped under two key themes:
   - the overall size, or quantum, of the local transport capital fund
   - the methodology underpinning its distribution among local boards.

Quantum of funding

14. When the LTCF was initially established at $10 million, the figure was not based on any specific assessment of need, but more on the recognition that smaller, local projects that had a strong place shaping component were unlikely to be funded according to Auckland Transport and New Zealand Transport Agency’s prioritisation formulas.

15. While the fund took some time to get established, it is now delivering valuable transport related outcomes for communities across Auckland. The LTCF spend forecast in 2016/2017 financial year was $17 million, as boards have been able to accumulate funding across years to put towards more significant projects. It has delivered 286 projects over the five-year period.

16. The LTCF contribution to these many local projects has also been complemented through the input of additional funds from Auckland Transport (as well as the New Zealand Transport Agency subsidy) with the value of the work they have delivered to their communities being substantially leveraged through this additional funding.

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1 Cabinet paper: Auckland Governance: Regional Transport Authority Steven Joyce, Minister of Transport 2009
2 Based on Statistics NZ 2011 population estimates
17. Staff have modelled the impact of the proposed increase on individual local boards according to a range of distribution models. In doing so, two different levels of increase have been used – the $10 million figure, initially proposed by Auckland Transport, and a lower figure of $6 million.

18. Neither figure is based on specific needs assessment, but Auckland Transport is of the view that a baseline of approximately six hundred and fifty thousand dollars a year is desirable to give individual boards the resources to support significant local projects. This would require an increase of at least $6 million per annum.

19. Boards that have had access to higher levels of funding have generally found it easier to leverage that to attract New Zealand Transport Agency subsidies and additional Auckland Transport funding, for example for projects that are being brought forward as a result of LTCF investment. Successful examples include the Half Moon Bay ferry terminal, the Mt Albert Station Bridge and the Māngere Future Streets project.

Distribution methodology

20. This section provides modelling of three distribution options applied to two levels of overall increase (sub-option A being an increase of $6 million, and sub-option B being an increase of $10 million). The options are:

- Option 1: status quo – simple population-based distribution of both the existing fund and any additional funding
- Option 2: applying the current Local Boards Funding Policy to the distribution of the fund
- Option 3: a model that provides for a fixed level of baseline funding for all boards, as well as a variable component based on the Local Boards Funding Policy.

Option 1: Population based distribution

21. In 2012, the governing body elected to distribute the first iteration of the LTCF purely on a population basis, following consultation with local boards\(^3\). The distribution has not been adjusted to account for population distribution changes since the fund was established. This model recognised the low populations of Great Barrier and Waiheke islands and allocated funding to the islands at, respectively, 1 per cent and 2 per cent of the total.

22. Attachment A shows the results of modelling the option of applying the population-based distribution methodology (excluding Great Barrier and Waiheke Islands), based on Statistics NZ 2017 population estimates. It is apparent from the modelling that the impact on boards with higher populations is the most significant, in terms of an increase in funding, especially if the additional amount is $10 million.

23. Under this model, however, if the additional amount is $6 million, six boards would still fall short of the $650,000 baseline figure identified by Auckland Transport as being desirable to enable the delivery of viable local transport proposals.

Option 2: Applying the Local Boards Funding Policy to the LTCF

24. During 2013/2014, work was undertaken to develop the current Local Boards Funding Policy, as required under the Local Government (Auckland Council) Act 2009. This policy was adopted in 2014 and uses an allocation methodology incorporating three factors: population (90 per cent), deprivation (five per cent) and land area (five per cent). This funding policy is currently applied to locally driven initiatives funding, including the local capital fund, but was not retrospectively applied to the LTCF.

25. The development of the funding policy involved significant consultation and engagement with local boards prior to final adoption. There are no current plans to review the policy.

\(^3\) There was no formal local board funding policy in place at this time.
26. Attachment B shows the results of modelling the option of applying the Local Boards Funding Policy to the distribution of the LTCF. The modelling has been applied to the existing fund and the additional amounts of $6 million and $10 million. The modelling is also based on 2017 population estimates, with Great Barrier and Waiheke Islands retaining 1 percent and 2 percent respectively of the total funding.

**Option 3: Fixed and variable costs distribution**

27. As previously noted, Auckland Transport has the view that in order to deliver transport infrastructure of any significance, a certain level of baseline funding is desirable – around $650,000 per annum, based on practical experience.

28. Many local boards have achieved significant results with their local transport projects, but transport infrastructure is inherently costly, and costs tend not to vary according to location. For example, a footbridge and walking path in Pukekohe will tend to cost the same as a comparable one in Glenfield.

29. A distribution model based on a split of fixed and variable costs has also been modelled as an option. The methodology involves fifty per cent of the entire quantum of funding being distributed by an even split (with the exception of Great Barrier and Waiheke Island Boards which receive 1/3 and 2/3 of a single share respectively), thus giving all other local boards the same level of core funding. The other fifty per cent of the funding would be distributed according to the Local Boards Funding Policy.

30. Attachment C shows the modelling of the option of applying this fixed/variable costs model to the distribution of the LTCF.

**Assessing the options**

31. Each of the three distribution models has elements to recommend it and others that detract from it. In assessing the models, staff applied the following assessment criteria:

- transparency and ease of understanding for communities and stakeholders
- equity and fairness of outcomes across the region
- ensuring delivery of good local transport outcomes
- recognising the role of local boards as leaders of place shaping with their communities.

32. Staff assessment of the options against these criteria is set out below.

**Options 1a and 1b – population-based distribution**

33. These options have been modelled on 2017 Statistics New Zealand population estimates.

34. A pure population-based approach has the benefits of being objective, transparent and straightforward and means that funding received is proportionate to the number of ratepayers. It was, however, recognised at the time that this approach applied to areas of extremely low population (Waiheke and Great Barrier Islands) would result in those boards receiving insufficient funding to achieve anything practical, hence the application of the one and two per cent formula for the island boards. A similar approach is also used in the Local Boards Funding Policy.

35. The limitations of this approach are that it does not address either the level of need in a given local board area, or the underlying cost drivers of transport infrastructure. Hence, large areas of low population density with significant roading networks and multiple population centres are funded at the same, or lower, level as smaller urban communities of interest with already well-developed transport infrastructure, but higher population density.

36. The distribution methodology is simple and transparent and easy for communities and stakeholders to understand. In terms of delivering equity and fairness, this model delivers the widest differential of funding levels across boards, with the highest funded board receiving 2.78 times the amount of the lowest funded board (excluding the island boards).
37. Option 1a also results in six boards receiving less than Auckland Transport’s benchmark identified as desirable for supporting good local transport outcomes in communities. The model limits the potential for those boards to actively implement their role as local place shapers and to leverage additional investment into their projects. This model, and therefore Options 1a and 1b, is not supported by either Auckland Council or Auckland Transport staff.

Options 2a and 2b – Local Boards Funding Policy based distribution

38. This distribution method involves application of the current Local Boards Funding Policy. The policy is currently applied to distribution of funding for local activities (including local capex) to local boards and is based on the following factors: ninety per cent population, five percent deprivation and five per cent land area.

39. Applying the Local Boards Funding Policy is a simple methodology that has a clear rationale, is easily described to the community and is consistent with council’s wider approach to funding local boards. It takes account of multiple factors, delivering a more equitable distribution of funding, especially to boards with lower populations but very large land areas and roading networks.

40. Reviewing the projects that have been funded from the LTCF to date, it is clear that much of the local boards’ focus has been on ‘people centred’ transport projects, for example pedestrian safety improvements, walkways and cycleways, footpaths and streetscape improvements. This is consistent with the principles underpinning the Local Boards Funding Policy i.e. that population is the key driver of need for the funding, but that geography and deprivation also need to be taken into account.

41. This distribution methodology evens out the increase in funding across the 21 boards. The boards with a larger land area receive more funding than under the pure population model, and all boards receive the proposed level of baseline funding, but only under the $10 million quantum increase.

42. Under this model, however, the level of funding that accrues to the more populous boards becomes very substantial in relationship to that for the smaller boards, due to the compounding impact of the distribution model. For example, the Howick Local Board would receive over $1.7 million and Henderson-Massey over $1.4 million. Despite these extremes, this option provides an arguably more equitable and nuanced distribution of funding, as well as being consistent with current funding policy.

43. Its variation between the lowest and highest level of funding is still high with the highest funded board receiving 2.57 times the amount of the lowest funded board. Under Option 2a, five boards still receive less than Auckland Transport’s desirable benchmark for delivering good local transport outcomes in communities and it limits the potential for those boards to actively implement their role as local place shapers.

44. This is the preferred option on the basis of consistency with the existing funding policy, assessment against the criteria and recognition of the population focus of projects delivered using this fund. The preferred option is for the $10 million quantum as better providing for good local transport outcomes and delivering local place shaping.

Options 3a and 3b – fixed and variable cost distribution

45. This model is more complex and less transparent to communities and stakeholders than the other models. The identification of the benchmark figure is based on Auckland Transport’s experience of administering the fund over the past five years and the learning that has been gained from this, rather than in-depth financial analysis of infrastructure costs.

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4 Based on annually revised estimates from Statistics NZ
5 Based on Index of Deprivation provided by the Ministry of Health
6 Excluding Great Barrier and Waiheke
46. The results of this distribution are similar to those of applying the Local Boards Funding Policy, in that a similar number of local boards benefit under each model. However, it is different local boards that benefit from each model. In terms of equity and fairness, this model reduces the difference between the highest funded and lowest funded boards and also brings all boards above the $650,000 benchmark, even under Option 3a ($6m increase).

47. The model reduces the impact of population on the distribution of funding, however, which is a core component of current funding policy and the focus of the projects delivered using the LTCF. The model performs well against the criteria of enabling the delivery of good local transport outcomes and supporting the role of local boards as place shapers.

Summary of assessment of options

48. Of the three distribution models assessed, the current model of pure population distribution performed the poorest and is not recommended by either Auckland Council or Auckland Transport staff.

49. The other two models deliver mixed results against the criteria. On balance, staff recommend that the Local Boards Funding Policy distribution best meets the criteria and is consistent with current funding policy. It is also supported by the majority of local boards.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local impacts and local board views

50. Workshops were held with every local board and discussion on collective views has also taken place at the Local Board Chairs’ Forum. A report was provided to every local board’s business meeting in April and formal resolutions have been collated.

51. There was general support for an increase to the fund and mixed views on options for allocating the fund. As noted in the assessment of options, each of the options for the amount of increase and the distribution methodology affects individual boards differently.

52. Growth was raised by some boards as a factor that should be considered. Staff’s view is that the population element of each of the models addresses this as current population is the only reliable indicator of growth. Population estimates are updated and will be applied to the fund annually.

53. The majority of boards (12) supported the application of the Local Boards Funding Policy to the fund and an increase of $10 million per annum to the quantum available. The remaining boards supported a population only distribution (four boards) or the fixed/variable model (five boards).

54. At the time of consideration by local boards, the additional cost to Auckland Transport to administer the increased funding was an issue. Local boards supported an increase of funding to Auckland Transport to recognise this. Since then, the preparation of the Regional Land Transport Plan and the preparation of the overall Transport budget has dealt with this issue and there is no need to consider additional funding for administration purposes.

Tauākī whakaaweawe Māori / Māori impact statement

55. A move away from a pure population-based distribution model would take into account other factors, being deprivation and land area. Both options 2 and 3 include a deprivation component, although this is greater in option 2. This would have some positive impact on local board areas where there is a higher Māori population.
Ngā ritenga ā-pūtea / Financial implications

56. The source of the additional funding is not addressed in this report, as it is being considered through the overall budget setting process in the 10-year budget. The proposed size of the increase to the fund (both options) is not significant enough within the overall transport budget to be able to enable transparent trade-offs at a detailed level e.g. which specific transport projects might not be funded in the Regional Land Transport Plan in a given year if the LTCF is increased.

Ngā raru tūpono / Risks

57. No specific risks have been identified.

Ngā koringa ā-muri / Next steps

58. Following the decisions by the Governing Body as part of the 10-year budget process, any new funding and change to the distribution methodology will be applied from 1 July 2018.

Ngā tāpirihanga / Attachments

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<td>C0</td>
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<td>Linda Taylor - Programme Manager Governance Framework Review</td>
<td>Phil Wilson - Governance Director</td>
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<td>Matthew Walker - Acting Group Chief Financial Officer</td>
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### Attachment A: Population based distribution modelling

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## Attachment C: Fixed and variable costs distribution 50/50

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</table>
Te take mō te pūrongo / Purpose of the report
1. To consider the feedback received on the rating issues not addressed in other reports on this agenda and the proposed changes to fees and charges that were consulted on for the Long-term Plan 2018-2028, and advises on the adoption of the proposed changes.

Whakarāpopototanga matua / Executive summary
2. The council consulted on a number of proposed changes to fees, charges and other rating matters as part of the Long-term Plan 2018-2028. This includes:
   - resume the Long-term Differential Strategy (LTDS) from 2018/2019 to gradually reduce the business sector share of general rates to 25.8 per cent by 2037/2038
   - maintain the current policy of increasing the Uniform Annual General Charge (UAGC) in line with the general rate increase
   - expansion of the Papakura BID
   - new regulatory fees for Deemed Permitted Boundary Activity Notices and Permitted Plantation Forestry Activities monitoring and assessment
   - changes to existing fees for land advisory services associated with council-owned land and waiver of fees for the cremation of babies under 1 year old.

3. Four local boards requested that if Land Advisory Services introduce a new charging regime for council-owned land owner approval applications then this should exclude community groups and community organisations. The proposed fees would be waived for any applicants undergoing works or activities on council’s behalf. A discount of 50 per cent would be applied to all community group or registered charity applicants.

4. Very few submissions were received on any of these issues. Officers recommend that they be adopted as proposed.

Ngā tūtohunga / Recommendation/s
That the Finance and Performance Committee:

a) recommend to the Governing Body for inclusion in the Long-term Plan 2018-2028:
   i) resume the Long-term Differential Strategy (LTDS) from 2018/2019 to gradually reduce the business sector share of general rates to 25.8 per cent by 2037/2038 as proposed
   ii) maintain the current policy of increasing the Uniform Annual General Charge (UAGC) in line with the general rate increase as proposed
   iii) expansion of the Papakura BID as proposed

b) recommend to the Governing Body that it adopt:
   i) the introduction of a new charging regime from 1 July 2018 for Deemed Permitted Boundary Activity Notices and Permitted Plantation Forestry Activities monitoring and assessment which includes a deposit of $400 (including GST) and council’s standard hourly rates for work completed
   ii) the new fees and deposits for land advisory services as detailed in Attachment A
   iii) the waiver of fees from 1 July 2018 for the cremation of babies under 1 year old.
Horopaki / Context

5. The Local Government Act 2002 requires the council to include a draft Prospective funding impact statement, which incorporates the Rating mechanism, in its consultation materials for each annual and long-term plan. This Draft 10-Year Budget 2018-2028 included the changes to rating policy noted in the Executive summary above along with the other proposed changes to rates discussed in other reports on this agenda. The council is also required to consult on changes to regulatory fees and charges outside of the scope of the provision for inflationary movements provided for in the Revenue and financing policy. These were also included for consultation in the Draft 10-Year Budget 2018-2028.

Tātaritanga me ngā tohutohu / Analysis and advice

Long-term Differential Strategy

6. In 2012, the council adopted the Long-term Differential Strategy (LTDS). The LTDS lowers general rates (UAGC and value-based general rate) for businesses in equal steps from 32.7 per cent of the total requirement in 2016/2017 to 25.8 per cent by 2036/2037. The rate of reduction is set so that the additional increase in rates for residential and farm/lifestyle properties above the underlying general rates increase is around 0.5 per cent each year.

7. Last year, the council paused this policy so that all ratepayers received the same increase. The council proposed to resume this policy from 2018/2019 to gradually reduce the business sector share of general rates to 25.8 per cent by 2037/2038.

8. Of the 19 submitters that commented on the LTDS, 8 thought business should pay more while 11 thought business should pay less.

9. The current differential rating policy proceeds on the basis that businesses are better placed to afford rates than other ratepayers and that the receive increase benefit from stormwater and transport activities. Resuming the policy will reduce the burden on business ratepayers while rates for other ratepayers increase greater than the overall average rates increase.

10. If the proposal to resume the LTDS is adopted
   - business rates will be around 1.0 per cent less than the overall rates increase and non-business rates 0.5 per cent more
   - the date for achieving the target share of rates for business ratepayers will be 2037/2038.

Uniform Annual General Charge

11. The council’s general rate is made up of the uniform annual general charge (UAGC) and general rates based on property values. The UAGC is a fixed charge that every dwelling or business pays regardless of the value of their property. The council proposed to maintain the current policy of increasing the Uniform Annual General Charge (UAGC) in line with the general rate increase.

12. Of the 96 submitters that commented on the UAGC, 85 thought UAGC too high while 11 thought it was too low.

13. Changing the level of UAGC would impact on the redistribution of rates arising from the revaluation. Analysis shows that lowering the UAGC to $250 would partially mitigate the impact on lower value residential properties. However, a lower UAGC would exacerbate the impact on farm/lifestyle properties and redistribute some of the rates requirement to higher value residential properties.

14. In addition, lowering the UAGC would exacerbate the impact of future revaluations on rates. A lower UAGC raises more of the rates based on property value. The movement in rates at revaluation would therefore be subject to greater variation.
15. Increasing the UAGC would exacerbate the impact of the current revaluation. The recent revaluation has resulted in higher average value increases for lower value properties when compared to higher value properties. This results in lower value properties facing higher than average rates increases while higher value properties face lower average rates increases. A higher UAGC would increase rates for lower value properties and decrease rates for higher value properties.

**Business improvement district targeted rates**

16. The BID programme forms part of council’s Local Economic Development activity. BID associations are the sole beneficiary of a council operating grant that represents the amount of rates raised from each BID area. Councils administrative costs for running the BID programme are funded from general rates. The BID programme is an established part of councils activities which provides transparency in funding of BID associations. The council proposed an expansion to the Papakura BID. There are no additional costs associated with this proposal.

17. No feedback was received on the expansion of the Papakura BID.

18. The council’s BIDs policy requires a ballot to be held of all the ratepayers who would be subject to the BID rate and all the businesses in the targeted rate area. For an extension a ballot must be held of all the ratepayers who would be added to the BID area and all the new businesses in the targeted rate area. In order to proceed these ballots require a 25 per cent return rate and of those over 51 per cent must be in support of the proposal. The results for this proposal were a return of 33.3 per cent (60) with 65 per cent for (39) and 30 per cent against (18).

19. The results of the ballot are due to be reported to the Papakura Local Board at their meeting on 23 May. Officers understand that the proposal is supported by the local board and it is expected to be ratified. Officers will update the committee on the outcome of the local boards consideration at the committee meeting.

**Regulatory fees**

20. The council proposed new regulatory fees for:

- Deemed Permitted Boundary Activity Notices (issued under the Resource Management Act 1991)


21. The council also proposed changes to the following existing fees:

- land advisory services associated with council-owned land such as applications for physical works and activities, acquisition or disposal, and strategic development. To be based on deposits between $570 and $1410 and hourly rates between $85 and $180 – all inclusive of GST.

- waiver of fees for the cremation of babies under 1 year old.

22. One key forestry stakeholder, Hancock Forest Management considered the deposit for forestry monitoring was outside the scope of the legislation and didn’t make appropriate provision for the risk and history of an operation. 15 submitters considered that general levels of fees for building activity was too high and should be maintained at their current level. There was one submission in support of the new regulatory fees.

23. One submission indicated support for the land advisory fees proposal. One submission supported the waiver of fees for the cremation of babies under 1 year old.

24. Four local boards requested that if Land Advisory Services introduce a new charging regime for council-owned land owner approval applications then this should exclude community groups and community organisations.
25. The proposed fees would be waived for any applicants undergoing works or activities on council’s behalf (e.g. contractors hired by the council to complete works on council land requiring land owner approval). This waiver ensures that the proposed fees would only apply to situations where the benefit of the works or activities accrues to a private party.

26. In addition, a discount of 50 per cent would be applied to all community group or registered charity applicants. This is on the basis that community group applicants will be seeking approval for works or activities that further their community or public-serving focus.

27. With the exception of the proposed changes to cremation fees, the proposed changes to fees help maintains cost recovery for these services. This aligns with the principles of the Revenue and Financing Policy.

28. Proceeding with the proposal to waive fees for the cremation of babies under 1 year old will result in a reduction in budgeted revenue of around $14,000 per annum. This option represents an increase in service levels compared to those offered by some private crematoria in the region.

Water and wastewater fees and charges
29. Watercare are proposing to increase water and wastewater charges in line with their previously indicated annual increases:
   - water charges by 2.5 per cent per annum
   - wastewater charges by 3.3 per cent per annum.

30. A few comments were made in opposition to the proposed increase with 1 comment in support.

31. The Board of Watercare will agree the water and waste water charges at their May meeting.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local impacts and local board views
32. The governing body has decision making authority for setting rates.

33. Local boards considered the proposals for changes at their meetings in April/May. Specific resolutions passed regarding these issues are included in the body of the report under each issue. A detailed report of all local board feedback is included in other items on this agenda.

Tauākī whakaaweawe Māori / Māori impact statement
34. The council does not hold information on the ethnicity of ratepayers so is not able to identify the exact impact on the proposed changes on Maori. The impact of the proposed changes on Maori will be similar to that on other residents in Auckland.

Ngā ritenga ā-pūtea / Financial implications
35. There are no financial implications to the rates policy matters. If the fees and charges are not adopted as proposed then the financial implications will be insignificant. However, they will be inconsistent with council’s general approach to cost recovery for fees and charges.

Ngā raru tūpono / Risks
36. There are no risks associated with the recommendations in this report.

Ngā koringa ā-muri / Next steps
37. Decisions on the items covered in this report will be used to finalise the Long-term Plan 2018-2028 for adoption at the governing body meeting on 28 June. They will also be used to help prepare the rates for 2018/2019 to be adopted at the same meeting.
Ngā tāpirihanga / Attachments

<table>
<thead>
<tr>
<th>No.</th>
<th>Title</th>
<th>Page</th>
</tr>
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<tr>
<td>A1</td>
<td>Fees, charges and deposits for land advisory activities</td>
<td>159</td>
</tr>
</tbody>
</table>

Ngā kaihaina / Signatories

**Authors**
- Aaron Matich - Principal Advisor – Financial Policy
- Andrew Duncan - Manager Financial Policy
- Eric Wen - Advisor - Financial Policy

**Authorisers**
- Ross Tucker - Acting General Manager, Financial Strategy and Planning
- Matthew Walker - Acting Group Chief Financial Officer
## Fees, charges and deposits for land advisory services associated with council-owned land

### Deposits for landowner approval (by application type)

<table>
<thead>
<tr>
<th>Application Type</th>
<th>Deposit for 2018/2019 (incl. GST)</th>
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<tr>
<td>Basic</td>
<td>$570</td>
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<tr>
<td>Standard</td>
<td>$990</td>
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<td>Complex</td>
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### Hourly rates for land advisory services (landowner approval and specialist services)

<table>
<thead>
<tr>
<th>Staff position</th>
<th>Hourly rate for 2018/2019 (incl. GST)</th>
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<tbody>
<tr>
<td>Administration Associate Land Use Advisor</td>
<td>$85</td>
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<tr>
<td>Land Use Advisor</td>
<td>$105</td>
</tr>
<tr>
<td>Senior Land Use Advisor/ Specialist Technical Statutory Advisor Acquisitions and Disposals Advisor (including senior)</td>
<td>$150</td>
</tr>
<tr>
<td>Principal Property Advisor Manager Land Advisory Services</td>
<td>$180</td>
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</table>
Adoption of the Rates Remission and Postponement Policy
(Covering report)

File No.: CP2018/08822

Te take mō te pūrongo / Purpose of the report
1. To consider public feedback on and adopt a Rates Remission and Postponement Policy.

Whakarāpopototanga matua / Executive summary
2. This is a late covering report for the above item. The comprehensive agenda report was not available when the agenda went to print and will be provided prior to the 31 May 2018 Finance and Performance Committee meeting.

Ngā tūtohunga / Recommendation/s guidance
The recommendations will be provided in the comprehensive agenda report.
Contributions Policy

File No.: CP2018/08551

Te take mō te pūrongo / Purpose of the report
1. To consider the feedback received on the draft Contributions Policy 2018 and advise on the next steps.

Whakarāpopototanga matua / Executive summary
2. The council consulted on the draft Contributions Policy 2018. Key changes from the Contributions Policy 2015 were:
   - increase in average urban DC from $21,000 to $27,000 (GST exclusive)
   - 4 new transport funding areas
   - adjustment to demand factors for aged care rooms and student accommodation
   - extended payment timing for residential developments of more than 5 units.
3. The proposal document also noted that officers propose to work on a long-term capital expenditure capex programme to reflect costs to support greenfield development. Officers would report back on the potential impact on the Contributions Policy 2108 by the end of September 2018.
4. Feedback was received from 118 respondents. Key themes in the feedback included:
   - support for additional infrastructure investment and recognition of price impacts but concern that price rises would impact development viability and housing affordability
   - concerns that the consultation materials did not provide enough detail and that not enough time was available for respondents to provide feedback and for council to consider that feedback
   - support for work to incorporate contributions pricing for greenfields areas.
5. Officers consider that there is value in providing more time for greater engagement with the development community. This would also allow additional time for the council to work through issues raised in submissions to ensure these are appropriately reflected in the council’s response and the final policy.
6. Additional time may also allow the work on contributions pricing for greenfield areas to be incorporated into the policy.
7. To allow more time, officers recommend that the council extend the expiry date for the Contributions Policy 2015 from 30 June 2018 until 31 January 2019 or until such earlier time as a new policy is adopted. In order to extend the expiry date, the council would be required to consult.

Ngā tūtohunga / Recommendation/s
That the Finance and Performance Committee:

a) agree to consult on extending the expiry date for the Contributions Policy 2015 from 30 June 2018 until 31 January 2019.

b) delegate responsibility for finalising consultation material to the Chair of the Finance and Performance Committee and the Group Chief Financial Officer.
Horopaki / Context

8. The council approved a draft Contributions Policy 2018 for consultation on 30 April 2018. The draft policy was based on the:
   - capital expenditure programme in the draft Long-term Plan (LTP) 2018-2028
   - proposed Regional Land Transport Plan (RLTP) capital expenditure, including projects to be funded by the proposed Regional Fuel Tax (RFT).

9. The capital expenditure to be funded by growth under the draft Contributions Policy 2018 was $1.4 billion higher than under the current policy. The increase in growth cost was primarily transport related but also included an additional $322 million capital expenditure on community infrastructure and parks. As a result of changes to the capital expenditure programme the average urban development contribution price would rise from $21,000 to $27,000 (GST exclusive).

10. The draft Contributions Policy 2018 also included changes to:
   - funding areas for transport to reflect the Crown Infrastructure Partnership and Housing Infrastructure Fund investment areas
   - the level of charging for some types of development to better reflect the demand they place on infrastructure
   - payment timing.

11. Consultation was undertaken alongside the Regional Land Transport Plan and Regional Fuel Tax proposals from 1 May to 14 May. A developer forum was held on 2 May 2018.

Tātaritanga me ngā tohutohu / Analysis and advice

Feedback

12. 118 respondents provided feedback making 219 feedback points. 32 were in support of the policy in general terms and 6 opposed. 19 supported the price increase and 23 were opposed.

13. Key themes from the development community were:
   - general support for the Policy
   - reduced charges for affordable or social housing
   - support the change in payment timings
   - support for increased funding areas for transport
   - more transparency
   - greater detail of planned projects being funded.

14. In addition, developers made a number of comments about the consultation process including concerns:
   - about the length of time available to understand the details in consultation material and provide feedback
   - that some materials were provided late
   - that not enough detail was provided on the projects to be funded by contributions
   - about the length of time for council to consider feedback was too short.

15. Nine iwi provided feedback with 3 in support and 3 opposed. A key theme was a recommendation that contributions for development on Maori land be discounted or waived to reflect to support that development and reflect the taking of Maori land historically.
16. Local boards were in general support of the policy, other comments included:
   - a desire to allow for more sub-regional funding
   - an increased use of targeted rates
   - a support for the price increase
   - a requirement to accommodate affordable housing
   - support for a potential price increase in Greenfield areas

**Modifications to process in response to feedback**

17. Officers consider that there would be value in allowing more time for developers and the community to consider the changes being proposed in the Contributions Policy. This would also allow further integration of the capital expenditure programme in the LTP, RLTP and RFT into a draft Contributions Policy 2018 at a greater level of detail being sought in submissions. A new timeframe may also allow a draft Contributions Policy 2018 to include the further work on greenfield contributions to be incorporated. A longer time period would also allow more time for the council to consider the feedback before making a decision.

18. Officers recommend that the council consult on extending the expiry date for the Contributions Policy 2015 from 30 June 2018 until 31 January 2019 or until such earlier time as a new policy is adopted. The consultation would seek the views of the community on extending the Contributions Policy 2015 and an appropriate time period for decision making on a Contributions Policy 2018.

19. Given the nature of the issue it is proposed that consultation on extending the expiry date for the Contributions Policy 2015 be for a period of 14 days starting Wednesday 6 June and finishing Tuesday 19 June.

20. The consultation would use our online channels and normal process including communication with our contact list and all those who made submissions on the draft Contributions Policy 2018.

**Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local impacts and local board views**

21. The governing body has decision making authority for setting a contributions policy.

22. Local boards have not had an opportunity to consider the proposal to extend the Contributions Policy 2015 and develop a process for further engagement. Officers will consider feedback received from local boards on the draft Contributions Policy 2018 in developing their work programme for the next round of engagement. Local boards will have an opportunity to comment on the draft Contributions Policy 2018 as part of next phase of development. Local board views will be communicated to the Governing Body to support decision making.

**Tauākī whakaaweawe Māori / Māori impact statement**

23. Council does not hold information on the ethnicity of developers. The impact on Māori will be similar to the impact on other developers.

24. Māori have not had an opportunity to consider the proposal to extend the Contributions Policy 2015 and develop a process for further engagement. Officers will consider feedback received from iwi and mana whenua on the draft Contributions Policy 2018 in developing their work programme for the next round of engagement. Iwi and mana whenua will have an opportunity to comment on the draft Contributions Policy 2018 as part of next phase of development. Their views will be communicated to the Governing Body to support decision making.
Ngā ritenga ā-pūtea / Financial implications
25. Extending the expiry of the Contributions Policy 2015 will deliver lower contributions revenue in the first year of the LTP 2018 - 2028 than a new policy may have done.

26. It is estimated that contributions revenue will be lower in the 2018/2019 financial year than expected from the draft Contributions Policy 2018 which was consulted on in May 2018. The difference will depend on the time taken to consult and adopt a new policy. An estimate of $4 million per month has been made. The actual impact will depend on decisions taken in response to consultation on extending the expiry date of the Contribution Policy 2015 and the timeframe for decision making on a Contributions Policy 2018.

27. The 10-year Budget 2018-2028 has made the assumption that following adoption of a Contributions Policy 2018 contributions revenue will fund all growth projects as provided for in the Revenue and Financing Policy.

Ngā raru tūpono / Risks
28. Officers have considered any risks associated with extended timeframes. The council can make decisions on the Contributions Policy 2018 separate from the Long-term Plan 2018-2028.

Ngā koringa ā-muri / Next steps
29. Officers will develop materials to support consultation to be approved by the Chair of the Finance and Performance Committee and Chief Financial Officer.

30. Officers will report the results of that consultation along with recommendations for a timeframe for further consultation on a draft Contributions Policy 2018 by the end of June 2018.

Ngā tāpirihanga / Attachments
There are no attachments for this report.

Ngā kaihaina / Signatories

<table>
<thead>
<tr>
<th>Author</th>
<th>Andrew Duncan - Manager Financial Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorisers</td>
<td>Ross Tucker - Acting General Manager, Financial Strategy and Planning</td>
</tr>
<tr>
<td></td>
<td>Matthew Walker - Acting Group Chief Financial Officer</td>
</tr>
</tbody>
</table>
Approval of Council-Controlled Organisation Accountability Policy

File No.: CP2018/08651

Te take mō te pūrongo / Purpose of the report
1. To approve the council-controlled organisation accountability policy as part of the Long-term Plan 2018-2028 (Attachment A).

Whakarāpopototanga matua / Executive summary
2. Auckland Council is required to have an accountability policy for its substantive council-controlled organisations (CCOs).
3. Amendments to the existing policy were consulted on as part of the Long-term Plan 2018-2028. The scope of the amendments to the existing policy was to update the policy to align the expectations to the council’s current objectives and priorities.
4. Council received eight public submissions on the draft policy, as well as comments from four of the substantive CCOs. All of the public submissions generally supported the policy, while the comments from CCOs largely sought clarification and minor wording changes.
5. Eleven local boards made resolutions on the policy. They generally supported the intent and scope of the policy, with some changes, and noted the importance of ensuring that it is implemented.
6. If the Finance and Performance Committee approves the policy, it will be included in the Long-term Plan 2018-2028 for final approval by the Governing Body on 28 June 2018.

Ngā tūtohunga / Recommendation/s
That the Finance and Performance Committee:

a) recommend that the Governing Body approve the council-controlled organisation accountability policy as part of the Long-term Plan 2018-2028.

Horopaki / Context
7. Under the Local Government (Auckland Council) Act 2009, Auckland Council is required to have an accountability policy for its substantive council-controlled organisations (CCOs). The policy forms a basis for accountability to the council as the shareholder.
8. The policy has been revised as part of the Long-term Plan 2018-2028. The scope of the review was to update the policy to align the expectations to the council’s current objectives and priorities.
9. We received eight written submissions. There was no verbal feedback at ‘Have Your Say’ events, and none submitted via the social/digital channel. We also received comments on the policy from some of the substantive CCOs, and 11 local board resolutions.

Tātaritanga me ngā tohutohu / Analysis and advice

Public submissions
10. All of the submissions generally supported the revised policy, with two recommendations for change in specific areas:
the submissions asked that more emphasis be placed on integrated planning and project design/delivery across the council group, and a ‘do it once, and do it right’ approach, and a commitment to seek input from the Business Improvement Districts where appropriate

more detailed expectations for each CCO to prepare a carbon emission assessment and low carbon action plans by set timeframes.

11. In response, we have included a common expectation about integrating planning and project delivery across the group. Staff do not recommend including a specific reference to Business Improvement Districts, as this is covered by the general principles of public consultation in section 1.1.1 of the policy. However, we note that a separate piece of work is currently underway to improve the way the council group and Business Improvement Districts work together.

12. Staff do not recommend including more detailed operational requirements for carbon action plans, as this is more appropriate in the annual letters of expectations to substantive CCOs.

Comments from CCOs

13. The comments that each CCO made are summarised in Table 1, along with our advice about changes to the policy.

Table 1: CCO comments on the draft policy and proposed response

<table>
<thead>
<tr>
<th>CCO</th>
<th>Comments</th>
<th>Proposed response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auckland Transport</td>
<td>Seeking clarification of how the strategic assets policy works, particularly with regard to council oversight of strategic assets.</td>
<td>We have amended Table 2 to clarify the council’s oversight of operational decisions on strategic assets.</td>
</tr>
<tr>
<td>Watercare Services Limited</td>
<td>Watercare made a number of comments relating to its legal obligations and statutory framework. These are listed in Attachment B.</td>
<td>Set out in Attachment B.</td>
</tr>
<tr>
<td>Regional Facilities Auckland (RFA)</td>
<td>The ‘Methods’ section mentioned the commercial operation of venues without mentioning the public good aspect of RFA’s role. The ‘Methods’ section requiring RFA to collaborate with the council does not allow the board sufficient space to objectively determine capex and opex requirements.</td>
<td>We propose deleting the line referring to commercial operation, as it essentially repeats RFA’s purpose (which is mentioned earlier in the policy). The intent of this section was to ensure that RFA’s strategies are aligned with the council’s priorities, not to constrain funding bids. The wording has been revised to reflect this.</td>
</tr>
<tr>
<td>Auckland Tourism, Events and Economic Development (ATEED)</td>
<td>Noting that ATEED does not have any regulatory mechanisms.</td>
<td>We propose deleting the line referring to regulatory mechanisms.</td>
</tr>
</tbody>
</table>

Feedback from councillors

14. During workshops with councillors, some concerns were raised about the need for the policy to ensure that there is appropriate oversight by the shareholder of feasibility studies into significant proposals. The policy does provide requirements about shareholder oversight of strategic assets (in section 4.2.3) and requires each CCO to inform the council about issues which may “affect the council’s long-term interest in an asset or associated service delivery”.

Approval of Council-Controlled Organisation Accountability Policy  Page 168
We have included the preparation of a feasibility study of a significant investment as an example of where the shareholder should be informed.

15. We do not recommend adding a specific rule about limiting feasibility studies, as this might have an unintended effect of limiting legitimate activity by CCOs. Other things that would help to address this issue are:
   • actively communicating expectations through the induction of board members
   • more closely monitoring performance through quarterly reporting
   • more closely monitoring the outcomes of board performance reviews
   • active communication by CCOs to council regarding proposed significant work.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe / Local impacts and local board views

16. Eleven local boards made resolutions on the draft policy. All eleven boards supported the overall intent as well as specific parts of the policy, subject to some amendments (all of the local board feedback is summarised in Attachment C). The amendments are to:
   • support the expectation for CCOs to improve outcomes for Māori, and request that the policy refers to both mana whenua and matāwaka
   • request that there should be an expectation on CCOs to be good employers
   • request that CCOs should be required to give effect to local board plans and, where relevant, town centre plans to ensure support for local board priorities

17. In response, we propose amending the policy to reflect the need to improve outcomes for both mana whenua and matāwaka in section 1.1.4 ‘Improve outcomes for Māori’. This is consistent with the expectations in ‘Our Charter’. We also propose adding an expectation that CCOs should act as a good employer, which is consistent with their legislative obligations.

18. Requiring CCOs to ‘act consistently with’ local board plans has been considered through a separate piece of work in the CCO accountability review, which will be reported back to the Finance and Performance Committee shortly. In general, local board plans are not written in a way that provides clear strategic direction which could reasonably be asked of a CCO to give effect to. In addition, local board plans are aspirational documents, and are not funded until the local board agreements are in place. We do not recommend amending the accountability policy to require CCOs to give effect to local board plans or town centre plans.

Tauākī whakaaweawe Māori / Māori impact statement

19. The revised policy includes a section on outcomes for Māori. This section includes the need to give effect to the council’s Māori responsiveness framework, and to improve outcomes for mana whenua and matāwaka. Bringing these expectations into the policy supports work that is already underway through Te Toa Takitini and other programmes to improve Māori outcomes.

Ngā ritenga ā-pūtea / Financial implications

20. There are no direct financial implications from approving the policy.

Ngā raru tūpono / Risks

21. There are no risks associated with approving the policy.
Ngā koringa ā-muri / Next steps

22. CCOs are aware of the changes proposed in this report. If the Finance and Performance Committee approves the policy, it will be included in the Long-term Plan 2018-2028 for final approval by the Governing Body on 28 June 2018. Once the policy has come into effect, council staff will work with CCOs so that these changes are reflected in any relevant processes and documents.

Ngā tāpirihanga / Attachments

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Ngā kaihaina / Signatories

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<tr>
<td>Sarah Holdem – Principal Advisor</td>
<td>Alastair Cameron - Manager - CCO Governance &amp; External Partnerships</td>
</tr>
<tr>
<td></td>
<td>Phil Wilson - Governance Director</td>
</tr>
<tr>
<td></td>
<td>Matthew Walker - Acting Group Chief Financial Officer</td>
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</tbody>
</table>
5.2 CCO Accountability Policy

This policy sets out the council’s expectations for its substantive council-controlled organisations in accordance with section 90 of the Local Government (Auckland Council) Act 2009 (LGACA). This policy is designed to be read in conjunction with the Governance Manual for Substantive Council-Controlled Organisations (CCOs). The Governance Manual brings together key policies and documents relating to the governance of CCOs, and provides further detail about how this policy should be implemented. It provides guidance for boards, executives and senior staff on the effective governance of the substantive CCOs.1

1. The council’s expectations for CCO’s contribution to the council’s objectives and priorities

Section 90(2) of the LGACA sets out the requirements of the accountability policy, and states that:

“(2) The policy must—

a) include a statement of the Council’s expectations in respect of each substantive council-controlled organisation’s contributions to, and alignment with, the Council’s objectives and priorities,

b) include a statement of the Council’s expectations in respect of each substantive council-controlled organisation’s contributions to, and alignment with, any relevant objectives and priorities of central government.”

Central government departments have been involved in the development of plans and strategies of the council, including the Auckland Plan and the Auckland Transport Alignment Plan. Therefore, the objectives and priorities of central government are reflected in the expectations set out in this policy.

1.1 Common expectations

Auckland Council has a number of expectations of each of its substantive council-controlled organisations in respect of their contribution to, and alignment with, the council’s objectives and priorities. Each substantive CCO is to meet the common expectations set out below and the specific expectations for each.

1.1.1 Build public trust and confidence in the council group

Each substantive CCO is to be responsible for building public trust and confidence in itself and the council group. This is to be achieved by:

- Acting in the interests of all Aucklanders, both current and future.
- Recognising that the services and assets it may own or manage are public services and assets, which should be managed in the best interests of Aucklanders.
- Meeting the public’s expectation of transparency and accountability, and always considering the council group’s reputation.
- Improving the public’s perception of transparency and accountability by tracking and reporting investment and performance data in a clear and accessible manner.

1 The Governance Manual for Substantive CCOs can be accessed at:
• Operating under a no surprises policy, which means informing the Mayor, councillors or local boards (as appropriate) well in advance of any events, transactions or issues that could attract public interest, whether positive or negative.
• Ensuring excellent customer service, including understanding the communities it serves.
• Ensuring that any conflicts of interest or potential conflicts of interest (whether actual or perceived) are declared and managed appropriately.
• Providing transparent information about the activities and services it provides to the community.
• Including customers and communities in decision-making where appropriate, using the principles in the Significance and Engagement Policy.
• Being aware, as a public entity, of the need to be especially prudent around sensitive expenditure such as travel and entertainment, and ensuring that it only occurs where there is a justifiable business purpose.
• Engaging with central government on central government policy through the council parent. Engagement on operational matters does not need to be carried out through the council parent.
• Improving the recognition of ratepayer funding for public services and assets through the use of consistent, group-wide branding in accordance with the council’s Brand Navigation Guidelines.
• Ensuring that it acts as a good employer.

1.1.2 Provide value for money
Each substantive CCO is to ensure that it provides value for money for Aucklanders, which means achieving the outcomes and levels of service specified by the council in an efficient and effective way. This is to be achieved by:
• Being accountable for decisions about spending and the use of council group resources and assets.
• Ensuring that all activities and services are underpinned by prudent use of resources and assets.
• Ensuring that there is a high degree of transparency in financial planning, budgeting, and sources of revenue.
• Informing the council well in advance of entering into any commitments or obligations that may:
  o have financial impacts which are outside of approved funding; or
  o negatively affect the group’s prudential ratios2 through a significant increase in group debt or reduction in revenue.
• Providing transparent information to Aucklanders on financial and non-financial performance to demonstrate value for money.
• Ensuring that there is a justifiable business purpose for all spending.
• Ensuring that investment is supported by robust business cases which meet the standards of any relevant group policies and provide a clear and strategic rationale for investment.
• Ensuring that the delivery of activities and services is as efficient as possible, and that corporate spending is kept to a minimum.

1.1.3 Building a group approach to achieve outcomes for Aucklanders
The substantive CCOs are to work with the council and with each other to achieve outcomes for Aucklanders. This is to be achieved by:
• Working together to align and achieve group strategies as set out in the Auckland Plan and prioritised through the Long-term Plan.
• Building and maintaining a culture of collaboration across the group to achieve the objectives and priorities of the council and to provide value for money.
• Open and transparent sharing of information where that is required to achieve outcomes for Aucklanders.

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2 The council has established prudential limits for the group that ensure borrowings (which can include things such as lease commitments) and interest expense do not grow too large relative to rates and other revenue. These are set out in Section XX of the Long-term Plan.
• Presenting a unified front with the parent and with other CCOs on key issues facing Auckland.

• Implementing agreed group policies such as those on Treasury, Insurance and Procurement\(^3\), and participating in the development of any further group policies, for example ‘Our Charter’, which includes foundation principles and standards for staff behaviours.

• Participating proactively and constructively in efforts to achieve efficiencies and savings for the council group and make the most of its size and scale, including group procurement and the use of shared services.

• Acknowledging the council’s wider policy settings in its own decision-making and considering issues from the perspective of the council.

1.1.4 Improve outcomes for Māori

The substantive CCOs are to give effect to the council’s Māori responsiveness framework and foster more positive and productive relationships between the council group and Māori, develop the ability of the council group and its people to respond more effectively to Māori and contribute to Māori wellbeing by developing strong Māori communities in Tāmaki Makaurau. This is to be achieved by:

• Ensuring that the principles of te Tiriti o Waitangi, such as shared decision-making, partnership and mutual benefit, are applied consistently in activities and decision-making.


• Enabling Māori outcomes.

• Valuing te ao Māori – the Māori world view.

• In addition, the substantive CCOs are to contribute to achieving a collaborative and aligned approach across the council group to working with mana whenua and matāwaka.

1.1.5 Health and safety

Each substantive CCO is to give effect to the group Health, Safety and Wellbeing Policy and Behaviours Statement. This sets out principles and behaviours to give effect to the health and safety vision of the group.

1.1.6 Manage risk appropriately

Each substantive CCO is to proactively manage all their risks including strategic, financial, operational, and reputational risks (including the risk of fraud and/or corruption). Each CCO must:

• Manage, monitor and report on their risk management activities undertaken in accordance with either the council’s Enterprise Risk Management Policy and Framework, or the CCO’s own risk management framework.

• Actively report on the effectiveness of their risk management processes and outcomes.

• Proactively report on all significant risks and issues and their management to ensure no surprises, transparency and that the significant risks are being appropriately managed.

Section 2.5 contains specific reporting requirements relating to these provisions, including quarterly reporting and appearing before the Audit and Risk Committee for the purpose of addressing risk management and risks.

1.1.7 Understanding and giving effect to Auckland’s shared governance

Both the governing body and the local boards are responsible and democratically accountable for the decision making of Auckland Council.

The governing body has, among other decision-making roles, decision-making in relation to the governance of the council’s CCOs. Therefore the substantive CCOs are directly accountable to Auckland Council through the

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\(^3\) The group policies on insurance and procurement were approved by the Finance and Performance Committee on 19 September 2017 (Resolution FIN/2017/121). The same committee approved the policy on treasury management subject to receipt of a signed service level agreement between Watercare Services Limited and Auckland Council on 21 November 2017 (Resolution FIN/2017/161).
governing body, and the board of each CCO has a direct governance relationship with the governing body. The substantive CCOs should:

- Understand the role of the governing body.
- Proactively build and maintain good relationships with members of the governing body.
- Actively engage with the relevant ward councillors on projects and issues within their ward.

Local boards make decisions on local activities and services, and play an important role in representing local communities. The activities of CCOs are very important in local communities, and each CCO must ensure that it works effectively with local boards. The substantive CCOs should:

- Understand the role of local boards, both their role as local decision-makers and their responsibility to identify and communicate the views and preferences of the communities in its local board area.
- Proactively build and maintain good relationships with each local board.
- Consult with local boards genuinely and early in a way that allows them to influence decisions that may:
  - affect a local board’s governance role.
  - have a significant local impact (taking into account any mitigation measures).
  - require a CCO to undertake local or regional community consultation.

Substantive CCOs will need to recognise local interests while ensuring that regional priorities and strategies are achieved.

1.1.8 Climate change and reducing carbon emissions

Each substantive CCO is to contribute towards reducing carbon emissions and contributing towards a climate resilient future. This is to be achieved by:

- Working with the council in the review and update of Low Carbon Auckland to deliver an integrated approach to climate change, addressing both emissions reduction and climate resilience.
- Implementing actions identified in the current and future iterations of the plan as appropriate for each CCO.
- Embedding climate change considerations into decision-making, planning and policies regarding both emissions reduction and addressing the impacts of current and on-going climate change.

1.2 Auckland Council Investments Limited

A. Objectives of Auckland Council Investments Limited

The objectives of Auckland Council Investments Limited (ACIL) are:

- To provide a strong commercial focus to the ownership and governance of the Auckland Council’s major investment assets.
- To provide an efficient structure for the ownership of those assets.

B. The council’s expectations of ACIL in relation to its objectives and priorities

ACIL is to:

- Provide substantial financial returns to the council which are financially sustainable in the long term.
- Maximise the contribution of its assets to the Auckland economy.

C. Methods

ACIL is to meet these expectations by:

- Encouraging Ports of Auckland Land (POAL) to be a good neighbour, supporting the Auckland waterfront becoming a key destination and events venue for businesses, residents and visitors.

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Auckland Council Investments Limited company constitution
In particular, ACIL shall give guidance to POAL in the management of its boundary issues associated with the broader development aspirations associated with Panuku Development Auckland and the Waterfront Development Master Plan.

Maintain an effective working relationship with Auckland International Airport Limited (AIAL).

Ensure that it acts consistently with the council’s policy on its shareholding in AIAL, and makes the council aware of any issues that may significantly affect this shareholding.

1.3 Auckland Tourism, Events and Economic Development

A. Objectives of Auckland Tourism, Events and Economic Development

The objectives of Auckland Tourism, Events and Economic Development (ATEED) are:\n
- To lift Auckland’s economic wellbeing.
- To support and enhance Auckland’s performance as a key contributor to the New Zealand economy.
- To support and enhance Auckland’s ability to compete internationally as a desirable place to visit, live, work, invest and do business.

B. The council’s expectations of ATEED in relation to its objectives and priorities

ATEED is to give effect to the objectives and priorities of the council in the Auckland Plan, and the Auckland Economic Development Strategy, and in particular by:

Opportunities and prosperity
- Create the conditions for a resilient economy, innovation, and employment growth, and raise productivity
- Attract and retain skills, talent and investment
- Develop skills and talent for the changing nature of work and life-long achievement

Māori identity and wellbeing
- Showcase Auckland’s Māori identity and vibrant Māori culture
- Promote Māori cultural innovation and enterprise that contributes to economic, social and environmental success

ATEED is to contribute to other relevant outcomes in the Auckland Plan, including:

- Belonging and Participation

In doing so, ATEED is to:

- Advance Māori employment and create the environment for Māori business and iwi organisations to be a powerhouse in Auckland’s economy
- Leverage Auckland’s position to support growth in exports and a competitive New Zealand economy
- Increase ongoing learning and training in new and emerging areas, with a focus on those most in need

C. Methods

ATEED is to meet these expectations by:

- Ensuring that its funding, policies and activities are directed towards achieving the council’s objectives and priorities.
- Collaborating with the council, council-controlled organisations and the relevant central government agencies to maximise benefits for Aucklanders and ensure value for money.

1.4 Auckland Transport

A. Purpose of Auckland Transport

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5 ATEED company constitution
The purpose of Auckland Transport is to contribute to an effective, efficient, and safe Auckland land transport system in the public interest. The council’s expectations of Auckland Transport in relation to its objectives and priorities:

Auckland Transport is to give effect to the objectives and priorities of the council in the Auckland Plan, in particular by:

- Creating an integrated transport system that efficiently connects people, places, goods and services.
- Increasing real travel choices to support a vibrant, equitable and healthy Auckland.
- Minimising harm from the transport system on people and the environment.

In doing so, Auckland Transport is to:

- Make better use of existing transport networks, including a greater focus on influencing travel demand.
- Target new transport investment to the most significant challenges to support key long-term outcomes.
- Maximise the benefits of existing and emerging transport technology.
- Make walking, cycling and public transport preferred choices for many more Aucklanders.
- Better integrate land-use and transport decisions to support quality urban living, including a balance between the movement and place-making functions of our roads and streets.
- Move to a safe transport network free from death and serious injury.
- Develop a resilient transport system that achieves the most positive environmental and health impacts.

Auckland Transport is to contribute to other relevant outcomes in the Auckland Plan, including:

- Māori Identity and Wellbeing
- Belonging and Participation
- Homes and Places
- Environment and Cultural Heritage

C. Method:

Auckland Transport is to meet these expectations by:

- Ensuring that its capital and operating expenditure, policies and plans are directed towards achieving these objectives and priorities.
- Implementing, through its role as a provider of infrastructure critical to urban development, the Development Strategy set out in the Auckland Plan. The Development Strategy sets out how Auckland will change and grow over the next 30 years, through a quality compact approach.
- Engaging early with the council to ensure any proposed major investment decisions, city-shaping projects or significant policies align with the council’s objectives and priorities, in accordance with the policy on Strategic Assets in Section 5.
- Working with the council, other council-controlled organisations and infrastructure providers to achieve the council’s objectives and priorities in an efficient and effective way, including in particular the integration of transport infrastructure with land use.
- Aiming to secure co-funding from the New Zealand Transport Agency for all eligible investments which are aligned with the council’s priorities to maximise value for money for Aucklanders.

1.5 Panuku Development Auckland

A. Purpose

The purpose of Panuku Development Auckland (Panuku) is to contribute to the implementation of the Auckland Plan and encourage economic development by facilitating urban redevelopment that optimises and integrates

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7 Panuku Development Auckland company constitution
good public transport outcomes, efficient and sustainable infrastructure and quality public services and amenities.

Panuku will manage council’s non-service⁸ property portfolio and provide strategic advice on council’s other property portfolios. It will recycle or redevelop sub-optimal or underutilised council assets and aim to achieve an overall balance of commercial and strategic outcomes.

B. The council’s expectations of Panuku in relation to its objectives and priorities

Panuku is to give effect to the objectives and priorities of the council in the Auckland Plan, and in particular by:

1. Facilitating redevelopment of urban locations

Panuku is to facilitate private sector, third sector⁹, iwi and government investment and collaboration into the sustainable redevelopment of brownfield urban locations consistent with the Development Strategy in the Auckland Plan. It will also co-ordinate the provision of the council’s infrastructure and other investment in these locations.

2. Accommodating urban growth through redevelopment

Panuku is to contribute to accommodating residential and commercial growth through facilitating the quality redevelopment of urban locations with excellent public infrastructure and services. Redevelopment of the overall portfolio should offer a range of residential choices and price points to cater for diverse households.

3. Facilitating vibrant places

Panuku is to facilitate the creation of adaptable and resilient places that contribute to wellbeing, promote health and safety and are fully accessible to people with disabilities and older people. It will harness and incorporate the local community’s unique identity, attributes and potential to create vibrant communities.

4. Developing the Auckland waterfront

Panuku is to continue to lead the development of the Auckland waterfront in a way that is consistent with the Waterfront Plan 2012, and which balances commercial and public good objectives, including high quality urban design.

5. Strategically create value from assets

In partnership with the council group, Panuku is to use its commercial expertise and knowledge of land and property markets to:

- Panuku may facilitate quality redevelopment of underutilised council landholdings within current urban boundaries.
- Manage the council group’s non-service properties in a way that optimises the returns to the council group.
- Acquire land consistent with the council’s specifications.
- Optimise returns from the disposal and development of land in a commercially robust way¹⁰.

6. Promoting Māori identity and wellbeing

Panuku is to promote Māori identity and wellbeing by:

- Showcasing Auckland’s Māori identity and vibrant Māori culture.
- Recognising Te Tiriti o Waitangi and supporting mana whenua in their unique role as kaitiaki of Tāmaki Makaurau.

C. Methods

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⁸ Non service properties are defined in the Local Government (Tāmaki Makaurau Reorganisation) Council-controlled Organisations Vesting Order 2010 as property that is not infrastructure or used to deliver services.

⁹ The third sector refers to organisations that are not for profit or non-government organisations.

¹⁰ The council has set targets for the return from disposals of assets and land in the Long-term Plan.
Panuku is to meet these expectations by:

- Ensuring that its capital and operating expenditure, policies and plans (including locally-specific development plans) are directed towards achieving these objectives and priorities.
- Working with the council, other council-controlled organisations and infrastructure providers to facilitate urban redevelopment.

1.6 Regional Facilities Auckland Limited

A. Purpose

The purpose of Regional Facilities Auckland Limited (RFA) is to engage the communities of Auckland through cultural, heritage, and lifestyle opportunities. This will be done primarily by operating, administering and developing various regional facilities on a prudent, commercial basis.\(^1\)

B. The council’s expectations of RFA in relation to its objectives and priorities

Through its activities and the facilities and venues it operates, Regional Facilities Auckland is to contribute to several of the outcome areas in the Auckland Plan. These include:

- Belonging and participation, and specifically to support arts and cultural initiatives, and providing opportunities and spaces for people to connect with one another.
- Environment and cultural heritage, and specifically contributing to our cultural heritage, valuing and enhancing our environment, future-proofing infrastructure for a changing Auckland and supporting and enabling Aucklanders to be stewards of our cultural heritage.
- Māori identity and wellbeing, and specifically celebrating Māoritanga through cultural facilities.

In addition, Regional Facilities Auckland is to give effect to the relevant objectives and priorities set out in council strategies including:

- Toi Whitiki: Arts and Culture Strategic Action Plan.
- The Auckland Sport & Recreation Strategic Action Plan.

C. Methods

Regional Facilities Auckland is to meet these expectations by:

- Ensuring that its planning and investment in, and management of, regional venues and facilities is aligned to these objectives and priorities.
- Focussing on commercial operation of venues and facilities.
- Taking a regional perspective to the provision of facilities for Aucklanders, including working closely with the council to ensure that plans for regional venues and facilities and plans affecting national-level venues and facilities are aligned with the network of local and community facilities.
- Ensuring that the development of significant plans and strategies to achieve its aims are carried out in collaboration with the council, to ensure major investments are aligned with the council’s broader development strategies and intentions.
- Recognising central government as a strategic partner, and aligning, where appropriate, with its policy for and investment in facilities providing cultural, heritage, and lifestyle opportunities.

1.7 Watercare Services Limited

A. Purpose of Watercare Services Limited

The purpose of Watercare Services Limited (Watercare) is to provide Auckland’s integrated water supply and wastewater services.\(^12\)

B. The council’s expectations of Watercare in relation to its objectives and priorities

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\(^1\) Regional Facilities Auckland deed of trust
\(^12\) Constitution of Watercare Services Limited
Watercare is to give effect to the objectives and priorities of the council in the Auckland Plan, and in particular by: 13

Environment and cultural heritage:

- Ensuring Auckland’s environment and ecosystems are valued and cared for
- Applying a Māori world view to treasure and protect our environment (taonga tuku iho)
- Using growth and development to protect and enhance Auckland’s environment
- Ensuring Auckland’s infrastructure is future-proofed

Homes and places:

- Developing a quality, compact urban form to accommodate Auckland’s growth

Māori identity and wellbeing:

- Recognise Te Tiriti o Waitangi and support mana whenua in their unique role as kaitiaki of Tamaki Makaurau.

C. Methods:

Watercare is to meet these expectations by:

- Ensuring that its capital and operating expenditure, policies and plans are directed towards achieving these objectives and priorities.
- Implementing, through its role as a provider of infrastructure critical to urban development, the Development Strategy set out in the Auckland Plan. The Development Strategy sets out how Auckland will change and grow over the next 30 years through a quality compact approach.
- Working with the council, other council-controlled organisations and infrastructure providers to achieve the council’s objectives and priorities in an efficient and effective way, including in particular the optimisation and integration of water, wastewater and stormwater (the three waters) outcomes for the benefit of current and future Aucklanders.
- Actively facilitating the participation of Māori in the management of natural resources.

2. Additional reporting requirements

Section 90(2) of the LGACA states that:

“(2) The policy must—

... c) specify any reporting requirements that each substantive council-controlled organisation must undertake in addition to those required under Part 5 of the Local Government Act 2002 or this Act.”

2.1 Statutory requirements

Sections 66 to 68 of the Local Government Act 2002 (LGA) set out requirements for CCOs to provide half-yearly and annual reports on their operations to the council.

The half-yearly report must be provided within two months after the end of the first half of each financial year. The annual report must be delivered to the council no later than three months after the end of the financial year, and must be publicly available on the CCO’s website, with a hard copy available to any member of the public upon request. The release of the half-yearly and annual reports are required to be managed in accordance with the New Zealand Stock Exchange (NZX) continuous disclosure requirements as noted under Section 2.4.

In addition to the statutory requirements, each substantive CCO is to provide additional reporting as set out below.

13 Watercare also has specific statutory obligations as the ‘Auckland water organisation’, which are set out in sections 57 and 58 of the LGACA.
2.2 Quarterly reporting

In addition to the statutory requirements for half-yearly and annual reports, the council requires all substantive CCOs to provide a quarterly report on their performance to the council, no later than 1 month after the end of the first and third quarter of each financial year\(^\text{14}\) or as per the instructions of the Group Financial Controller.

The quarterly report must report against the performance targets set out in its SOI, and must be in the format required by the council.

2.3 Attendance at council committee meetings

The chair and chief executive of each substantive CCO are expected to appear before the relevant council committee when it meets to consider the CCO’s performance against its SOI.

The board of each substantive CCO may be required to appear before the relevant council committee when it meets to consider its annual report and/or fourth quarter report.

2.4 New Zealand Stock Exchange requirements

Substantive CCOs must adhere to the New Zealand Stock Exchange (NZX) requirements and work with the council on the timing of public release of financial information. In particular, CCO and group information must remain confidential until the group interim report and full Auckland Council annual report have been adopted by the council and released to the NZX at the end of February and September, respectively.

Substantive CCOs must also comply with the requirements of the continuous disclosure policy.

2.5 Audit and risk reporting requirements

Each substantive CCO is to:

- Provide a risk report and top risks register (as presented to its own audit and risk committee, board or equivalent) to council staff on a quarterly basis. This information will be reported to the council’s Audit and Risk Committee as a confidential item.
- Ensure relevant board members (or their delegates) attend the meeting of the council’s Audit and Risk Committee as requested by the council. This will be every six months or as the Committee requires.
- As part of end of financial year processes, report all Audit New Zealand findings through council staff to the council’s Audit and Risk Committee.

2.6 Provide information as required

Each substantive CCO is required to provide information on any aspect of a CCO’s performance against its statement of intent if required to by a resolution of the relevant council committee.

3. Additional planning requirements

Section 90(2) of the LGACA states that:

“(2) The policy must—

\[\ldots\]

\(d\) specify any planning requirements that each substantive council-controlled organisation must undertake in addition to those required under Part 5 of the Local Government Act 2002 or this Act.”

\(^{14}\) As provided for in s91(1)(b) of the LGACA.
3.1 Inputs to Long-term Plan and Annual Plan
Each substantive CCO is to have asset management plans, activity plans, performance frameworks and supporting financial information as inputs to the council’s Long-term Plan and Annual Plan in accordance with the timeframes and other requirements specified by the council.

3.2 Further requirements
Each substantive CCO must:
- Use the council’s asset management framework, or obtain the council’s approval for an alternative framework.
- Use accounting policies and standards that are consistent with the council group’s accounting policies and standards.
- Comply with council tax initiatives and policies.
- Follow any other planning requirements specified by the council and notified to CCOs.
- Prepare a Māori Responsiveness Plan, and work with the council to monitor and report against it.
- Prepare a local board engagement plan in accordance with the framework set out in the Governance Manual for Substantive CCOs.

4. Management of strategic assets by council-controlled organisations
Section 90(2) of the LGACA states that:
"(2) The policy must—

...  
e) identify or define any strategic assets in relation to each substantive council-controlled organisation and set out any requirements in relation to the organisation’s management of those assets, including the process by which the organisation may approve major transactions in relation to them.”

4.1 Definition and identification of strategic assets
Strategic assets are defined in section 5 of the Local Government Act 2002 (LGA) as assets that a local authority needs to retain if it is to maintain its capacity to achieve or promote any outcome that it determines to be important to the current or future well-being of the community. This includes:

- any asset or group of assets listed in the local authority’s Significance and Engagement Policy; and
- any land or building owned by the local authority and required to maintain the local authority’s capacity to provide affordable housing as part of its social policy; and
- any equity securities held by the local authority in—
  - a port company;
  - an airport company.

For the purposes of this policy, the council considers that the “current or future well-being of the community” means the economic, social, environmental and cultural well-being, and the health and safety of communities.

The strategic assets owned and/or managed by the council’s CCOs are any scheduled heritage buildings or structures and the assets set out in table 1.
## Table 1 – Strategic assets owned or managed by substantive CCOs

<table>
<thead>
<tr>
<th>Council-controlled organisation</th>
<th>Strategic assets owned and managed by the CCO</th>
<th>Strategic assets owned by the council and managed by the CCO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auckland Council Investments Limited</td>
<td>100% shareholding in Ports of Auckland Limited, including its freehold interests in waterfront land. Shares held in Auckland International Airport Limited</td>
<td>none</td>
</tr>
<tr>
<td>Auckland Tourism, Events and Economic Development Limited</td>
<td>none</td>
<td>none</td>
</tr>
<tr>
<td>Auckland Transport</td>
<td>The public transport network including Britomart</td>
<td>The roading network</td>
</tr>
<tr>
<td>Regional Facilities Auckland</td>
<td>Auckland Art Gallery (including the arts collections owned by Regional Facilities Auckland).</td>
<td>none</td>
</tr>
<tr>
<td></td>
<td>Auckland Zoo</td>
<td></td>
</tr>
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<td></td>
<td>Aotea Centre</td>
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<td></td>
<td>Civic Theatre</td>
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<td></td>
<td>Viaduct Events Centre</td>
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<tr>
<td></td>
<td>Mt Smart Stadium</td>
<td></td>
</tr>
<tr>
<td></td>
<td>North Harbour Stadium (known as QBE Stadium)</td>
<td></td>
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<tr>
<td></td>
<td>The council’s contractual rights and interest in Auckland City Arena (known as Spark Arena)</td>
<td></td>
</tr>
<tr>
<td>Panuku Development Auckland Limited</td>
<td>The freehold interests in central Auckland waterfront land</td>
<td>none</td>
</tr>
<tr>
<td>Watercare Services Limited</td>
<td>The wastewater network</td>
<td>none</td>
</tr>
<tr>
<td></td>
<td>The water supply network</td>
<td></td>
</tr>
</tbody>
</table>

### 4.2 Requirements in relation to the management of strategic assets by CCOs

#### 4.2.1 Principles for the management of strategic assets

Each substantive CCO must manage the strategic assets set out in Table 1 in a way that:

- maximises the long-term benefit of the strategic assets to Auckland;
- gives effect to the expectations set out in Part 1 of this policy and the performance measures set out in this long-term plan;
- enables the CCO to achieve the objectives and performance measures set out in its statement of intent.

In making a decision about a strategic asset that may affect the council’s long-term interest in that asset or the associated service delivery to Aucklanders, each substantive CCO must consider the following factors in relation to the proposal, in addition to any of its own considerations:

- the contribution of the issue or proposal to meeting the expectations set out in this policy and in the statement of intent;
- any impacts on the council’s other objectives or priorities (both positive and negative);
- its consistency with the council’s other plans and strategies, including area-specific plans;
- the likely financial impacts of the proposal, noting the opportunity cost of any investment or expenditure.
### 4.2.2 Additional requirements for Auckland Council Investments Limited

Auckland Council Investments Limited (ACIL) must:
- give effect to the council’s Auckland Airport Shareholding Policy.
- not make any decisions that are inconsistent with that policy.

### 4.2.3 Shareholder oversight of strategic assets and major transactions

The table below sets out the approach to shareholder oversight of decisions about strategic assets and major transactions. Even if a decision does not require shareholder approval, CCOs must ensure that they comply with the no surprises policy, and engage with local councillors and local boards on issues of local significance (as set out in Section 1.1.7).

**Table 2 – Shareholder oversight of strategic assets and major transactions**

<table>
<thead>
<tr>
<th>Where a CCO proposes to</th>
<th>Examples</th>
<th>The shareholder must be involved in the following way</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carry out a <strong>major transaction</strong> (defined below)</td>
<td>The sale of any part of Britomart land</td>
<td>Approval of the governing body of Auckland Council is required except where it is already provided for in the Long-term Plan. Note that some major transactions must be set out in the Long-term Plan. ¹⁵</td>
</tr>
</tbody>
</table>
| Undertake an action or make a decision which may affect the council’s long-term interest in a strategic asset or the associated service delivery to Aucklanders and:  
  - which represents or may represent a departure from an agreed strategy of the council; or  
  - where there is no agreed strategy of the council | A 20-year lease on waterfront land |  |
| Undertake an action or make a decision which may affect the council’s long-term interest in a strategic asset or the associated service delivery to Aucklanders which is consistent with an agreed strategy of the council | Feasibility studies of a significant activity or investment  
  - The development of a water efficiency strategy | Provide information to the governing body through a workshop or memorandum.  
  - Engage with relevant local boards in accordance with Section 1 of this policy and the Governance Manual for Substantive CCOs. |
| Undertake any operational actions that are part of day-to-day business, or which implement agreed decisions | Entering into a contract for the provision of food and beverage services at Mt Smart Stadium | No governing body oversight is required. |

Where it is not clear if the proposed action or decision is consistent with an agreed strategy of the council, a CCO should engage with council staff.

### 4.2.4 Definition of major transaction

For the purposes of this accountability policy, a "major transaction"¹⁶ is:

a) Any acquisition, disposal or replacement of a strategic asset, other than ongoing asset renewal in accordance with a CCO’s asset management plan

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¹⁵ Some decisions must be included in the long-term plan: section 97 of the Local Government Act 2002 requires that (a) a decision to alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the local authority, including a decision to commence or cease any such activity and (b) a decision to transfer the ownership or control of a strategic asset to or from the local authority must be consulted on during the development of a long-term plan.

¹⁶ Note that this is a different definition of “major transaction” to that provided for in the Companies Act 1993, which has different requirements associated with it.
b) Any transaction or dealing in relation to a strategic asset:
   • Reducing control over the asset (whether directly or indirectly)
   • Reducing or materially affecting the asset’s value
   • Granting any legal interest in the asset to a third party
   • Affecting the CCO’s or council’s ownership of the asset

c) Any long-term contracts for the development or operation of a strategic asset (being a contract binding
   the CCO to a term exceeding fifteen (15) years, including any renewals at the contractor’s option)

d) Any matters covered by Section 3.4 (rights and securities issues) or Section 3.5 (takeover offers,
   mergers and capital restructuring) of the Auckland Airport Shareholding Policy.

In relation to network infrastructure, a transaction only qualifies as a major transaction if it relates to any part of
a network which:
   • is integral to the functioning of the network as a whole, or
   • substantially affects the level of service provided to the community.

A lease granted by a CCO on a strategic asset is not a major transaction if the lease:
   i. is granted in the ordinary course of the CCO’s business on arms-length terms; and
   ii. does not exceed fifteen (15) years in duration (including any renewals at the lessee’s option); and
   iii. does not exceed $500,000 in rent per annum.

4.2.5 Situations where the council’s approval may not be required

Where a proposal requires the approval of the shareholder according to Table 2 above, but is not material to the
council’s long-term interest in the strategic asset and the associated service delivery to Aucklanders, approval
from the council may not be required. This can be granted at the discretion of the Mayor, Chair of the Finance
and Performance Committee and the council’s Chief Executive, according to the criteria in the council’s
Significance and Engagement Policy.

4.2.6 Process where the council’s approval is required

Where approval of the council is required, it will be assessed against the following criteria:
   • The contribution of the proposal to meeting the expectations set out in this policy and in the statement of
     intent, and other plans and strategies of council.
   • The financial impacts of the decision.
   • Whether the relevant CCO’s Board has considered all of the relevant information which would influence the
     decision, including the risks and mitigations; and
   • Any other factor that the council considers to be relevant.
### Attachment B: Watercare comments on the CCO accountability policy and proposed response

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Watercare feedback</th>
<th>Watercare’s suggested amendments to the text</th>
<th>Auckland Council proposed response</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Common expectations</td>
<td>Many of the expectations listed in this section are best managed by operating under the ‘no surprises’ policy. The CCO Accountability Policy should therefore highlight this expectation in this overarching clause 1.1.</td>
<td>Auckland Council has a number of expectations of each of its substantive council-controlled organisations in respect of their contribution to, and alignment with, the council’s objectives and priorities. Each substantive CCO is to meet the common expectations set out below and the specific expectations for each, whilst operating under a “No Surprises” policy.</td>
<td>No change: the “no surprises” policy is important, but we consider its location in section 1.1.1 to be appropriate.</td>
</tr>
<tr>
<td>1.1.1</td>
<td>bullet point 11</td>
<td>Build Public Trust and confidence in the council group</td>
<td>The CCO Accountability Policy should clarify when engagement must be undertaken through the council parent, and when it does not (e.g. when it only concerns one CCO). The Watercare Board noted that whenever it does engage with central government, the Chair and Chief Executive do keep council and Mayor up to date under the no surprises policy.</td>
<td>Engaging with central government on central policy issues through the council parent where the central policy issue is relevant to the wider council group or council specific. Engagement does not need to be carried out through the council parent in the following situation i) the central policy issue is only relevant to a particular CCO; and ii) the engagement with central government relates to day-to-day issues that are in the normal course of the CCOs business. A no surprises approach would be adopted.</td>
</tr>
<tr>
<td>Section</td>
<td>Title</td>
<td>Watercare feedback</td>
<td>Watercare’s suggested amendments to the text</td>
<td>Auckland Council proposed response</td>
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<tr>
<td>1.7, paragraph A</td>
<td>Watercare Services Limited A. Purpose</td>
<td>The CCO Accountability Policy should reference Watercare’s obligations under s57(1) and s58 Local Government (Auckland Council) Act 2009, and also make note that the supply of water and wastewater services is business as usual, and Watercare’s day-to-day operations. We suggest this be included at point 1.7 A. Purpose of Watercare Services Limited.</td>
<td>1.7 Watercare Services Limited A. Purpose of Watercare Services Limited The purpose of Watercare Services Limited (Watercare) is to provide Auckland’s integrated water supply and wastewater services. These services are Watercare’s day-to-day business and must be provided by Watercare in accordance with its statutory obligations under the Local Government (Auckland Council) Act 2009, s57(1) and s58.</td>
<td>The reference to these legislative requirements has been added as a footnote.</td>
</tr>
<tr>
<td>1.7, paragraph C, bullet point 3</td>
<td>Watercare Services Limited Methods</td>
<td>Delete the words “and integration” as this term could be interpreted a variety of ways, especially in such close proximity to the term “the three waters”. The word optimisation is sufficient.</td>
<td>Working with the council, other council controlled organisations and infrastructure projects to achieve the council’s objectives and priorities in an efficient and effective way, including in particular the optimisation and integration of water, wastewater and stormwater (the three waters) for the benefit of current and future Aucklanders.</td>
<td>No change: we propose retaining the word “integration”, as there is an active focus on driving the integration of three waters outcomes, including through the Auckland’s Waters strategy. In addition, we propose referring to three waters “outcomes”.</td>
</tr>
<tr>
<td>Section</td>
<td>Title</td>
<td>Watercare feedback</td>
<td>Watercare’s suggested amendments to the text</td>
<td>Auckland Council proposed response</td>
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<tr>
<td>1.7, paragraph C, bullet point 4</td>
<td>Watercare Services Limited Methods</td>
<td>The Board suggest that the CCO Accountability Policy be clarified to ensure all CCOs know what is required in respect of the method “Actively facilitating the participation of Maori in the management of natural resources”.</td>
<td>n/a</td>
<td>No change: the CCO Governance Manual and Our Charter provide guidance on this. This can also be clarified through ongoing engagement with Te Waka Angamua.</td>
</tr>
<tr>
<td>Suggested new 1.1.9</td>
<td>Director Duties</td>
<td>The CCO Accountability Policy should also refer to the fiduciary duties of Directors under the Companies Act. Suggest this be included by adding a new paragraph 1.1.9.</td>
<td>1.1.9 Director duties The requirements of the CCO Accountability Policy must be read in conjunction with the other obligations of company directors, including Companies Act 1993, s131, which requires directors of a company to act in the good faith and in the best interests of the company.</td>
<td>No change: we do not consider that this is necessary, as this is already covered in the respective constitution of each CCO.</td>
</tr>
<tr>
<td>2.5, bullet point 1</td>
<td>Audit and Risk Reporting requirements</td>
<td>The CCO Accountability Policy should require Board attendance, rather than senior executive attendance, as this is the appropriate governance level. Board members could choose to delegate their authority.</td>
<td>Ensure relevant Board members (or their delegates from senior management) senior executives attend the meeting of the council’s Audit and Risk Committee as requested by the council.</td>
<td>This has been changed to reflect board members, with the possibility to delegate to executives.</td>
</tr>
<tr>
<td>3.2</td>
<td>Further Requirements</td>
<td>Watercare has its own Asset Management Planning (AMP) process, accounting policies and standards, and tax policy, which are appropriate to Watercare Services Limited. It has operated under these</td>
<td>Each substantive CCO must should, if appropriate: • Use the council’s asset management framework, or obtain the council’s approval for an alternative framework.</td>
<td>No change: as the parent, and ultimately responsible for the performance of the group, the council needs to retain the ability to set policies and standards for asset management, tax and</td>
</tr>
<tr>
<td>Section</td>
<td>Title</td>
<td>Watercare feedback</td>
<td>Watercare’s suggested amendments to the text</td>
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<tr>
<td>4.2.3</td>
<td>Shareholder oversight of significant decisions and major transactions, footnote 1, s97 Local Government Act 2002</td>
<td>Watercare’s Board observed that the transfer of the ownership or control of a strategic asset to or from the local authority must be consulted on during the development of a long term plan. In particular, depending on the model used, the funding of new infrastructure (such as the Central Interceptor) through new financial entities could trigger s97(1)(b) and s97(2) of the Local Government Act 2002.</td>
<td>• Use accounting policies and standards that are consistent with the council group’s accounting policies and standards. • Comply with council tax initiatives and policies. • Follow any other planning requirements specified by the council and notified to CCOs.</td>
<td>-</td>
</tr>
</tbody>
</table>
## Attachment C: Local board resolutions on the draft CCO accountability policy

<table>
<thead>
<tr>
<th>Overall scope and intent</th>
<th>Albert-Eden Local Board</th>
<th>Devonport-Takapuna Local Board</th>
<th>Franklin Local Board</th>
<th>Hibiscus and Bays Local Board</th>
<th>Kaipatiki Local Board</th>
<th>Maungakiekie-Tamaki Local Board</th>
<th>Orakei Local Board</th>
<th>Papakura Local Board</th>
<th>Puketapapa Local Board</th>
<th>Rodney Local Board</th>
<th>Upper Harbour Local Board</th>
</tr>
</thead>
</table>

### Public trust and confidence (section 1.1.1)
- Support this section, and support an expectation that CCOs and Auckland Council (including local boards) should avoid actions that undermine the council group in public.

### Consultation with local boards by CCOs
- Supports a clear statement that CCOs are required to consult with local boards, including sufficient time and genuine engagement.
- Supports clear statements that CCOs are required to consult with local boards, including sufficient time and genuine engagement. Developing examples and clear methodologies that exhibit “best practice”.

### Local board plans (section 1.1.3)
- Requests that CCOs must give effect to local board plans and, where relevant, town centre plans to ensure that local board priorities and projects are supported and integrated.
- Seeks clear statements in the policy to require CCOs to give effect and be cognisant of Local Board plans and where relevant, town centre priorities and projects are supported and integrated.
- Seeks clear statements in the policy to require CCOs to give effect and be cognisant of Local Board plans and where relevant Area Plans.
- Seeks clear statements in the policy to require CCOs to give effect and be cognisant of Local Board plans and where relevant Area Plans.
<table>
<thead>
<tr>
<th>Shared governance (section 1.1.7)</th>
<th>Albert-Eden Local Board</th>
<th>Devonport-Takapuna Local Board</th>
<th>Franklin Local Board</th>
<th>Hibiscus and Bays Local Board</th>
<th>Kaipatiki Local Board</th>
<th>Maungakiekie-Tamaki Local Board</th>
<th>Oakei Local Board</th>
<th>Papakura Local Board</th>
<th>Pukekohe Local Board</th>
<th>Rodney Local Board</th>
<th>Upper Harbour Local Board</th>
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</thead>
<tbody>
<tr>
<td>Supports the expectations; both mana whenua and matāwaka should be referenced</td>
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<td>Supports the expectations; both mana whenua and matāwaka should be referenced</td>
</tr>
<tr>
<td>Other</td>
<td>Requests the role of the local board is clarified, specifically decision-making responsibilities for projects in our area</td>
<td>The implementation of this policy and the accountability needs to be thoroughly monitored with regular reporting also being provided to local boards</td>
<td>Request that CCOs adopt a good employer standard that mirrors that of Auckland Council</td>
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