

Attachment A: Key budget issues

Purpose

1. To provide a budget update and information to support the decision-making on final budgets for the long-term plan (10-year Budget 2018-2028).

Executive Summary

2. The proposed budgets in the Consultation Document for the 10-year Budget included proposals that would lift the investment in infrastructure for Auckland from \$18.7 billion in the last plan to \$24-25 billion over the next 10 years. This was proposed to be funded from several sources including a Regional Fuel Tax, new targeted rates, and general rates increases of 2.5 per cent per annum in the first two years and 3.5 per cent per annum for the remaining eight years.
3. Public consultation ran between 28 February and 28 March 2018 and the council received over 32,000 submissions. This feedback, alongside an independent survey, was analysed by staff and reports were prepared for decision-makers. These reports were presented to the Finance and Performance Committee on 9 May 2018 and are available on the Auckland Council website.
4. Budgets have also been reviewed and updated for new information and for decisions made after adoption of the consultation material. This included new projections of interest rates, port-related budgets, Regional Fuel Tax revenues, and decisions around urban development budgets and supporting the 36th America's Cup.
5. The updated budget position includes capital investment of \$25.9 billion while maintaining rates increases as proposed in the consultation document. The debt to revenue ratio for this updated budget peaks at 258 per cent in 2020/2021. Given our internal limit of this ratio is 265 per cent there is capacity for an additional budget of \$290 million in the first three years of the budget and around \$500 million after that (primarily in the last four years).
6. Through the 10-year Budget consultation and our internal budget refresh period a number of budget requests have come forward. This report steps through these proposals and the additional expenditure that would need to be budgeted for each.

Context

7. Each council in New Zealand is required every three years to prepare a long-term plan covering a period of at least ten years. The plan's purpose is to:
 - describe the activities of the local authority; and
 - describe the community outcomes of the local authority's district or region; and
 - provide integrated decision-making and co-ordination of the resources of the local authority; and
 - provide a long-term focus for the decisions and activities of the local authority; and
 - provide a basis for accountability of the local authority to the community.
8. Preparation of the long-term plan involves preparation of supporting policies and strategies (such as the Financial and Infrastructure strategies) and consultation with the community on key issues through a Special Consultative Procedure.
9. At Auckland Council we refer to our long-term plan as the 10-year Budget.
10. A number of decisions are required for staff to develop a final 10-year Budget document for audit review and then adoption by 30 June 2018. These decisions include confirming (or not confirming) budget proposals set out in the consultation document and responding to new budget requests.

Consultation Document

11. Consultation items were agreed by the Governing Body on 11 December 2017 and the Consultation Document and Supporting Information were adopted on 21 February 2018. The consultation issues included:

Regional Fuel Tax and transport investment

12. The first key issue in the consultation document related to the introduction of a regional fuel tax to pay for improvements to our transport system. This issue will be debated at the Governing Body meeting on 31 May 2018. For the purposes of this report, decisions relating to the proposed regional fuel tax are subject to the decisions to be made by the Governing Body on 31 May 2018.

Water quality improvement

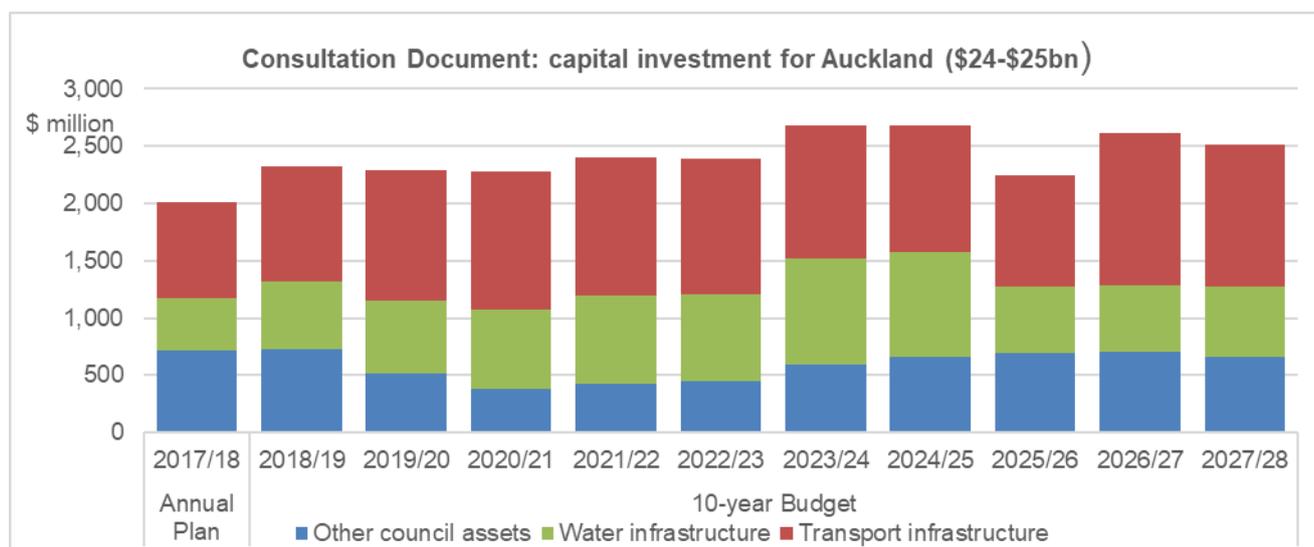
13. The consultation document included a proposal to accelerate investment in improving the water quality of our harbours, beaches and streams. A separate paper has been prepared detailing this proposed investment and associated funding sources including a proposed targeted rate.

Environmental improvements

14. Additional investment in environmental initiatives was also proposed in the Consultation Document. Two levels of investment were presented both proposed to be funded by targeted rates. A separate paper has been prepared detailing this proposal.

Budgets, service levels and general rates

15. The consultation document and supporting material included information around council's financial and infrastructure strategies, proposed budgets and service levels. This included capital expenditure of \$24-25 billion over the ten years and operating expenditure of around \$4 billion each year. These were supported by a proposed increase in average general rates of 2.5 per cent per annum in the first two years and 3.5 per cent per annum for the remaining eight years.



Waste charges

16. Proposals to fund the collection of food scraps through a targeted rate and to continue to roll out user pays refuse collection was also included in the consultation document. A separate paper has been prepared detailing these proposals.

Rating of the online accommodation sector

17. The consultation document included a proposal to reclassify residential properties rented via web-based accommodation services as business or mixed-use ratepayers, depending on the number of nights booked. The proposal consulted on also included the application of the accommodation provider targeted rate to such properties, on a differential basis depending on the number of nights booked and the location of the property. The details of this proposal are presented in a separate paper.

Other changes

18. A number of other budget matters were discussed in the consultation document and supporting information. These included a proposal to disestablish council-controlled organisation Auckland Council Investments Limited (ACIL) for which a separate paper has been prepared.

Consultation process

19. Public consultation for the Auckland Plan and 10-year Budget ran between 28 February and 28 March 2018.
20. Feedback was received across three broad feedback channels – written, in-person and digital. In summary, these results were for both the 10-year Budget and Auckland plan:
 - 26,556 written submissions were received
 - 5374 people attended around 100 Have Your Say events and community events. These events included an event for Mana Whenua, four Māori events and one for regional stakeholders.
 - 114 feedback points were provided through digital channels (Twitter and Facebook).
21. Separate to the consultation process, Colmar Brunton were commissioned to undertake an independent quantitative survey of 4000 Aucklanders focussing specifically on measuring Aucklanders' views on a regional fuel tax to raise more funding for transport projects and new targeted rates to increase funding of water infrastructure and speed up delivery of cleaner harbours, beaches and streams, and to invest more in environmental initiatives. The survey was conducted between 22 February and 4 April 2018. The survey design and conclusions have been overseen by the University of Auckland.
22. The following approach was used to ensure decision-makers are informed about feedback received on the 10-year Budget:
 - Staff with specific subject matter expertise reviewed feedback received relevant to their own area and summarised the issues raised to ensure councillors understand community views.
 - 21 separate reports were prepared summarising the feedback for each local board area and were considered by each local board between 26 April and 4 May 2018.
 - A separate report was prepared summarising feedback received on the Tūpuna Maunga Authority draft Operational Plan. This report was considered on 9 May 2018 when joint deliberations were held between the Tūpuna Maunga o Tāmaki Makaurau Authority and the Finance and Performance Committee.
23. In addition to the summary of feedback reports, all detailed feedback received has been made available to elected members and is publicly available on the Auckland Council website.
24. On 9 May 2018, the Finance and Performance Committee received reports on both the feedback received on the consultation document issues and another report presenting all other feedback. Both reports have been made available on the council website on the 10-year Budget page.
25. On 16 and 17 May 2018 discussions were held between local boards and the Finance and Performance Committee. These discussions provided an opportunity for local board views to be considered ahead of the committee making final decisions for the 10-year Budget 2018-2028.

Budget updates

26. To ensure high-quality budget documents financial forecasts should be updated with the latest information available. For the 10-year Budget this includes our significant forecasting assumptions, the latest projections of the cost to deliver committed service levels, and any budget-related decisions made by the Governing Body or its committees.

Budget review

27. A detailed review of budget information has been undertaken to ensure the latest cost, revenue and timing projections are included in the 10-year Budget.

28. Key adjustments included:

- Confirmed inflation and growth projections
- Revised interest rate projections
- Updated capital expenditure timings and depreciation projections
- Refreshed port-related budgets from ACIL including increased capital expenditure of around \$270 million as well as increased operational revenues and costs.
- Updated forecasts for a Regional Fuel Tax if implemented. Revised modelling indicated revenue of \$150 million per annum rather than \$130 million. This would mean an additional \$200 million over ten years which, when matched by funding from central government, allows a \$400 million increase in the transport capital programme.
- Updated forecasts of potential subsidies from the National Land Transport Fund. The ATAP report released in April supported an assumption of \$8.1 billion of funding over the period of the plan.
- Minor updates to revenue and expenditure budgets for Watercare Services Limited.
- Additional investment in community infrastructure to be supported by an update to our contributions policy.

Panuku Development Auckland programme

29. On 20 March 2018 the Finance and Performance Committee approved the preferred option of funding Panuku Development Auckland's Transform and Unlock programme from the proceeds of property sales from the respective urban development areas, noting that sale proceeds will be ring-fenced for the programme as a whole, rather than for individual locations. This programme and budget alignment will deliver amenity, activation and infrastructure as well as acquire strategic sites, consistent with Auckland Council approved plans. New housing and private investment will be supported by the upgraded facilities, improved amenity, increase in vibrancy and safety of centres.

30. The Strategic Development Fund was also adjusted to allow Panuku more flexibility in maximising redevelopment value of the fund.

31. The increase in urban development budget for the next three years and 10 years is \$188 million and \$406 million respectively. This will be funded through the equivalent amount of property sales across the urban development areas.

America's Cup

32. At the 29 March 2018 Governing Body meeting, the Wynyard Hobson proposal was approved as the base option for the 36th America's Cup. This proposal is for the use of the Viaduct Events Centre as Emirates Team New Zealand's base, and for five bases on the landside of Wynyard Point.

33. A construction budget of \$123 million was approved. This is to be funded with a \$65.8 million contribution from the Crown, with the rest funded by Auckland Council.

34. A further \$42.1 million for commercial and base related costs, as well as \$7.3 million for event-related services was also approved. The Crown is to contribute \$8.1 million to the commercial and base related costs.

35. The 10-year Budget has been updated to reflect this decision, with a \$123 million increase in capital expenditure over the first three years, a \$65.8 million capital revenue increase and a net operating expenditure increase of \$41.3 million.

36. At the Governing Body meeting, it was also noted other programmed capital projects and renewals in the central city and waterfront will need to be brought forward into the first three years of the of the LTP. This is captured as part of the city centre proposal.

Updated budget position

37. Incorporating the budgets and proposals from the consultation document, updates to our forecasting assumptions, new information on core budgets, and decisions made since adoption of the consultation document an updated budget position has been prepared.

Capital investment

38. The updated budget position includes capital investment for Auckland of \$25.9 billion. This includes \$12 billion of investment in transport infrastructure and \$7.1 billion in water infrastructure.

General rates

39. This level of investment can be funded while maintaining general rates increases as proposed in the consultation document (an average increase of 2.5 per cent per annum in the first two years and 3.5 per cent per annum for the remaining eight years).

40. Feedback on rates increases through consultation was evenly split 44% supporting, 46% not supporting and 10% giving another response. Feedback comments in this area discussed issues such as:

- affordability of rates increases, particularly in relation to inflation and to ratepayers on low incomes
- the level of investment required to support the growth occurring in Auckland
- cost control and efficiency savings
- Auckland Council undertaking activities outside core roles expected from council

41. Fifteen Iwi Authorities submitted to the 10-year Budget, and six provided specific feedback on general rates. Of these three were in support, two were in partial support and one did not support.

42. The proposed general rates increase was supported by some business stakeholder groups and some of the social and civic stakeholder groups. Much of the commentary in support in the feedback of these groups acknowledged the demands of growth and the need to fund investment in the city. However, they also stressed the need for the council to continue to make cost savings.

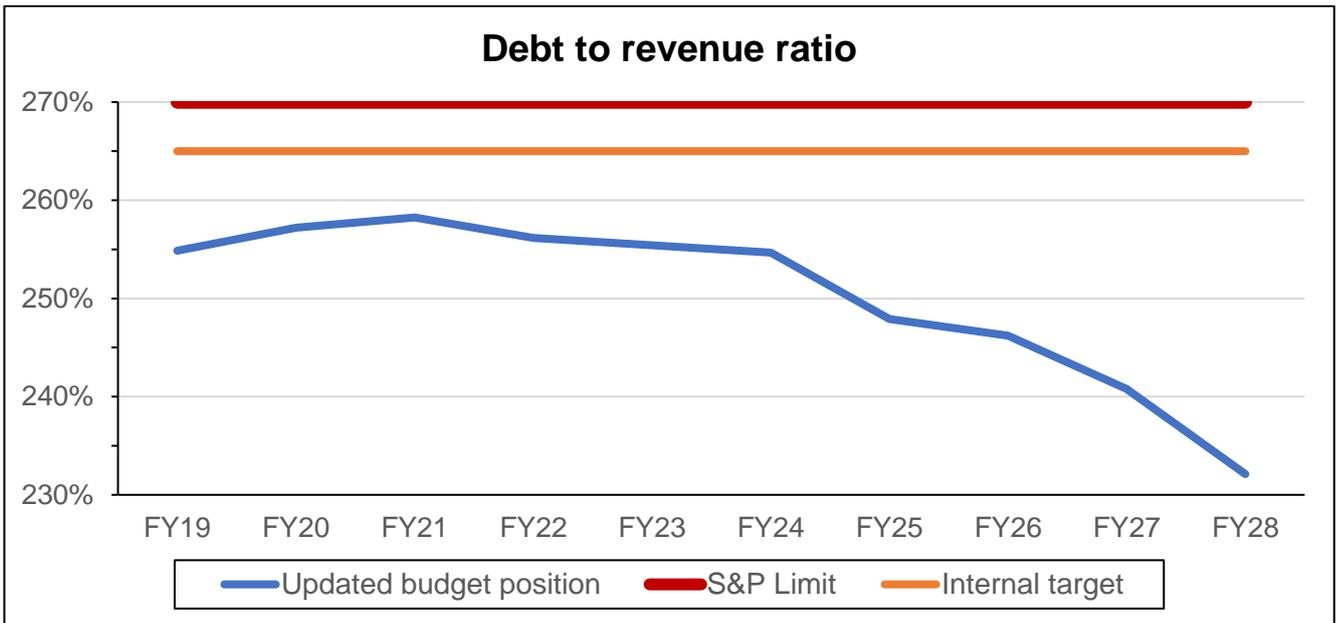
Key parameters

43. The following table shows the key rates and debt parameters after reflecting the consultation budgets adjusted for the new information described above.

Average general rates increase				Debt to revenue ratio	
2018/2019	2019/2020	2020/2021	2021-2028	Maximum	Year
2.5%	2.5%	3.5%	3.5%	258%	2020/2021

Additional capacity

44. The ability of the council to commit additional budget while maintaining the above rates settings is dependent on forecast levels of borrowing, particularly with respect to our financial strategy target of borrowing not exceeding 265 per cent of revenue. In this updated budget position our debt to revenue ratio peaks at 258 per cent in 2020/2021. The margin between this and our internal limit would enable additional budget of \$290 million to be committed in the first three years of the 10-year Budget. Additional capacity is available in later years of the budget, particularly beyond 2023/2024, and additional budget of around \$500 million could be added into this period.



Budget decision-making

45. Through the 10-year Budget consultation and our internal budget refresh period a number of budget requests have come forward. Attachment A-1 includes a list of the requests that have come through and have been discussed at committee workshops.
46. As set out in Attachment A-1, the total of all requests is for \$354 million within the first three years. This cannot be accommodated within our 265 per cent borrowing limit, where we have capacity for only \$290 million.
47. Information on each of the requests is included in this report, and its attachments, to support prioritisation decisions.

Parks and community

Sports and Recreation Facilities Investment Fund

48. There is a proposal to create a specific fund to proactively invest in changing recreation preferences and deliver value for money by leveraging external investment. Further information on this proposal is included in Attachment A-2.
49. This proposal would require an additional \$104 million of capital budget.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Sports and Recreation Facilities Investment Fund	Capital	8,136	5,187	10,581	23,904	80,234	104,138

Climate Change

50. The draft Infrastructure Strategy, included with the supporting information for the Consultation Document, highlighted the issue of coastal asset management. The consultation process led to a wider discussion around climate change impacts on coastal and non-coastal assets.
51. For coastal assets there is a proposal to develop coastal compartment management plans, which will inform a region wide coastal asset management plan (AMP). This will require operating budget of \$1 million over the first two years of the 10-year Budget. While this plan is being developed it is proposed that renewals budgets for coastal assets are increased to \$10 million per annum for the first three years of the plan (an additional \$11 million in total). A further \$79 million will be provisioned for years four to ten of the 10-year Budget subject to the completion of the compartment management plans
52. For non-coastal assets the proposal is to provide a capital budget of around \$2 million per annum to proactively fund capital solutions to non-coastal damage such as landslips, and also to create a \$20 million response fund to be used for reactive storm damage major capital works (this could be used for both coastal and non-coastal works).

53. More information on this proposal is included in Attachment A-3.

54. In total this proposal includes an additional \$1 million operating budget and \$90 million capital budget for coastal assets, an additional \$2 million capital investment per annum for proactive work on non-coastal assets, and the creation of the \$20 million response fund.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Coastal management	Operating	500	500		1,000	1,400	2,400
	Capital		2,160	8,880	11,040	78,983	90,023
Non-coastal asset	Capital	2,000	2,080	1,665	5,745	13,141	18,886
Climate change response fund	Capital	20,000			20,000	0	20,000

Recreational and aquatic facility network development

55. It has been proposed that the 10-year Budget is adjusted to provide for increased investment in recreational and aquatic facilities to help deliver the outcomes sought in the Community Facilities Network Plan. This proposal seeks additional investment of \$25 million in the last five years of the 10-year Budget. More information on this proposal can be found in Attachment A-4.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Recreational and aquatic facility network	Capital				0	25,000	25,000

Western Initiative

56. The Southern Initiative (TSI) is seeking an investment of \$950,000 a year over 10 years to establish a place-based initiative and team in west Auckland. Its aim is to stimulate and enable community and social innovation in response to a number of social and economic challenges the west faces. In alignment with the Auckland Plan it will focus on creating sustainable opportunities for prosperity, belonging and participation and Māori identity and wellbeing.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Western Initiative	Operating	950	969	988	2,907	7,495	10,402

Regional grant funds

57. On 17 May 2018 the Community Development and Safety Committee resolved to

b) seek that the 2018 Long-term Plan provide for increased funding for the following programmes such that they total \$2 million:

- Regional Arts and Culture grant programme
- Regional Community Development and Safety grant programme
- Regional Events Fund programme

58. There is a need to consider this request including the additional operating budget of around \$400,000 per annum, totalling \$4.3 million over the period of the plan.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Regional grant funds	Operating	393	401	409	1,203	3,101	4,304

Smokefree Policy Implementation

59. Auckland Council has a target to become a smokefree city by 2025. A proposal has been received to increase the implementation of this policy over the next three years.

60. This proposal would require additional operating expenditure of \$2.8 million over the first three years of the 10-year Budget.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Smokefree Policy Implementation	Operating	920	938	957	2,815	0	2,815

Centres development

City Centre

61. A proposal has been received to accelerate the city centre downtown development programme. This will create a more family, pedestrian and environmentally friendly city centre and will create a vibrant downtown for the America's Cup and APEC, which will be held in 2021. It will also leverage benefits from the construction of the City Rail Link and other major transport projects. Further information on this proposal is included in Attachment A-5.

62. There is a need to consider this proposal including the additional \$55 million capital investment over the first three years of the 10-year Budget and the bring-forward of \$53 million of capital budget from outer years of the 10-year Budget into the first three.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Downtown development programme	Capital	84,900	23,100		108,000	-53,252	54,748

Whau Community Centre and Library

63. There is a proposal to increase the budget currently allocated to the renewal of the Avondale Community Centre by \$16 million to support the development of a multipurpose community facility.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Whau Community Centre and Library	Capital			16,000	16,000	0	16,000

Regional Facilities Auckland

64. A number of proposals have been received from Regional Facilities Auckland (RFA) for additional investment, essential renewals, or changes to the timing of existing budgets.

65. The Auckland Zoo has experienced large increases in visitor numbers over the years with infrastructure designed for 390,000 visitors serving an average of 680,000 visitors. As standard renewals are undertaken issues with the underlying infrastructure are highlighted. Remedying these issues and delivering scheduled renewals will require an additional \$23 million of capital investment into underlying infrastructure in the first three years of the plan of which \$4.3 million is brought forward from later in the 10-year Budget.

66. RFA have proposed a change in timing of capital expenditure items that would mean an additional \$23 million in the first three years but an overall reduction of \$1.3 million. The change is primarily to accelerate renewals across its facilities as a catch up for deferred essential renewals.

67. There is a request for an additional \$2 million per annum in operating funding to support operations and exhibitions at the Auckland Art Gallery.

68. An additional operating budget of around \$500,000 per annum is requested to support the acquisition programme for Auckland Zoo. Costs in this area are focused around the significant logistical and transport costs of animal acquisition.

69. RFA places visitor safety and security as a priority. RFA commissioned an independent assessment of RFA's preparedness for a security threat against NZ Government Protective Security requirements. This assessment has led to a request for additional capital and operational funding of \$9.5 million over 10 years to improve facility security.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Zoo additional renewals	Capital	14,053	5,292	3,655	23,000	-4,298	18,702
RFA Capex bring forward / minor reduction	Capital	9,944	6,439	6,650	23,033	-24,341	-1,308
Art Gallery operating budget	Operating	2,000	2,000	2,000	6,000	14,000	20,000
Zoo animal acquisitions	Operating	500	536	561	1,597	4,131	5,728
Visitor safety improvements	Capital	1,000	500	515	2,015	3,906	5,921
	Operating	410	415	321	1,146	2,430	3,576

Māori Outcomes

70. Council currently funds Māori outcomes at an average budget of \$11.1 million per year, amounting to \$111 million total over 10 years. The Independent Māori Statutory Board has advocated for additional funding, on top of this baseline funding, of approximately \$3.5 million per year i.e. total additional funding of \$35 million over ten years. This would bring the total Te Toa Takitini – Māori Responsiveness Outcomes spend (Māori outcomes) to \$146 million over ten years.

71. There is a need to consider this funding including the additional \$35.1 million budget of which \$8.71 million is in the first three years.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Te Toa Takitini	Capital	100	1,250	1,250	2,600	0	2,600
	Operating	1,670	1,920	2,520	6,110	26,291	32,401

Co-governance entities

Tūpuna Maunga Authority

72. The Tūpuna Maunga Authority has prepared their draft operational plan for the 2018/2019 year and also a 10-year work programme. The work programme requires additional funding of \$23.5 million over the 10-year period including both capital and operating items.

73. The additional operating funding includes budget for rabbit eradication (rabbits are a major threat to the cultural heritage and archaeological features that remain on the Tūpuna Maunga), and to enable the transfer of Maungauika / North Head and on-site staff.

74. The additional capital funding within the first four years is to bring forward the protection and restoration of the tihi (summits) through removing redundant infrastructure, reinstating open space areas, developing significant track and viewing platforms, and implementing a tree management programme to replace exotic trees and weeds with native vegetation. The capital funding in the outer years will enable visitor infrastructure, including information centres.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Tupuna Maunga Authority	Operating	494	520	336	1,350	5,350	6,700
	Capital	1,412	3,292	3,286	7,990	8,843	16,833

Ngāti Whātua Ōrākei Reserves Board

75. A funding proposal for the Ngāti Whātua Ōrākei Reserves Board is focused on revenue generation models and the delivery of an iconic experience in time for the America's Cup.

This proposal would require additional funding of \$14.6 million over ten years with \$4.2 million falling in the first three years.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Ngāti Whātua Ōrākei Reserves Board	Operating	443	612	772	1,827	4,776	6,603
	Capital	-85	2,269	191	2,375	5,581	7,956

Te Poari o Kaipātiki ki Kaipara

76. Te Poari o Kaipātiki ki Kaipara is a co-governance entity that oversees Kaipātiki (formerly the Parakai Recreation Reserve). Additional funding is proposed to revitalise Kaipātiki and reconnect it with the surrounding communities. The priority over the next three years is to open up and enhance the front of the reserve, deliver an ecologically enriched back zone and better connect the reserve to the Kaipara River via an excellent main track. This proposal would require additional funding of \$14.9 million over ten years with \$5.9 million falling in the first three years.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Te Poari o Kaipātiki ki Kaipara	Operating	152	133	147	432	2,344	2,776
	Capital	1,526	2,482	1,505	5,513	6,562	12,075

Other items

Auckland Domain

77. The Auckland Domain Masterplan identified two options for additional infrastructure investment in the Auckland Domain. The options would implement the masterplan over either 10 or 20 years. To implement in 10 years would require \$31.2 million of capital investment over the plan while implementing over 20 years would require \$23 million over the same period.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Auckland Domain	Capital	3,036	3,096	3,158	9,290	21,954	31,244
	Operating	82	146	231	459	3,694	4,153

Central City Library - Tāmaki Pātaka Kōrero

78. There is a request for additional operational budget of \$420,000 to support investigation of investment options related to the Central City Library.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Central City Library - Tāmaki Pātaka Kōrero	Operating	210	210		420	0	420

MOTAT

79. A request has been received from the Museum of Transport and Technology (MOTAT) for \$60 million of grant funding, of which \$45 million would be in the first three years of the plan. This funding would support capital works on the MOTAT site to improve the care and display of MOTAT's heritage collection and provide high quality space for exhibitions and other experiences.

80. The cultural heritage review (currently underway) will determine the future direction of Auckland Council's investment in the museums and galleries sector. Until that is complete, it is not possible to know how MOTAT's plan fits with future wider sector investments which Council and the museums sector may prioritise and develop.

81. There is also the related issue of the Western Springs area, which could be developed as a holistic precinct. MOTAT's Plan isn't necessarily incompatible with such a precinct (in fact it may well be well aligned) but would be better pursued as part of a broader plan.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
MOTAT	Capital	15,000	15,000	15,000	45,000	15,000	60,000

Māngere Mountain Trust

82. A request has been received to increase the annual operating funding of the Māngere Mountain Education Trust from \$94,000 to \$300,000. This increased funding would enable an increase in capacity and capability to sustain growth and develop key revenue areas of education and tourism. This would increase breadth, depth and quality of programmes and experiences, by improvements to environment, infrastructure, technologies and staffing.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Māngere Mountain Trust	Operating	204	204	204	612	1,428	2,040

Surf Lifesaving

83. Surf Lifesaving Northern Region (SLNR) seeks to continue the redevelopment and remedial repairs of Auckland's lifesaving facilities. The three facilities funding is sought for, with council's costs being 35 per cent of the total, are Kariaotahi, North Piha, and Orewa.

84. SLNR capital projects are funded by Auckland Council under the terms of an agreement with Surf Lifesaving Northern Region in respect of the 'Surf 10:20' programme promoted by SLSNR (10 clubs, \$20 million). Council allocated \$1.9 million towards Surf 10:20 in the Long-term Plan 2015-2025 (over three years).

85. Projects are considered on a case-by-case basis and Council has discretion to approve the release of funds for a project. At the time of the funding allocation (March 2015) it was understood this funding would allow for a 35 per cent contribution towards the total redevelopment of lifesaving specific capital works at Red Beach, Karekare and Karioatahi. Due to cost escalations the balance of funding available for Karioatahi no longer meets the 35 per cent contribution. Therefore, it is included in the current funding request.

86. This request includes additional capital expenditure of \$3.7 million in the first three years of the plan.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Surf Lifesaving	Capital	1,100	1,350	1,250	3,700	0	3,700

Marine Rescue Centre

87. The Marine Rescue Centre Trust has requested a contribution towards the costs of whether-proofing the marine rescue centre building. Current estimates of the project costs are \$3 million.

88. The Trust owns and operates the building and marina known as the Auckland Marine Rescue Centre, and is the landlord to Auckland Coastguard, Coastguard Northern Region, Surf Life Saving Northern Region, New Zealand Police Auckland Maritime Unit and Auckland Harbour Master. The Marine Rescue Centre is located at Mechanics Bay.

89. The existing first floor glazing and deck is leaking badly, causing deterioration to the building, and presenting a health and safety issue to the staff who work in the building. Low cost solutions have already been tried to remedy the leaks, however these were unsuccessful.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Marine Rescue Centre	Capital	3,000			3,000	0	3,000

External funding requests

90. Through our consultation process on the 10-year Budget a number of requests for funding have been received from external parties. A list for the requests received is contained in Attachment A-6.

91. As detailed in the attachment the majority of requests most appropriately either sit with existing grant mechanisms or are the subject of ongoing policy review processes. The four below requests need to be dealt with through the 10-year Budget process.

External Funding requests – Auckland City Mission

92. The Auckland City Mission is a charitable organisation that provides professional health and social services to marginalised Aucklanders, including the homeless, elderly, families and individuals in crisis. To accommodate the growing demand for services, the Auckland City Mission is redeveloping their Hobson Street site. The new facility will include social housing in the form of 80 single apartments and intensive wrap around services. This approach aligns with the Housing First approach, which is supported by council. The redevelopment project is estimated to cost \$75 million. Funding is set out in the table below. There is currently a \$27 million funding gap.

City Mission capital	\$10 million
City Mission bank facility	\$10 million
Government	\$18 million
Foundation North grant	\$10 million
Fundraising target (begins March 2018)	\$27 million
Total	\$75 million

93. Funding is specifically asked from the council to cover the costs of necessary consenting fees and development contributions. It is estimated that this would be around \$475,000.

Building consent fees	\$26,000
Resource consent fees	\$34,000
Development contributions	\$415,000
Total	\$475,000

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Auckland City Mission	Operating	475			475	0	475

External Funding requests – Festival of Photography

94. A request has been received from the Auckland Festival of Photography Trust. The trust requested a minimum contribution of \$100,000 per annum towards festival expenses to cover capacity building and increasing costs due to the popularity and profile of the festival.

95. Historically the festival was funded from the Auckland City Council and the Auckland Council events funds on an unconfirmed (but expected) annual basis. With the implementation of the Community Grants Policy (2015) all recurrent and ad hoc funding lines were merged into a central fund to service requests through regional contestable grants programmes.

96. In response to a public submission to the Long-term Plan 2015-2025 the Governing Body approved funding of \$72,000 per annum directly to the festival, outside the contestable grants programme.

97. Staff recommend the current \$72,000 budget is transferred to the regional grants pool and the Auckland Festival of Photography Trust is invited to apply via the same process as other organisations.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Festival of Photography	Operating	100	102	104	306	789	1,095

External Funding requests – Sculpture in the Gardens

98. The biennial sculpture exhibition at Auckland Botanic Gardens is one of Auckland Council's most popular and prestigious events with visitor numbers of 320,000 to 400,000. It is easily accessible and enjoyed by a wide local and international audience contributing to the cultural richness of Auckland. The exhibition is funded and largely managed by the Friends of Auckland Botanic Gardens.

99. There is a request for additional budget to support the event. It is proposed that Council budget \$150,000 in the financial year the event runs, and \$50,000 in the alternate years.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Sculpture in the Gardens	Operating	52	152	54	258	850	1,108

External Funding requests – Te Whau Coastal Walkway

100. A request has been received from the Whau Coastal Walkway Environmental Trust.

101. Te Whau Pathway is a collaborative project between the independent Whau Coastal Walkway Environmental Trust, Ngāti Whatua Ōrākei, Te Kawerau a Maki, the Whau and Henderson-Massey Local Boards, Auckland Council and Auckland Transport. An MOU between Council and the Trust is in place to manage the delivery of the project.

102. \$25.19 million over six years is requested from Auckland Council as a part contribution to the project. Equivalent funding from NZTA will be requested along with other fund raising by the Trust to complete the entire 12km pathway. The cost estimate for the entire route is \$65 million.

\$000 inflated	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Te Whau Coastal Walkway	Capital	4,198	4,198	4,198	12,594	12,595	25,189

Local Boards – One Local Initiatives

103. Proposals for specific priority initiatives (One Local Initiatives or OLIs) were received from each of the Local Boards. While some of these are addressed through this report others are addressed through the Regional Land Transport Plan and the Proposal for One Local Initiatives report on this agenda. The recommendations within that report would be affordable within the current budget position.
104. If funding for the OLIs was brought forward to align with local board preferences, this might require \$30-50 million of additional expenditure in the first three years of the 10-year Budget. Any decision to bring forward could also create challenges in terms of delivery capacity.

Implementation

105. Once the key budget decisions are made, staff will update the draft budgets and produce a long-term plan (10-year Budget 2018-2028) for audit review and then adoption by the Governing Body by 30 June 2018.

Attachments

Attachment A-1	Schedule of budget change requests
Attachment A-2	Sports and Recreation Investment Fund
Attachment A-3	Coastal Management and Climate Change Response Fund
Attachment A-4	Development of the recreational and aquatic facility network
Attachment A-5	City Centre Investment and 2021 Events
Attachment A-6	External funding requests

Signatories

Author	Michael Burns, Acting Manager Financial Strategy
Authorisers	Ross Tucker, Manager Financial Strategy and Planning (Acting)
	Matthew Walker, Acting Group Chief Financial Officer

Attachment A-1: Schedule of budget change requests

\$'000 inflated	Decision	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Parks and community	Sports and Recreation Facilities Investment Fund	Capital	8,136	5,187	10,581	23,904	80,234	104,138
	Coastal management	Operating	500	500		1,000	1,400	2,400
		Capital		2,160	8,880	11,040	78,983	90,023
	Non-coastal asset	Capital	2,000	2,080	1,665	5,745	13,141	18,886
	Climate change response fund	Capital	20,000			20,000	0	20,000
	Recreational and aquatic facility network	Capital				0	25,000	25,000
	Western Initiative	Operating	950	969	988	2,907	7,495	10,402
	Regional grant funds	Operating	393	401	409	1,203	3,101	4,304
Smokefree Policy Implementation	Operating	920	938	957	2,815	0	2,815	
Centres Development	Downtown development programme	Capital	84,900	23,100		108,000	-53,252	54,748
	Whau Community Centre and Library	Capital			16,000	16,000	0	16,000
Regional Facilities Auckland	Zoo additional renewals	Capital	14,053	5,292	3,655	23,000	-4,298	18,702
	RFA Capex bring forward / minor reduction	Capital	9,944	6,439	6,650	23,033	-24,341	-1,308
	Art Gallery operating budget	Operating	2,000	2,000	2,000	6,000	14,000	20,000
	Zoo animal acquisitions	Operating	500	536	561	1,597	4,131	5,728
	Visitor safety improvements	Capital	1,000	500	515	2,015	3,906	5,921
		Operating	410	415	321	1,146	2,430	3,576
Māori outcomes	Te Toa Takitini	Capital	100	1,250	1,250	2,600	0	2,600
		Operating	1,670	1,920	2,520	6,110	26,291	32,401
Co-governance entities	Tupuna Maunga Authority	Operating	494	520	336	1,350	5,350	6,700
		Capital	1,412	3,292	3,286	7,990	8,843	16,833
	Ngāti Whātua Ōrākei Reserves Board	Operating	443	612	772	1,827	4,776	6,603
		Capital	-85	2,269	191	2,375	5,581	7,956
	Te Poari o Kaipātiki ki Kaipara	Operating	152	133	147	432	2,344	2,776
		Capital	1,526	2,482	1,505	5,513	6,562	12,075

\$'000 inflated	Decision	Budget type	2018/19	2019/20	2020/21	Total years 1-3	Total years 4-10	Total 10-years
Other items	Auckland Domain	Capital	3,036	3,096	3,158	9,290	21,954	31,244
		Operating	82	146	231	459	3,694	4,153
	Central City Library - Tāmaki Pātaka Kōrero	Operating	210	210		420	0	420
	MOTAT	Capital	15,000	15,000	15,000	45,000	15,000	60,000
	Māngere Mountain Trust	Operating	204	204	204	612	1,428	2,040
	Surf Lifesaving	Capital	1,100	1,350	1,250	3,700	0	3,700
	Marine Rescue Centre	Capital	3,000			3,000	0	3,000
	Auckland City Mission	Operating	475			475	0	475
	Festival of Photography	Operating	100	102	104	306	789	1,095
	Sculpture in the Gardens	Operating	52	152	54	258	850	1,108
Te Whau Coastal Walkway	Capital	4,198	4,198	4,198	12,594	12,595	25,189	
	Subtotal	Operating	9,555	9,758	9,604	28,917	78,079	106,996
		Capital	169,320	77,695	77,784	324,799	189,908	514,707
Total			178,875	87,453	87,388	353,716	267,987	621,703

Attachment A-2: Sports and Recreation Investment Fund

Issue

Auckland has a shortage of sports facilities to meet the current population as well as accommodate growth in future population. Most notably there is a 30-court shortage of indoor court facilities currently and this is forecast to grow by 24 more courts over the 10-year Budget period. Examples of other sport facilities with demonstrated shortages are outdoor netball courts (70 courts), tennis courts (40 courts) and hockey turfs (15 turfs).

There is currently no funding mechanism to support the development of regional and sub-regional facilities and address the shortfall in facilities.

It is proposed to establish a Sports and Recreation Facilities Investment Fund - \$104 million over 10-years.

This would allow the council to proactively invest in changing recreation preferences and deliver value for money by leveraging external investment.

Context

Sport sector organisation

The sport sector has organised itself. There have been code plans developed by many of the sports codes in Auckland which quantify the shortfalls in facility provision, prioritising and planning the development of new facilities. The sector has also published the Auckland Sport Sector: Facilities Priority Plan which is a new regional cross code process, which validates the preparatory work that codes have done and identifies the facility priorities for sport.

Auckland Council

Council has a Sport Facilities Investment Plan under development. This plan will identify how council should invest into sport and recreation facilities and address inequities in sport investment.

Local Board feedback through the Investment Plan discussion document identified a capital funding gap for regional / sub-regional sport facilities.

Council is seen as having a role as a foundation funder towards sport and recreation facilities. Other funders are known to look to whether Auckland Council has committed foundation funding before considering whether they will support an initiative. Council staff facilitate an investors forum to align investment from major funders of sport and leverage council cornerstone funding. This forum is supportive of the Sport Facilities Priorities Plan for the sector and has identified and been concerned by the lack of applications in Auckland over the last few years.

10-year Budget submissions

The major theme of the significant stakeholder submissions and presentations was the creation of a \$250 million sport and recreation facility partnership fund.

Over 2600 submissions were received relating to Parks, Sport and Recreation this represents 10 per cent of the total submissions to council through public consultation. Of these submissions 2150 actively sought greater levels of investment in Parks, Sport and Recreation (predominantly sports and recreation facilities).

Options

Option A - Status quo

Current investment in sports and recreation in the current budget.

This option does not respond to population growth, maintaining what exists and changing demographics, participation rates and preference. Additionally, it does not respond to the sport sector organisation around facility development priorities and providing a funding mechanism to enable development.

Option B – Reactive funding

Proposes to assess and respond to individual sporting codes submissions for facility investment on a case by case basis through the 10-year Budget or subsequent annual plan processes. This approach is not responsive to sport and recreation facilities plans and has a limited ability to proactively partner.

Option C – Sport Facility Investment Fund

Uses the Auckland Sport Sector Facilities Priorities Framework and Council's Sports Facilities Investment Plan to determine funding priorities. This approach:

- Is responsive to population growth, changing preferences and resource constraints
- Has a flexible implementation model using partnerships, PPP's or fully council funded
- Leverages external investment of at least \$1 for every \$1 invested and up to 4:1 ROI

Considerations

Value of sport

- 100,000 young people and 500,000 Aucklanders are involved in sport and recreation each week
- 84 per cent of New Zealanders believe sport and physical activity bring people closer together and create a sense of belonging.
- **Inactive people** are up to twice as likely to have depressive symptoms than active people.
- **Elimination of physical inactivity** would remove between 6 per cent and 10 per cent of major non-communicable disease (heart disease, type 2 diabetes, and breast and colon cancers)
- **Regular exercise** can reduce the risk of dementia and Alzheimer's disease by up to 40 per cent
- 25 per cent of youth in South Auckland inactive, 65 per cent with a poor body mass index
- 21 per cent of four-year olds are obese
- New Zealand is the third most obese nation in the world

Gaps in provision

- Indoor courts current shortfall of 30 courts
- Outdoor netball courts shortfall of more than 70 courts
- Outdoor tennis courts shortfall of approximately 40 courts
- Hockey turfs shortfall of an estimated 15 new turfs plus replacement surfaces on existing turf.

Next steps – Funding criteria:

Should option C proceed then criteria for investment would be consistent with the council partnership policy and sport sector priorities. Only high impact and sound business cases would be selected to progress to committee for funding resolutions. The outputs and return on investment would be monitored and evaluated through the modified CBAX system.

Attachment A-3: Coastal Management and Climate Change Response Fund

Proposal/Issues

To seek approval for additional funding for a coastal management, landslips management and climate change response fund, including:

- \$1 million opex for the first two years of the 10-year Budget 2018-2028 to develop coastal compartment management plans, which will inform a region wide coastal asset management plan.
- \$11 million additional capex over the first three years of the 10-year Budget 2018-2028 to fund coastal renewals, with a provision for a further \$79 million for years four to ten.
- \$20 million additional capex for reactive emergency works (storm damage).
- \$20 million additional capex over ten years (\$2 million per year) for proactive capital works related to non-coastal landslips.

Context

Coastal Management

Auckland Council owns and manages approximately \$350 million of coastal protection, access and amenity related assets over Auckland's 3,200km of coastline. Historic under investment that has primarily addressed reactive works has resulted in an asset base that is in relatively poor condition with insufficient funds available to renew all damaged assets for the next 10 years. The predicted impacts of climate change, coupled with failing assets, has led to community groups and local boards requesting improved coastal protection, with calls to better manage our coastal assets.

An Auckland Council Coastal Management Framework was developed to help council better manage its coastal assets, and to better mitigate the risks associated with coastal erosion and the combined effects of predicted climate change. The framework was approved by the Environment and Community Committee in August 2017 with a specific request to:

"... request a report on funding implications to address issues of coastal erosion, inundation and safety, as part of the Long-term Plan 2018-2028."

The coastal management framework will enable council to move from the current default position of reactionary 'like-for-like' renewals to a prioritised work programme that is based on improved asset management planning underpinned by business cases leading to improved asset investment.

Currently there is no funding for capital asset investment for renewals after mid-2020, even if current expenditure were to be reduced. Future investment after 2019/2020 will be required to replace failing coastal assets, especially those that provide protection to high value or critical infrastructure.

Climate Change Response Fund

Consultation on the proposed coastal budget options led to a wider discussion about funding responses to climate change, acknowledging that Auckland Council needs to be able to respond quickly to infrastructure damage that arises from increasingly frequent storms, and fund urgent or emergency works. We also need to be able to differentiate storm damage responses from our business as usual renewals.

Reactive Funding for Emergency Works (Storm Damage)

At present, there is no allocated fund for emergency works or storm damage. To mobilise emergency works (other than civil defence responses), council staff have to seek approval to spend funds, or work at risk without appropriate financial approvals for emergency responses, such as those at New Lynn culvert or Rawene landslip. Therefore, a one-off sum of \$20 million is proposed to be used for reactive storm damage major capital works. This could be used for both coastal and non-coastal works.

Proactive Funding for Non-Coastal Works

The recent storms over the last two years have also identified a work stream not currently budgeted for, which is non-coastal damage such as landslips, arising from storms or other natural hazard effects. This year, council has responded to 147 landslips, some of which require minor operational stabilisation and repair, and some of which require design and construction of a capital solution to manage the slip or mitigate damage. It is proposed to include a sum to proactively fund capital solutions to non-coastal damage such as landslips, of \$2 million capex a year, or \$20 million over the 10 years.

Work Programmes

- *Coastal compartment management plans* - \$500,000 opex per year for the first two years of the LTP to develop a suite of coastal compartment management plans to inform a region wide Coastal Asset Management Plan.
- *Coastal Asset Renewals* - \$11 million additional capex for the first three years of the 10-year Budget to fund pressing coastal renewals. There is currently \$19 million capex for coastal renewals included in the 10-year Budget which will be exhausted in year 2. Note, this does not include the Orewa seawall which is assumed to be funded through the One Local Initiative process. A further \$79 million will be provisioned for years four to ten of the LTP subject to the completion of the compartment management plans.

Climate Change Response fund

- Reactive Emergency Works (Storm Damage) - \$20 million one off fund to support reactive works in response to damage from extreme weather events.
- Proactive Landslip Management - \$20 million additional capex over the ten years of the 10-year Budget 2018-2028 (\$2 million a year) to fund capital solutions to non-coastal damage such as landslips.

Description of the issue for decision making

Auckland Council owns a large number of coastal assets. Historically, there has been a pattern of under-investment in these assets. Sea level rise and storm damage from extreme weather events are also increasing the demand on budgets for coastal asset renewals.

Decision making on renewal of coastal assets has often been ad hoc and reactive. There is a need for an asset management plan to guide and prioritise decision making on coastal assets and additional funding for coastal renewals.

Climate change is also leading to increasing numbers of extreme weather events, causing storm damage and landslips. Currently, the council has no budget available to respond to this type of event. Proactive and reactive funding is needed to support responses to these emergencies, whilst the suite of coastal compartment management plans which will better identify regional areas most at risk are completed.

Consultation Feedback

General

A relatively small number of comments (approximately 40) were received on climate change preparedness and coastal management through regional consultation on the 10-year Budget. A wide range of issues were raised, such as the need to respond to changing weather patterns, extreme weather events, coastal erosion and sea walls.

More feedback was received relating to specific coastal issues or priorities which local boards consulted on. In general, feedback was supportive of these initiatives. For example, the Hibiscus and Bays Local Board consulted on their key advocacy priority to address coastal erosion and protect Orewa Beach Esplanade and Reserves. In total, 857 submitters responded to this priority, with 69 per cent fully supporting and 18 per cent partially supporting the project.

Mana Whenua

Five iwi authorities noted their concerns regarding climate change and asked council to take more action regarding this issue: Ngāi Tai Ki Tāmaki, Ngātiwai, Te Uri O Hau, Te Ahiwaru/Makaurau Marae Māori Trust and Waikato-Tainui.

In particular, Ngāi Tai Ki Tāmaki noted that they were already being adversely affected by climate change, through regular flooding in one of their papakainga at Maraetai, and the need for council to respond to this through infrastructure and climate mitigation and adaptation plans. They also stated that they wished to be involved in council decision making relating to provision of climate change response infrastructure in their area. Te Uri o Hau also supported the inclusion of mana whenua in the design of climate change policy, monitoring and adaptation plans.

Waikato-Tainui stated their support for the Howick Local Board initiative relating to a regional fund for coastal management and the need for the council to develop mitigation and

prevention plans for climate change. Ngātiwai also noted the need for council support to develop some coastal infrastructure in their rohe, such as a wharf.

Stakeholders

Various environmental stakeholders provided feedback asking the council to develop climate change adaptation plans. For example, both Friends of Oakley Creek and the Saint Lukes Environmental Protection Society noted that climate change and the impact of more frequent and severe weather events would require council to invest in infrastructure and plans to respond to this.

The Manukau Harbour Restoration Society, New Zealand Recreation Association and Whau Coastal Walkway Trust all submitted asking for the council to invest more in specific coastal assets. For example, the Manukau Harbour Restoration Society asked for investment into a public jetty at Clarks Beach and a sand nourishment program to rebuild quality public beaches (Clarks Beach, Kiwi Esplanade Onehunga Bay, etc).

Surf Life Saving also submitted in support of more funding for their service at any additional beaches that were developed and asked that council consult them on decision making relating to the coastal environment.

Local board views

Five local boards (Franklin, Great Barrier, Hibiscus and Bays, Howick, Papakura) made resolutions on the 10-year Budget 2018-2028 advocating for the development of coastal compartment management plans and a regional fund to respond to coastal erosion.

Four local boards made resolutions asking the council to address specific coastal issues in their area through the 10-year Budget. These included:

- \$18 million capital funding for implementation of the Orewa Beach Esplanade Enhancement Project – Hibiscus and Bays
- improvements to Tāmaki Drive including mitigating flooding risks – Orākei
- support to address coastal erosion occurring at Wai-o-taki Nature Reserve – Maungakiekie-Tāmaki.
- managed retreat of coastal roads – Great Barrier.

Waiheke Local Board did not give specific feedback on coastal issues but noted that improvement of infrastructure is required on Waiheke due to flooding and slips.

Consideration

Investment options

Three options are outlined below for coastal investment and climate change response. These are:

- Option One: No additional funding

- Option Two: Additional funding for coastal management and a climate change response fund
- Option Three: Reactive and ad hoc coastal management works

Option One: No additional funding - involves reactive investment when coastal assets fail. The current operating budget allocated for coastal maintenance is \$600,000 per year, or \$6 million over the term of the 10-year Budget. The capex budget allocated is \$19 million over the first three years of the 10-year Budget and no funding thereafter. This means there will not be funding available to deliver significant coastal renewals after 2019/2020. The status quo also provides no additional funding for proactive or reactive climate response works.

Option Two: Involves moving to a delivery model where asset replacement is based on a prioritised need for protection and development of new assets. This requires an initial opex investment to develop coastal compartment management plans that include public engagement, which will then inform a region wide coastal asset management plan.

Opex: The opex funding required for the development of compartment management plans and a coastal asset management plan is \$1 million allocated over the first two years of the 10-year Budget 2018-2028.

It is estimated that approximately \$200,000 per annum operating budget will also be required from years four to ten of the 10-year Budget to deliver additional coastal maintenance works identified through the coastal asset management plan.

Capex: The asset management plan will also more accurately inform the capital funding requirements for the remainder of the 10-year Budget. At this stage the increased capital investment required is estimated to be \$11 million of capex over the first three years of the 10-year Budget to supplement the status quo funding of \$19 million, and approximately \$79 million from years four to ten.

The costs of coastal works for years four to ten are estimates that will be confirmed through the development of the suite of coastal compartment plans, informing a coastal asset management plan and will be updated as part of the next long-term plan.

Option Two also includes the Climate Response Fund for reactive emergency works and proactive non-coastal works. For the Climate Response Fund, it is proposed that as part of the annual plan process, any un-spent funds are carried forward with a consideration of a top-up if required.

The table below shows the additional funding recommended through Option Two.

\$ million	2018/2019	2019/2020	2020/2021	2021/2022 to 2027/2028	10-year total
Option One: Current opex for coastal maintenance	0.6	0.6	0.6	4.2	6.0
Option Two: Additional opex for coastal compartment management plans and work arising	0.5	0.5	0	1.4	2.4
Total Opex in Option Two	1.1	1.1	0.6	5.6	8.4
Option One: Current capex for coastal renewals	10	8	1	0	19
Option Two: Additional capex for coastal renewals	0	2	9	79	90
Option Two: Reactive Emergency Works Fund (storm damage) (to be rolled over annually)	20				20
Option Two: Proactive Non-Coastal Works (landslips)	2	2	2	14	20
Total Capex in Option Two	2	12	12	93	149

In total, under Option Two \$1 million of additional opex is recommended for approval in the first three years of the 10-year Budget and \$37 million of additional capex.

Option Three: Involves replacing assets when they are assessed to be in poor condition, infrequent new works, and construction of the Orewa seawall during the first 2 years of the 10-year Budget. Current demand for renewals and larger scale interventions is assumed to continue.

Without the benefit of a coastal asset management plan to guide and prioritise investment, it is expected that capital expenditure would be more ad-hoc and therefore potentially higher. Total capex on coastal assets has been estimated at \$150 - \$200 million over the 10 years. The assessment of future demand for capital investment assumes that up to 35-40 per cent of assets could require replacement and additional work in the next 10 year, without prioritisation in place.

Option Three also does not include any funding for reactive emergency works or proactive non-coastal works.

Based on current data, all options have certainty for the first two years. Figures after year two are assumptions, to be verified in the next long-term plan review.

Recommended Option

Option Two is recommended which proposes a coastal asset management plan which would guide and prioritise investment from 2020 onwards. It is expected that this would reduce the investment required in renewal of coastal assets, by 25 per cent or more compared to the ad hoc approach outlined in Option Three. It would also allow for more localised expenditure on new issues arising. This approach is also more likely to deliver long-term sustainable solutions than Option Three.

Option Two also allows council to offer effective responses to emergencies such as extreme weather events and landslides.

It is recommended that funding required for the first three years of coastal management with a provision for years four to ten subject to the completion of the coastal compartment management plans be included in the 10-year Budget. Funding for the full cost of coastal renewals will be confirmed through the next long-term plan once the asset management plan is complete and the council has a better understanding of what is needed.

Funding for the climate response fund (reactive emergency works and proactive non-coastal works) is recommended to be included for the full ten years.

Funding options

Broadly speaking the council has two options for funding this work, either through a targeted rate or general rates. It is not considered that a targeted rate funded by a specific geographic region would be appropriate to fund the activities outlined in this report, as most of them will be regional in focus. Given the emergency and reactive nature of the works it is also impossible to predict which regions might benefit most from the climate response fund.

Levying a targeted rate across the region to fund these works is an option, but this would give council less flexibility to adjust or change amounts during the next three years of the 10-year Budget. Given that the budgets involved are allocated to respond to emergencies, which are unpredictable in nature, general rates are seen as a more appropriate funding option.

Attachment A-4: Development of the recreational and aquatic facility network

Proposal

Additional funding to enable the implementation of the regional plan for the development of recreational and aquatic facilities within the time frames needed to meet minimal levels of community provision as set out in the Community Facilities Network Plan.

Consultation feedback

Public feedback has expressed serious concern about access to recreational and aquatic facilities and dissatisfaction about over-crowded pools and long wait times in peak periods such as school holidays. Public concerns have been expressed about this lack of access being a barrier to teaching kids to swim and potential contributing to higher rates of drowning.

Local board views

Local Boards are strongly supportive of additional investment in this area. Three local boards decided to make advocating for investment in this activity their single highest priority for this 10-year budget, despite this being a regional network investment decision with benefits spread wider than individual local board boundaries.

Consideration

High quality recreational and aquatic facilities play a critical role in achieving the Auckland Plan outcomes and being a city where everyone can participate and belong.

The Community Facilities Network Plan is council's key strategic document guiding recreational and aquatic facility provision. A key objective is ensuring facilities are fit-for-purpose and able to meet minimal levels of provision in response to community demand. The plan identifies that the most urgent areas needing increased provisions are:

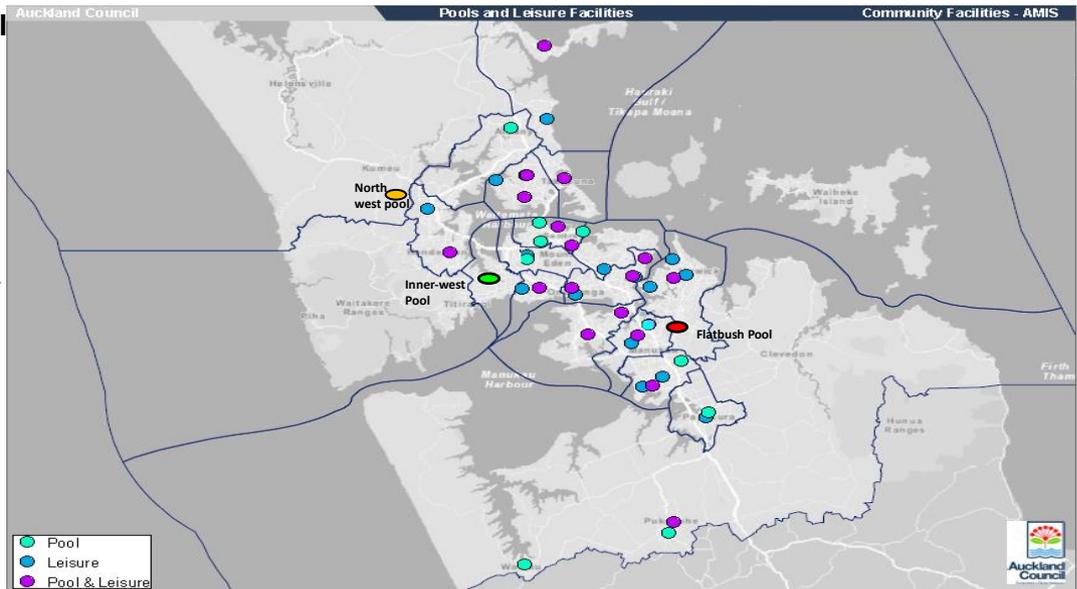
- Flatbush
- the inner west
- the north west

Auckland Council Pool and Leisure sites – current

Community Facilities Network Plan – priorities

- North-west pool *
- Inner-west pool *
- Flatbush pool

*Location to be determined



Planning for the new facility in Flatbush is well progressed and delivery will commence as soon as practicable.

The Community Facilities Network Plan identified a gap in aquatic provision in the inner-west based on growth that has already occurred. The population in the Whau catchment (76,000+) is already well over the provision thresholds in the network plan. An indicative business case developed in 2017 on aquatic and leisure provision in the inner west confirmed the case for investment in a new pool in the Whau area.

The Community Facilities Network Plan also identified a potential gap in aquatic provision in the north-west based on the level of forecasted growth. As a result, there is a priority action in the network plan to investigate the need and determine when aquatic provision will be required in the north-west to service this growth. This investigation work is underway, and the findings will be formally reported later in the year.

Investment options

- **Option 1:** Investment to progress in line with existing budgets
- **Option 2:** Increased investment of \$25 million spread over the last five years of the 2018-2028 period of the 10-year Budget

Implications of Option 1:

- Inner west pool not completed by the end of the 10-year budget period (2028)
- North west pool delivered later in second decade
- Existing issues with overcrowding and lack of access will get worse over time

Implications of Option 2:

- Inner west pool completed by 2028
- North west pool progressed early in the second decade
- Community access to pools maintained or improved as Auckland grows

Attachment A-5: City Centre Investment and 2021 Events

Proposal/Issues

To approve:

- \$55 million additional capex funding to be spent over the first three years of the Long-term Plan 2018-2028 (LTP)
- the bring forward of \$53 million existing capex budget from the outer years of the LTP into the first three.

This will accelerate the city centre downtown development programme. This will create a more family, pedestrian and environmentally friendly city centre and will create a vibrant downtown for the America's Cup and APEC, which will be held in 2021. It will also leverage benefits from the construction of the City Rail Link and other major transport projects,

Context

Auckland's city centre is an increasingly important 'economic engine' for both the region and the whole of New Zealand and has experienced growth significantly above forecasts over the last five years. Auckland is the host city for two key and high profile events in 2021, namely the America's Cup 36 and APEC, which have the potential to provide significant economic and legacy benefits for Auckland and New Zealand.

The City Centre Masterplan presents a 20-year vision that sets the direction for Auckland's city centre as its cultural, civic, retail and economic heart. It presents a vision of a city centre that is more family, pedestrian and environmentally friendly. The City Centre Masterplan identifies numerous projects to implement the vision, requiring investment in stormwater, transport and community services infrastructure.

Description of the Issue for Decision Making

There are a number of strategic work programmes in the city centre focused on supporting growth and leveraging the benefits of the America's Cup 36 and APEC, as well as the construction of significant transport projects, such as the City Rail Link. There is currently insufficient funding to deliver the full work programmes and realise the benefits.

Because of this, it is recommended that an additional \$55 million capex funding be included in the LTP and \$53 million of existing budget be bought forward from the outer years. This will be spent over the first three years of the LTP and support the city centre downtown development programme. It will also ensure council can leverage full benefits from the America's Cup 36, APEC and the other major transport and infrastructure projects in the city centre, such as the City Rail Link.

Consultation Feedback

General

A relatively small number of submitters (approximately 50) provided feedback on development of the city centre at a regional level. There was no clear theme in these comments, but some topics raised included:

- the council should reduce their focus on the city centre
- the council should continue investing in the city centre and support more people living there
- the city centre is unsafe.

Less than ten comments were received relating to the America's Cup 36.

The Waitemata Local Board also included a consultation question relating to the provision of public amenities in the city centre. 52 per cent of submitters fully and 28 per cent partially supported this proposal. The board also received a petition signed by over 1,200 people asking them to improve pedestrian safety for residents living in the Cook Street, Nelson Street and Union Street area.

Mana Whenua

No iwi authorities provided feedback specifically on the city centre investment options or the America's Cup.

Stakeholders

The Auckland City Centre Advisory Board noted that the city centre plays a vital economic role in the Auckland region, a social role in bringing people together and a cultural role as an arts and culture hub. They strongly supported more investment in the development of the city centre, to:

- provide more people-centric transport systems and infrastructure
- improve the city's west-east connections and invest in western parts of the city centre (progressing the Victoria Quarter Plan)
- leverage off private sector development, and events like Americas Cup and APEC
- invest in a public amenities strategy, to provide toilets, places to rest, meet and study, lockers to store belongings, showers etc.

Women in Urbanism and the Basement Theatre also submitted in support of more investment in the city centre, to provide quality public spaces (such as the Victoria Street Linear Park) and shared hubs for artists (respectively).

The Chamber of Commerce expressed qualified support for city centre development but noted that infrastructure and transport investment is also required to support other major employment hubs, such as Southdown and Auckland Airport, and rapidly growing business and residential zones such as Drury and Silverdale.

Local board views

The Waitematā Local Board included advocacy in their resolutions on the LTP that the council should:

- partner with the Waitematā Local Board to enhance provision of city centre public facilities such as toilets, showers and lockers for homeless people and support development of Mission HomeGround.
- work with Auckland Transport to 'progress the City Centre Master Plan objectives for the Victoria Quarter area including Nelson Street' to deliver a quality urban environment and prioritise pedestrian safety
- work with Auckland Transport and the New Zealand Transport Agency to implement a 30 km safe speed zone in the city centre
- provide improved safety and amenity for pedestrians in the city centre.

The board also made several resolutions in relation to the draft Waste Management and Minimisation Plan requesting that:

- the America's Cup 36 be run as a zero waste event
- targeted litter reduction education be provided in the city centre
- better commercial waste collection solutions be identified for businesses in the city centre to avoid them putting out bags on the street each day.

No other local boards made resolutions specifically relating to the city centre investment options or the America's Cup 36, although the Papakura Local Board did state their support for a city centre congestion charge. The Rodney Local Board also provided feedback on the Auckland Plan that 'the draft plan maintains a narrow focus on the city centre and dense urban living and will not resonate with communities that do not meet that description, including those that live within...the Rodney ward.' The Manurewa Local Board also noted feedback from their community that 'spending in south Auckland is considerably less than funds invested into central city projects.'

Consideration

Work Programmes

The city centre investments are structured in a number of work programmes, encompassing projects funded by council, Auckland Transport and Panuku and delivered as integrated programmes of works. They include:

- **Downtown** – delivers a connected and accessible waterfront, prepares for the growth of cruise and ferry services and supports further activation of Queens Wharf. The programme has been brought forward to align with the America's Cup event in 2021.
- **Midtown and Uptown** - delivers improved pedestrian and public spaces around key transport hubs. The programme is aligned with and leverages off development opportunities from the City Rail Link and bus infrastructure, as well as the New Zealand International Convention Centre.
- **America's Cup 36 Infrastructure** – delivers infrastructure for the America's Cup event as well as legacy for the city centre. The America's Cup 36 Infrastructure has a budget of

\$123 million - \$57 million of this is contributed by the council and \$66 million is contributed by central government.

- **Wynyard Quarter and Westhaven** – builds on the success of the waterfront's regeneration and continues to deliver an accessible and sustainable waterfront. In addition, progresses planning and engagement for Wynyard Point.

A full list of projects to be delivered within each of the programmes is shown in Appendix A

Investment options

Baseline

While the majority of the city centre projects/programmes are able to be accommodated through the existing allocation, there is a shortfall of \$55 million in years 1-3 and \$95 million capex in years in years 4-10. Without additional funding, the following work will not be delivered:

Downtown Programme (years one to three)

- The downtown programme includes a number of projects, which are intended to revitalise the downtown and make it a more family, pedestrian and environmentally friendly space. Some of these projects are funded at baseline levels but many have significant shortfalls.
- Due to the highly interrelated projects within the programme, and the shortfall across numerous projects under current budgets, delivery of the entire programme will be placed at risk if additional budget is not approved.

Midtown Programme (to be delivered in years four to ten)

- Victoria Linear Park stages 2 and 3
- Wellesley Street streetscape and amenity upgrade, to align with the Wellesley Street Bus Corridor project funded by Auckland Transport.

Recommended Additional Funding

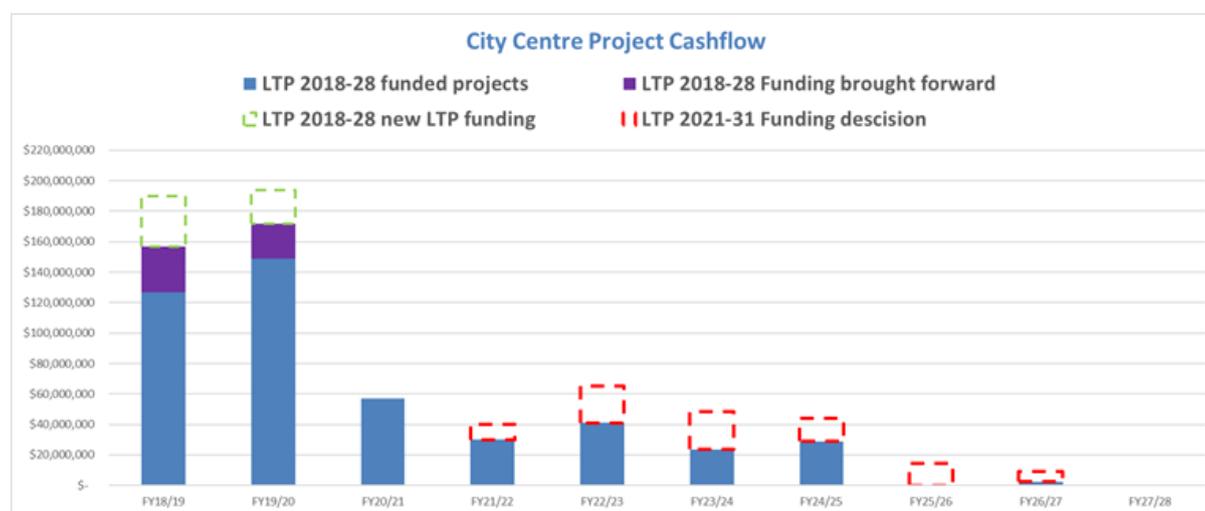
If additional funding of \$55 million capex is approved for the first three years of the LTP and \$53 million of existing capex brought forward from the outer years, this will allow the council to fully deliver the downtown programme of works. This will have the following benefits:

- Align the city centre's development with the America's Cup 36 and APEC events in 2021.
- Leverage off opportunities from the City Rail Link, bus infrastructure and other transport infrastructure developments, to minimise disruption and maximise efficiency.
- Alignment of council family investments, public and private developments to achieve a holistic outcome.
- Supporting growth – continue to improve access into the city centre and create high quality public spaces for people to live, work and play.

A summary of the 10-year funding required for city centre programmes is shown in the table below. Figures include projects funded through the LTP, Regional Land Transport Plan and City Centre Targeted Rate.

\$ million	Total funding	Forecasted Cost	Shortfall
Downtown	\$375	\$430	\$55
Midtown & Up Town	\$335	\$430	\$95
Wynyard Quarter and Westhaven	\$144	\$144	

The projected cashflow for the LTP period for council projects is shown below:



The shortfall of \$55 million in the first three years is associated with the downtown programme, due to works being brought forward to support major events in the area. This also requires bringing forward of \$53 million from the outer years of the LTP.

The shortfall of \$95 million in years 4-10 is associated with the midtown programme, as:

- currently only \$33 million is allocated to stage 1 of the Victoria Linear Park. An additional \$31 million will likely be needed to implement stages 2 and 3.
- \$64 million will likely be needed to fund streetscape and amenity upgrade for Wellesley Street, to align with the Wellesley Street Bus Corridor project funded by Auckland Transport.

Because the planned expenditure on the midtown programme is in years 4-10, and costs and timings of these projects still need to be confirmed, they have been excluded from this LTP. They will be considered in the next 10-year budget. This will allow further time to develop the most optimal solutions for this part of the city aligned with the transport investment, as well as considering alternate funding sources such as further development contributions funding, the possible extension of the City Centre Targeted Rate and private sector investment.

Funding Options

It is proposed that the additional \$55 million capex shortfall needed for city centre development over the next three years be funded through general rather than targeted rates. This is because benefits from the downtown programme and support for the America's Cup 36 will be distributed across the region, rather than only accruing to businesses and residents who live in the city centre.

There is potential for some of the \$11 million for the berthing of superyachts, which is included within the proposed downtown programme, to be recovered from operating revenue managed by Panuku.

Appendix One: List of City Centre Programmes and Projects

Downtown Programme

- Wharf Upgrades
 - Halsey Wharf wave attenuation and surrounding seawall
 - Wynyard Wharf works
 - Hobson wharf wave panels
 - Queen wharf redevelopment including mooring dolphin
 - Berthing – superyachts
- Streetscape Upgrades
 - Quay Street including seawall
 - Britomart
 - Lower Queen Street
 - Lower Albert Street
- Other Works
 - Downtown public spaces, bus interchanges
 - Britomart East
 - Stormwater Daldy Street outfall
 - Wynyard Crossing – bridge
 - Phase One Ferries (Pier 3 & 4)
 - Utilities and services

Midtown and Uptown

- Streetscape upgrades
 - Hobson/Nelson Streets
 - Albert Street
 - Federal Street
 - High Street
 - Cross Street

- Mills Lane
- Beresford Square
- Emily Place
- Victoria Linear Park Stage One
- Karangahape public realm upgrades
- Learning quarter bus interchange and amenity upgrades
- Wellesley Street Bus Corridor

America's Cup 36 Infrastructure

- Wynyard Point
 - Site preparation works (Base C - Base G)
 - Wynyard Point syndicate building foundation (Base C - Base G)
 - Wynyard Wharf works: Infill and breakwater
- Halsey Wharf works and breakwater (Base A: Team NZ Base)
- Hobson Wharf works (Base B)
- Dredging
- Berthing
 - America's Cup Syndicates
 - Berthing - Other Floating Berth Works

Wynyard Quarter and Westhaven

- Green link from Victoria Park to North Wharf
- Daldy Street linear park and the neighbourhood park
- Pedestrian promenades around the Viaduct Basin and Westhaven.
- Development agreements with private partners.
- Planning and engagement for Wynyard Point

Attachment A-6: External funding requests

Submission #	Submitter Name	Description of Request	Value of Request	One off or ongoing	Current State (existing funding level; confirmed agreements/plans; relevant historic info)	Officer Comment
9213	Auckland Mountain Bike Club Inc	That funding be allocated in the 2018-2028 Long-term Plan to accelerate the delivery of mountain bike facilities	\$5,000,000	One off	Mountain Biking facility priorities are identified in Auckland Sports Sector Priorities Plan and also within the Bike Facility Code Plan.	Specific mountain bike track Improvements and new developments are identified in the Auckland Sports Sector Priorities Plan and the Bike Facility Code Plan for the Auckland Region. Mountain biking clubs need to use the tools and approach identified in the Auckland Sport Sector Facility Priorities Plan to build the case and demonstrate to council and other funders the rationale for investment. The sport and recreation investment plan (under development - programmed to be consulted on and then completed late 2018) will outline how the council invests in sport and recreation. Informal recreation opportunities like mountain biking need to be considered as part of this plan development. The club should continue to advocate for park specific improvements and upgrades when budget is available, including the regional parks network developments. Local Boards have discretion to prioritise on local needs.
9281	Auckland Citizens Advice Bureaux Inc	Additional funding for CABx to: - add value to existing centres of population - extend the current network of Bureaux - continue to provide services through 32 sites	\$201,000 - \$280,000	Ongoing	ACABx was established in 2013 as a board made up of representatives from across Auckland bureaux. ACABx distributes the funds to local bureaux. Auckland Council funded Auckland Citizens Advice Bureaux Incorporated (ACABx) \$1.839 million in 2017/2018. In April 2018, the Environment and Community Committee (ENV/2018/48) approved the extension of the current \$1.8 million funding agreement with Auckland Citizens Advice Bureaux Incorporated for an additional one year (2018/2019). Auckland Council and ACABx have a Funding Agreement and a Strategic Relationship Agreement. Both the current agreements expire on 30 June 2018 and the outcome of the council's review will be reflected in any new agreements negotiated.	In April 2018, the Environment and Community Committee (ENV/2018/48) approved the extension of the current \$1.8 million funding agreement with Auckland Citizens Advice Bureaux Incorporated for an additional one year (2018/2019) conditional on a joint review of the population-based funding model. Changes to the funding model will be agreed by the committee before 1 April 2019. The joint review will focus on issues of funding equity and distribution across the region. Social deprivation and other factors (e.g. usage of bureaux) will also be considered.
	Auckland City Mission	Auckland City Mission are fundraising to deliver their Homeground facility by 2020. They currently have a \$30 funding gap.				Auckland City Mission is seeking Auckland Council's support in consenting cost and development contributions relating to its redevelopment to address homelessness issue. The cost is estimated to be \$475,000. This request was received before the LTP public consultation.
6313	Auckland Croquet Association Inc	Request for funding for lawn maintenance - Auckland Croquet Association would like Croquet Clubs to be considered when funding commitments to other sports are reviewed.	Approx. \$10,000 per annum per club (\$110,000 per annum)	Ongoing	There is no regional facilities plan for croquet, and it is not included in the Auckland Sports Facilities Priorities Plan. The croquet clubs on council land will be under a Community Occupancy Agreement (council lease) and will be responsible for the maintenance of their leased area. There are 11 croquet clubs in Auckland.	The sport and recreation investment plan (under development - programmed to be consulted on and then completed late 2018) will outline how Council invests in sport and recreation. Budget for investment in regional priorities is based on assessment of current and future need and seeks to address areas of most significant need first. Local Boards have discretion to prioritise on local needs. The clubs could seek funding from the Local Board funding programmes.
5766	Auckland Festival of Photography Trust	Funding to cover capacity building and to cover increasing costs due to the popularity and profile of the Festival. Propose:- \$35,000: Festival team capacity building and professional development. - \$30,000: public programme development. - \$25,000: support to generate long term income.	\$100,000minimum per annum	Ongoing	Currently funded \$72K per annum in the 2015-25 LTP. The festival also receives funding from various council grants and has applied for local board support (including accommodation support). The festival also benefits from a significant amount of indirect venue provision from council: a portion of festival events/exhibitions are held in council owned and partner facilities who are able to support the festival through the funding provided to them by council.	Prior to implementation of the Community Grants Policy (2015) the Festival was funded from the Auckland City Council and the Auckland Council Events funds on an unconfirmed annual basis. In preparation for the implementation of the Community Grants Policy all recurrent and adhoc funding lines were merged into a central fund to service requests through regional contestable grants programmes. There was a transition period for a number of organisations including but not limited to Black Grace, Pacific Living Arts Festival and Manukau Symphony Orchestra. In response to a public submission to the 2015 LTP the Governing Body approved funding of \$72k directly to the festival and outside of the contestable grants programme. Currently the Festival of Photography is the only regional arts and culture, non-asset based organisation that receives a grant outside of the policy. The festival receives the second highest Auckland Council regional arts and culture, non-asset based grant in the region. There is opportunity for the festival to leverage more funds for specific aspects of their operations through a willingness to engage with the contestable process and align their outcomes with those of the respective funding schemes.

Submission #	Submitter Name	Description of Request	Value of Request	One off or ongoing	Current State (existing funding level; confirmed agreements/plans; relevant historic info)	Officer Comment
8126	Auckland Justices of the Peace Association's	Request for annual funding of \$100,000 per year to meet its annual operating expenses.	\$100,000 per annum	Ongoing	<p>The council does not currently fund any Justice of the Peace services.</p> <p>Half of the Auckland Justice of the Peace Association's service desks are located at the 31 Citizens Advice Bureaux sites throughout Auckland. Via council funding of Citizens Advice Bureaux services and accommodation, the Justices of the Peace have access to facilities and administration resources to support their service, providing a safe environment to see clients.</p>	Justices of the Peace are appointed by the Minister of Justice, on behalf of the Crown. Each Justice of the Peace operates as an individual appointee, serving the community on their own behalf. Alongside their independence is a support network of the national Federation of Justices, overarching a group of regional associations, such as the Auckland Justice of the Peace Association.
9552	Friends of the Auckland Botanic Gardens	Completion of the Pacific Pathway and funding for Sculpture in the Garden		One off	<p>There is \$1.2 million, current CAPEX funding confirmed for pathway construction.</p> <p>Currently no dedicated funding is provided by Council for this exhibition.</p>	<p>The Pacific Pathway has been designed to be delivered in stages. There is currently sufficient funding of \$1.4 million to complete stages 1 and 2 taking the path to the lake. The remaining two stages taking the path to the Rose Garden will require a further \$1.6 million funding. This required budget will be allocated through prioritisation of the regional parks improvement funding.</p> <p>Sculpture in the Gardens costs around \$420,000 per exhibition. The Friends will continue to raise most required funding but seek Council support.</p>
4119	Hibiscus Coast Cricket Club Inc.	The HCCC seeks the support and allocation of funding from the Auckland Council to enable the building of a "Pavilion" at Metro Park.	\$1.8 million capex + \$100,000 for detailed design QS and consent	One off	<p>Planning underway to hold workshop with the local board early Q3 to discuss: feasibility Report, pavilion, outdoor courts and indoor court.</p> <p>The board are considering the allocation of residual LDI in 17/18 FY.</p>	<p>The Local Board is considering investing \$100,000 into the pavilion. Investment would be through the trust, not the cricket club.</p> <p>The HCCC: This group does not have an active lease with council. It does hold landowner approval to have its portable office and storage container on the grassed area. In the landowner approval letter, it is mentioned that the site is part of the planned future site for the Metro Park East club facilities. The landowner approval was granted based, inter alia, on the local board's outcome to create easy access to recreation facilities.</p> <p>The group will likely seek a community lease once the floorplan is known through the design process. Additionally, the pavilion will be a shared solution for the Park which is important.</p>
4421	Hibiscus Coast Youth Council	Seeking a \$100,000 annual operating grant to meet one third of their costs and act to secure these services for our future.	\$100,000	Ongoing	<p>There is no current funding agreement however the centre have previously been funded by the local board (\$120,900 contestable over the past 5 years). A further \$135,000 operating funding was granted from Community Services between 2012 - 2016.</p>	<p>Further information provided back to F and P Workshop May 24th 2018 as requested. The current 10-year budget exercise assumes no change to the current level of service. However, the Governance Framework Review will look at minimum service levels and the expectation is that, subject to confirmed funding, staff will review the level of service in preparation for the FY20 annual plan and 10-year budget 2021 - 2031. The Local Board have confirmed funding of \$30k to support an independent review with the support of the HCYC Trust Board.</p>
16500	Howick Gymnastics Club, Pakuranga Bowling Club, Pakuranga Tennis Club and Mountain Riders BMX	Multipurpose facility on Lloyd Elsmore Park	\$2.25 million +	One off	<p>\$226k of LDI has been allocated and not yet spent by Howick Gymnastics Club by the Howick Local Board for the support of this development.</p>	<p>Multisport approach is encouraged by council. The combined codes could seek to build a case through the tools and approach identified in the Auckland Sport Sector Facility Priorities Plan and then seek to demonstrate to council and other funders the rationale for investment. The Sport Facility Investment Plan (under development - programmed to be consulted on and then completed late 2018) will provide more direction on investment into Sports Facilities.</p> <p>Budget for investment in regional priorities is based on assessment of current and future need and seeks to address areas of most significant need first. Local Boards have discretion to prioritise on local needs.</p>
13519	Howick Historical Village	<p>Given the estimated annual operational cost budget of \$1.7 million, if self-generated income could be increased to \$400,000, the Howick Local Board grant for services continued at \$320,000, additional grant/sponsorship income achieved of \$480,000 HHV would need additional funding from Regional Facilities of an estimated \$500,000.</p> <p>In addition to the annual Opex funding there would be an estimated one-off Capex costs for the Collections/Orientation/Exhibition Gallery of \$8 million.</p>	<p>\$500,000 opex</p> <p>\$8 million capex</p>		<p>The Howick Local Board currently provides a grant of approximately \$330,500 per annum to the Howick Historical Village.</p> <p>Howick Historical Village also leases land from Auckland Council.</p> <p>There are 4 significant properties owned by the Howick Historical Village; Howick Historical Village, Bell House, Hawthorn Dene and The Parsonage</p>	<p>Auckland Council is currently undertaking the Cultural Heritage review. This review is seeking to confirm what the strategic priorities for investment in the Auckland cultural heritage sector should be.</p> <p>Council has limited funds and it would need to balance the desire to preserve early European settler history (which is the focus of the Howick Historical Village) with other sector priorities, in line with the results of the Cultural Heritage Review.</p> <p>The Cultural Heritage Review may result in different sector arrangements, and Regional Facilities Auckland may not be the most appropriate location for Howick Historical Village.</p> <p>Staff are of the view that the Cultural Heritage Review should be completed before any long term decisions are made regarding the Howick Historical Village.</p> <p>Issues regarding the leasing of additional land could be progressed via discussions between the local board, and the Parks Sport & Recreation department.</p>

Submission #	Submitter Name	Description of Request	Value of Request	One off or ongoing	Current State (existing funding level; confirmed agreements/plans; relevant historic info)	Officer Comment
18536	Metropark Community Sports Trust	\$100,000 for design, costing and consent of the Pavilion building. Additional funding allocated from the Sports Infrastructure Development Programme for the outdoor courts development Provision of funding for a temporary building to support the netball and hockey facilities to include control rooms, storage and changing rooms. Provision of funding to establish carparking to support the new facilities.	\$100,000 +	One off	\$1 million in the Council's Sports Infrastructure Development Programme for development of netball courts at Metro Park East. Planning underway to hold workshop with the local board early Q3 to discuss: feasibility Report, pavilion, outdoor courts and indoor court. The board are considering the allocation of residual LDI in 17/18 FY.	<p>The Local Board is considering investing \$100,000 into the pavilion, design, costing and consent. Multisport approach is encouraged by council. The Trust (combined codes) could seek to build a case through the tools and approach identified in the Auckland Sport Sector Facility Priorities Plan and then seek to demonstrate to council and other funders the rationale for investment.</p> <p>The Sport Facility Investment Plan (under development - programmed to be consulted on and then completed late 2018) will provide more direction on investment into Sports Facilities.</p> <p>Budget for investment in regional priorities is based on assessment of current and future regional needs and seeks to address areas of most significant need first. Local Boards have discretion to prioritise on local needs.</p>
13568	Netball Northern Zone	Continued support to implement the Auckland Regional Netball Facilities Plan, specifically at Silverdale, Papakura, Scott's Point and North Harbour Netball Centre buildings	Minimum of \$6.1 million	One off	Recently completed renewal of netball courts at Windmill Rd (\$1 million) and \$1 million budgeted for Metro Park (Silverdale) Condition of courts in Papakura is still considered good and not a priority for renewal / rubberisation.	Netball's priorities for development are identified in the Auckland Sports Sector Priorities Plan and the Netball Facility Code Plan for the Auckland Region. Netball need to use the tools and approach identified in the Auckland Sport Sector Facility Priorities Plan to build the case and demonstrate to council and other funders the rationale for investment. The sport and recreation investment plan (under development - programmed to be consulted on and then completed late 2018) will provide direction on how Council invests in sport and recreation. Codes like netball on outdoor hard court surfaces need to be considered along with other sport and recreation facility provision. Netball should continue to advocate for netball facilities within park specific developments. Budget for future years is allocated within the available funding envelopes in accordance with regional and local board priorities. Local Boards have discretion to prioritise on local needs. The clubs and regions could seek funding from the Local Board funding programmes.
16062	Pulman Park	Inclusion of 4 items in the Council's 10 year long term plan & budget: 1. Infrastructure (ground) asset renewal Bulk funding 2. Increase to grounds maintenance budget 3. Lighting of the fields 4. Rubberising of the outdoor courts (netball)		Ongoing	\$375,000 pa is budgeted under the current Maintenance Agreement.	<p>1. The Bruce Pulman Park Trust has a historical lease for the Park. The Trust has made a number of ground asset improvements and Council is responsible for the ongoing renewals. These renewals are managed in accordance with Councils AMP and renewals schedule. Variations to Council's procurement and financial policies would be required to bulk fund a third party for renewals of Council's assets. A renewals programme has been developed to provide certainty to the Trust and inform the Local Board work programme.</p> <p>2. The allocation of funding for the maintenance of Bruce Pulman Park is subject to the lease agreement and the BPPT/Council maintenance agreement. The maintenance agreement allows for an annual review of specifications and for the Trust to make an application to Council to consider. Community Facilities are currently working to complete the annual review with the Trust.</p> <p>3. Auckland Council Sports Field Supply and Need Study 2017 takes a regional view to prioritise funding for the provision of sports. The region is split into 65 analysis blocks which can be amalgamated into Local Board areas. Papakura, in which Bruce Pulman Park is located, is one such analysis block. While Papakura has a small shortfall in lit capacity for Rugby, there is a surplus in lighting capacity in the other winter codes and could be made available to meet all community needs. The current development at Opaheke Park in Papakura will supply additional lit capacity. This will largely offset any current network shortfall and when surpluses are taken into account will more than provide for the community for the next 10 years to 2028. There is no support in the Sports Supply and Needs 2017 study for new growth funding to be used in Papakura at Bruce Pulman Park when compared to the need in other local board areas.</p> <p>4. Netball's priorities for development are identified in the Auckland Sports Sector Priorities Plan and the Netball Facility Code Plan for the Auckland Region. Rubberisation of the courts at Papakura is not identified as a priority in the plan. The condition of the courts in Papakura is still considered acceptable and not a priority for renewal / rubberisation. Budget for investment in regional priorities is based on assessment of current and future need and seeks to address areas of most significant need first. Local Boards have discretion to prioritise on local needs. The Trust could seek funding from the Local Board funding programmes to contribute to lighting for rugby at the park.</p> <p>Parks Sport and Recreation staff along with the Papakura Local Board are currently working through a process to assess and determine club utilisation of sites to optimise the use of sports parks in the area, including Bruce Pulman Park.</p>

Submission #	Submitter Name	Description of Request	Value of Request	One off or ongoing	Current State (existing funding level; confirmed agreements/plans; relevant historic info)	Officer Comment
13947	Silverdale United Rugby and Sports Club Inc.	Funding to upgrade field lighting and provide additional sand based fields.		One-off	There is no budget allocated within the 2018/2019 Hibiscus and Bays Local Board work programme for the Silverdale United Rugby and Sports Club Inc. Budget for future years is allocated within the available funding envelopes in accordance with regional and local board priorities.	<p>The Supply and Needs Study 2017 considered the catchment of Silverdale/Red Beach and Dairy Flat North and found no shortfall of lit capacity to 2028 for Rugby. The Club Network Optimisation Plan 2017 assessed Silverdale United as being well catered for by way of both field and asset allocation. Upgrades and budget allocation within the regional sport field development programme, is allocated in accordance with regional priorities to increase field capacity.</p> <p>Local Boards have discretion to prioritise on local needs. The club could seek funding from the Local Board funding programmes.</p>
13967	Silverdale War Memorial Park ,Park Users Committee	1. Funding for the redevelopment of the old Silverdale Bowling Club and surrounds 2. Removal of the council storage depot 3. Funding for the construction of a noise deflection wall by the tennis club 4. Reinstatement of the Parks Committee with official recognition		One off	There is no funding allocation at the Silverdale War Memorial Park in the Hibiscus and Bays Local Board work programme for 2018/2019. Budget for future years is allocated within the available funding envelopes in accordance with regional and local board priorities.	A procurement plan is currently being developed to enable engagement of professional services and commence needs assessment.
13715	TAPAC	Seeks recognition as regional facility and ongoing operating funding		Ongoing	Auckland City Council invested in the initial capital build of this multi-use arts facility on Ministry of Education land. The facility is well used and provides a range of activities supporting the wider network of facilities across Auckland. Council has funded the facility through a variety of contestable funding schemes since opening but no annual funding for the facility is in place.	The facility is an important part of the regional network of community arts and culture facilities but does not reach the threshold of being considered "regional". Whilst the offering may attract users from across the region, making the facility a "destination" facility, the service offering is not unique and can be found in various forms elsewhere. The service is of greatest value to Waitamata and Albert-Eden residents. The services and outcomes provided are well aligned for council funding via Local Board ABS Opex funding programmes.
11690	Waitakere City Football Club	A new Fred Taylor Park Multisport Complex. With the huge growth in the area need more changing rooms, an astro turf and lighting on all of the pitches that we have at 184 Fred Taylor Drive.		One off	There is no work programme or funding currently associated with this proposal	<p>Multisport approach is encouraged by council. The combined codes could seek to build a case through the tools and approach identified in the Auckland Sport Sector Facility Priorities Plan and then seek to demonstrate to council and other funders the rationale for investment. Sport Facility Investment Plan (under development - programmed to be consulted on and then completed late 2018) will provide more direction on investment into Sports Facilities.</p> <p>Waitakere City United Club is allocated sufficient field hours to meet its needs. It is noted the available field lighting is insufficient to meet the clubs needs. The surplus supply of fields to this club would not support the addition of an artificial turf.</p> <p>Waitakere City United use a number of sites across the Henderson Massey and Upper Harbour Local Board areas, predominately in Henderson-Massey area.</p> <p>The Henderson Massey Local Board does overall have a shortfall in sports flood lighting, and a surplus of fields. Therefore funding is directed towards lighting and has been directed to the development of Moire Park.</p> <p>The Scott Point development, in Upper Harbour, will provide a large increase to the network in both field and lighting capacity in the future.</p>
13628	Whau Coastal Walkway Environmental Trust	Requests \$25 million council funding for Te Whau Pathway project to deliver 12 km of shared pathways	\$25.19 million	One off	<p>\$5.5 million has been spent on Te Whau Pathway to date and \$2.3 million is available in FY 18/19 to build the next stage of the project. However, Long -term Plan funding is required to complete the entire 12km pathway between the two harbours; between Te Atatu South on the Waitemata to Green Bay on the Manukau.</p> <p>Te Whau Pathway is a collaborative project between the independent Whau Coastal Walkway Environmental Trust, Ngati Whatua Orakei, Te Kawerau a Maki, the Whau and Henderson-Massey Local Boards, Auckland Council and Auckland Transport.</p> <p>An MOU between Council and the Trust is in place to manage the delivery of the project.</p>	\$25.19 million over six years is required from Auckland Council as a part contribution to the project. Equivalent funding from NZTA will be requested along with other fund raising by the Trust to complete the entire 12km pathway. The cost estimate for the entire route is estimated at \$65 million. Budget for future years is allocated within the available funding envelopes in accordance with regional and local board priorities.