

# Auckland Council

## Quarter 3 Performance Report

**For the period ending 31 March 2019**

*This report outlines the key performance of the Council, which includes regulatory, community, stormwater, environmental, and corporate support related activities and investments*

# Auckland Council Q3 summary\*

## Highlights, issues & risks for the quarter

### Highlights:

1. As-salāmu 'alaykum (Peace be upon you) -In the wake of the Christchurch terrorist attack, support was offered to our Muslim community and staff. Support was also provided to our emergency management response and in helping and organising the Eden Park remembrance event and the Mayor's attendance at Auckland Mosques. The tightened security measures are expected to remain in place for the foreseeable future with the commensurate increase in costs, staff time and disruption not just for events but for much of our community-facing activity across the region.
2. Realising Rangatahi Potential - We continue to partner with the Solomon Group and WINZ to bring new staff into our contact centre in Manukau and improve job opportunities in South Auckland. We are strengthening the recruitment and onboarding process as we become the biggest employer for the Solomon Group's contact centre training programme.
3. Our temporary suspension of Lime scooters due to safety concerns, garnered considerable media attention and generated a high volume of positive coverage for the Council. The suspension has since been lifted on the basis that Lime works within council's new guidelines.

### Issues/Risks:

1. AC have identified risks around berm mowing & weed control and town centre cleaning & litter bins collection. Existing contracts will have to be demobilised as current contract service levels are not being met. Auckland Council will continue to work with Auckland Transport to minimise this risk.

Financials (\$million)	YTD actual	YTD budget	Actual vs Budget
Capital delivery	367	427	(60)
Direct revenue <sup>1</sup>	249	233	↑ 16
Direct expenditure	874	886	↓ 12
Net direct expenditure <sup>1</sup>	626	654	↓ 28

## Financial Commentary

- **Capital delivery:** AC36 infrastructure delays account for \$23m of the underspend, with other significant underspends being ICT projects (\$7m) and corporate property (\$9m).
- **Direct revenue:** Regulatory services was ahead of budget by \$8m due to increased volumes and complexity of resource consents, as well as a focus on clearing billing backlogs. Community facilities was also ahead of budget, which is offset by higher directly related costs
- **Direct expenditure:** there is a \$10m underspend in staff costs due to vacancies across the Council, offset by a \$3m overspend in outsourced works to cover those vacancies

## Key performance indicators

(Refer to pg. 40 for complete list)

	Previous Quarter	FY 19 Quarter 3		Status	Commentary
		Actual	Target		
Percentage of complainants satisfied with the noise control services	54%	53%	51%	Met	
The percentage of building consent applications processed within 20 statutory working days	66%	75%	100%	Not met	Significant improvement in Q3 FY2019 over Q3 FY2018. Indications are that this will continue as April draft results are better.
The percentage of response time during storms to close storm water manholes that are within two hours	97%	99%	90%	Met	
The volume of domestic kerbside refuse per capita per annum	143kg	135kg	150kg	Met	Result includes estimates of privately collected refuse volumes and market share.

\* All financials in the Auckland Council section excludes Commercial Property Portfolio, which are assets owned by Auckland Council but managed by Panuku Ltd.

1. Excludes regional fuel tax

# Strategic focus area – Water quality programme

## Key commentary

For the nine months to 31 March 2019, a total of \$6.1 million was spent towards the water quality programme against a budget of \$7.6 million.

### Highlights

1. The first three major water quality projects in the city centre are on track for delivery before the 2021 America's Cup event. The Picton Street stormwater network extension contract was awarded to March Construction Ltd at a value of \$15.6 million and the Daldy Street outfall extension contract to the Wynyard Edge Alliance in May 2019 for up to \$34 million. Staff are in discussion with community members regarding the St Marys Bay Masefield Beach stormwater project after the resource consent for the works was appealed.
2. The private onsite wastewater systems of 417 properties in the Little Oneroa catchment (Waiheke) were inspected in February 2019 for maintenance compliance. At the time of inspection sixty-two properties (15 per cent) were found to be compliant with maintenance requirements, a further sixty properties (14 per cent) had incomplete inspection and service records, and the remaining 295 properties (71 per cent) had maintenance or other system issues. Staff are currently working with these property owners to address these issues.
3. The safe networks programme initiated water quality sampling investigations in 24 catchments. These investigations will enable council and Watercare to develop solutions to improve water quality in these areas.

### Issues/Risks

1. There is a compressed timeline for the delivery of major stormwater improvement projects in city centre before the America's Cup event. Staff are managing the risks around this timeline through early contractor involvement and shared procurement with the Wynyard Edge Alliance enabling works.
2. Delays in resource consenting continue to be a risk to delivery timeframes, however Healthy Waters and Regulatory staff are working together to minimise this risk.
3. Limited contractor capacity to deliver major infrastructure works continues to be a concern. This is being mitigated through early engagement with suppliers and a strategic procurement approach.

## Strategic context

Auckland has a significant challenge to address regarding pollution of waterways across the region from overflows, sediment and other pollutants. Many waterways and beaches are unsafe for swimming after storm events, and some beaches have permanent poor water quality warning signage.

The water quality improvement targeted rate programme aims to reduce overflows and contaminants flowing into Auckland's waterways and harbours, rehabilitate streams to improve their ecological health and reduce bank erosion caused by rural and urban land use changes.

Key programme of works	Status	Description	Outlook
Western isthmus water quality improvement programme	On track	Delivery of improved infrastructure to reduce wastewater overflows into Waitematā Harbour and reduce stormwater volumes into Manukau Harbour.	Healthy Waters and Watercare staff are progressing business cases for network upgrades and separation in areas of Blockhouse Bay, Ōwairaka, St Marys Bay, and Herne Bay.
Contaminant reduction	Delayed	Programme to reduce the amount of contaminants (including litter, sediment and road pollutants) entering waterways across the region.	Previously scoped projects are on track and new projects are being developed, including funding water quality projects as part of the Glen Innes and Ōtāhuhu town centre upgrades.
Urban and rural stream rehabilitation	At risk	Stream restoration projects to improve ecological health of streams and reduce flow of contaminants into harbours.	Following the successful uptake of the Waterways Protection Fund in the Waiora catchment, staff are identifying the next catchments to roll this programme out in.
Onsite wastewater systems	On track	Compliance programme to ensure private onsite wastewater systems are regularly inspected and maintained to reduce amount of wastewater overflows.	Additional compliance staff have been recruited, and the next areas for investigation are being agreed internally. Staff will continue to support onsite wastewater industry through the development of online reporting tools.
Safe networks	On track	Investigate and eliminate sources of faecal contaminants that are discharging from the stormwater network and watercourses at popular swimming spots.	Significant progress has been made in 2018/2019, with sampling investigations undertaken in 24 catchments across Auckland, and detailed investigations in three catchments nearing completion.

# Strategic focus area – Natural environment programme

## Key commentary

For the nine months to 31 March 2019, a total of \$7.4 million was spent towards the natural environment programme against a budget of \$13.0 million.

### Highlights

1. The programme of track works to minimise the spread of kauri dieback is underway with 12.5 kilometres of tracks upgraded and a further 22 kilometres in design and construction phases. The distribution of kauri across local parks has been mapped alongside recreational status and track conditions. This data has been used to prioritise track upgrades, and the 13 impacted local boards have been consulted.
2. Over 7,000 high priority kauri trees have received experimental phosphite treatment, which is intended to prolong the life of the trees.
3. 45 community groups and projects have received pest control equipment, nursery supplies and pest animal monitoring equipment. Schools delivering local pest free initiatives have also received tools and resources including trap tunnels made through a partnership with Department of Corrections.
4. Additional pest plant control is occurring across high priority local parks and additional pest animal control (including possums, stoats, rats, goats, pigs, and deer) is occurring across the mainland and the Hauraki Gulf islands.
5. A significantly expanded programme to minimise spread of pests to the Hauraki Gulf islands is in place including 16 active biosecurity ambassadors and additional predator detection dogs deployed to patrol ferries and other high-risk vectors.

### Issues/Risks

1. Delays in upgrades to the local park track network (to minimise risk of kauri dieback spread) have been caused by higher levels of consultation required for track prioritisation and design of track upgrades.
2. Limited contractor capacity to deliver some works continues to be a concern. This is being mitigated through early engagement with suppliers and strategic procurement approach.

## Strategic context

Auckland's rapid growth is putting pressure on our environment and kauri dieback disease is threatening one of our most iconic species. Many other species are also in rapid decline and need a concerted effort to manage the pests and weeds that threaten them.

The natural environment targeted rate programme will significantly reduce the risk of kauri dieback spreading, provide more support for communities, schools, and private landowners to engage in conservation, and increase the number of significant ecological areas that council is actively managing to control pest plants and animals.

Key programme of works	Status	Description	Outlook
Plant pathogens	Delayed	To reduce the risk of spread of plant pathogens including kauri dieback. Key tools include track upgrades, monitoring and education.	24 kilometres of track upgrades will be delivered by the end of June 2019. The forward work programme for upgrades across all parks will also be completed by the end of the financial year.
Expanding community action	On track	To provide a high level of support to over 600 community groups, iwi, households	Community coordination funding has been allocated to recipients, and the allocation of tools and resources continues. A regional funding strategy is being co-designed with key stakeholders, to be rolled out in the next financial year.
Protecting our parks	On track	To protect 66 per cent (from current 30 per cent) of highest ecological value areas on regional and local parkland.	Increased weed control on regional and local parks is underway. This work will see an increased number of parks receiving additional maintenance to protect native biodiversity.
Islands biosecurity	On track	To either control, or where possible, eradicate plant and animal pests from Hauraki Gulf islands.	Pest plant and predator control has exceeded year one targets, with a greater area under management. Auditing will be conducted in quarter four. There is a greater presence of detector dogs patrolling high risk vectors such as boat ramps and ferry terminals, to decrease pest pathways.
Region-wide biosecurity	On track	To protect the Auckland region from animal and plant pests.	An additional 37,000ha of possum control contracts has been completed with auditing to be conducted in quarter four. The release of biocontrol agents for pest plants is continuing.

# Strategic focus area – Regulatory

## Key commentary

**For the nine months to 31 March 2019, a total of \$126 million was spent towards Regulatory Services against a budget of \$123 million. Revenue for the nine months amounted to \$150 million against a budget of \$142 million.**

### Highlights

1. Direct income and overall surplus are ahead of budget by \$7.7 million and \$3.2 million respectively, due to improved billable time in Regulatory Engineering and higher animal management revenue.
2. Launched Regulatory Service Maori Responsiveness Plan – Te Patatai.
3. Building Consents almost meeting all IANZ accreditation requirements including statutory timeframes with March 2018 reaching 80% (highest for financial year). Internal systems audits confirm compliance against key requirements.
4. Licensing & Regulatory Compliance are doing great work collaborating on projects with other parts of council such as Kauri Die Back and providing advice and support to environmental initiatives.
5. Resource Consents have commenced a timeliness improvement work programme focusing on eight key areas such as specialist inputs and RMA tools.

### Issues/Risks

1. Meeting resource and building consent statutory timeliness targets. While ongoing initiatives to improve timeliness will mitigate the risk timeliness has been below targets for some time.
2. A competitive employment market and the establishment of the Housing and Urban Development Authority will result in pressures on staff retention. The directorate is developing strategy and framework to retain non-technical and technical staff.
3. Regulatory Compliance are investigating Imperial Homes for potential breaches of the KiwiBuild pricing protocols. We are awaiting judicial review of what constitutes a “dwelling”, as this will determine the likely success of a prosecution.
4. Resource Consents has a large customer invoices backlog. A project team and plan has been implemented to reduce this by year end.
5. Data Integrity is an issue across the directorate. Regulatory Engineering and Building Consents have commenced a project to clean up their operational data.

## Strategic context

Regulatory ensures that Aucklanders live in secure, healthy, and affordable homes by managing the risk associated with the built form for Auckland. It also enables Aucklanders preserve, protect and care for the natural environment and to maximise the many opportunities for Auckland to deliver a better standard of living. Ensuring Aucklanders are kept safe and well; through compliance work, animal control, alcohol licensing and environmental health.

Key programme of works	Status	Description	Outlook
Meeting Demand Programme	On track	To ensure we have sufficient building consents capacity and capability to meet increasing complexity and volume	Performance improvements already apparent. New remuneration scheme linked to individual performance in place.
SAP/Hybris Integration	Delivered	To integrate the customer-facing system online with internal Council systems to improve efficiency	This was a complex technical project with change impact for several hundred staff. Now closed for Regulatory Services. Some document management functionality remains to be delivered separately by ICT
Customer Enabled Compliance Phase 3	On track	A programme involving modified responses to public-non-compliance with the goal of making Auckland safer.	In full implementation. Over next two months approx. 6,000 requests for service will be transferred to compliance response team. One RMA prosecution was laid in March, two alcohol licences were withdrawn, and one EH prosecution was undertaken.
Inspect Project	Delivered	A project to enhance the scheduling and delivery of building inspections	Delivered successfully and recipient of Chief Executive award for team contribution / collaboration. Early results are showing an increase in daily inspection volumes.

# Strategic focus area – Waste

## Key commentary

**For the nine months to 31 March 2019, a total of \$79.8 million was spent to deliver waste management against a budget of \$75.2 million.**

### Highlights

1. Enforcement officers are actively issuing more infringement notices for illegal dumping, resulting in fewer illegal dumping reports and waste volumes dumped. In this quarter, 264 infringement notices were issued, up 190 per cent on the same period last year. Requests for service are down two per cent and tonnes of waste dumped are down 30 per cent, as a result of the increase in enforcement and infringements issued.
2. A cost benefit analysis showing the financial and economic cases for construction and demolition waste diversion and an education toolkit were developed for the construction and demolition sector. Work has begun with Homes Land Communities (HLC) and the Piritahi Alliance on relocation and deconstruction of 8,000 homes over the next five years.
3. An integrated waste collections procurement plan was approved by the Strategic Procurement Committee in March 2019. A notice of information has now been issued to potential suppliers for collections for the three waste streams – food, recycling and refuse.

### Issues/Risks

1. Overseas markets remain unstable for mixed plastic types sorted at VISY. There is a risk these materials may be land-filled if alternative markets cannot be found. To address this an Auckland Council recycling working group has been formed to review overseas solutions and whether they can be applied in New Zealand, and a consultant has been engaged to look at VISY's operation to improve the quality of recycling.
2. The deficit against budget is a result of the increased costs in recycling, which is related to the overseas market changes and the restricted overseas markets that now accept waste recycled materials.

## Strategic context

To achieve the overarching goals of the Waste Management and Minimisation Plan and minimise Auckland's increasing waste to landfill volumes, a priority programme of works has been identified with a focus on construction and demolition, the resource recovery network and reducing food waste. The council also has an increased focus on illegal dumping and enforcement. Expected outcomes are a reduction in dumping and increased awareness of alternatives. Offshore processing of some types of plastic and paper waste has ceased in some countries, creating a need to actively manage recyclables onshore.

Key programme of works	Status	Description	Outlook
Resource recovery network	<b>On track</b>	Establishing a network of 12 community recycling centres operating throughout the region by 2025.	Work on the resource consent for the central site at Western Springs continues. Land is being sought for sites in South Auckland via a request for expression of interest.
Food scraps	<b>On Track</b>	Rates-funded, weekly kerbside collection of food scraps provided to all households in urban areas from 2021.	Food scraps collection services are currently being procured together with refuse and recycling as part of the integrated waste collection service procurement plan.
Construction and demolition	<b>On Track</b>	Focus on advocacy, brokerage and strategic influence. Work with industry to support minimisation of Auckland's increasing volume of landfill waste.	Development of toolkits and financial cases will demonstrate to the construction industry and developers future cost savings associated with deconstruction and diversion.
Illegal dumping and enforcement	<b>On Track</b>	Actively enforce litter and illegal dumping infringements under the Litter Act.	Customers reports remain steady via the 0800 NO DUMP hotline to report illegal dumping with 1,618 calls this quarter. Waste Solutions staff will continue to resource enforcement activity.
Markets for recyclables	<b>On Track</b>	All processed, recyclable material is diverted from landfill and recycled through reputable companies. Sustainable processing options ensured through reporting to council.	Council is focusing on alternative markets, operational changes at VISY, and developing a communications strategy to reduce contamination in kerbside recycling bins.

# Strategic focus area – Community investment

## Key commentary

**For the nine months to 31 March 2019, a total of \$569million was spent towards Community Investment against a budget of \$585million.**

### Highlights

1. Auckland's response to the Christchurch mosque tragedy included support for events, memorial services and the collection and recording of all tributes from locations across the city. Timely cross agency delivery was achieved through commitment by staff and contractors from Community Services and Community Facilities teams.
2. The sod turning ceremony for the Waiuku Trails project took place in March. The project has a large investment from individuals and is supported by New Zealand Steel. The ongoing success will be documented and reported.
3. AKL Paths - digital service launched and exceeds the target of 10,000 web page hits, gaining 42,000 hits in the first month. The service enables more Aucklanders and their whanau to get active their way and, in their time, using existing community paths and parks.
4. Kura Heritage Collections Online launched with 650,000 plus local history/heritage records at the reach of Aucklanders, making more local heritage content more easily discoverable to more people. Kura and AKL Paths increase access to and use of existing public assets.

### Issues/Risks

1. In the capital procurement space, the increased activity in the construction market is resulting in higher price submissions through tenders as well as fewer submissions thereby causing the cost of delivering projects to increase and putting pressure on capital budgets.
2. Vandalism continues to be a significant issue across the region. Playgrounds suffer greatly over other asset types which has a big impact on the community. Increased antisocial behavior is also being monitored with security and safety costs rising as a result.
3. Two maintenance contractors are on performance notice and is being closely managed to ensure we receive value through contracts.

## Strategic context

Community investment both regional and local, contributes to community wellbeing and a sense of belonging by increasing participation in events, programmes and activities, across all our community and recreational spaces.

These services are provided through the provision of services, programmes, facilities and spaces that are owned or managed by the council, contracted third parties and through community group partnerships.

Investment in community also occurs through grants, leases, capacity building, partnerships and sharing resources.

Key programme of works	Status	Description	Outlook
Renewals programme	<b>On track</b>	Renewals programme across all local board community assets and community regional assets.	Delivery of \$70.9 million at the end of Q3 represents 62% of the full year budgets. Forecast for year end is \$113.5 million (99%).
Growth programme	<b>On track</b>	Growth projects in the parks, play, sports and walkway recreation space and new development in regional parks.	Delivery of \$66.4 million at the end of Q3 represents 62% of the full year budget. Forecast for year end is \$92.9 million (87%) due to delays.
Land acquisition	<b>On track</b>	Acquisition of open space programme.	Delivery of \$40.4 million at the end of Q3 represents 67% of the full year budget. Forecast for year end is \$50.4 million (83%) due to delays in settlements.
Sport Facilities Investment Fund	<b>Delayed</b>	A \$120M, 10-year fund approved through the LTP to invest and partner with organisations who are developing significant sport and recreation facilities.	Report to Committee to confirm investment criteria and approach in line with the draft Sport Investment Plan and Facility Partnership Policy, has been moved to Q4.
Streetscapes	<b>On track</b>	'Green' services went live 1 April and are in transition phase, with no issues. Mobilisation of 'clean' services has commenced with transition date as 1 July.	As the 'green' Streetscapes services are newly transitioned from AT, financial reporting will be provided in Q4.

# ONE LOCAL INITIATIVE 10 YEAR PROGRAMME

## WORKFLOW PIPELINE

KEY: Progress & RAG Status  
On track – Monitor – Issue

**ALBERT-EDEN – Chamberlain Park**  
A) Council investment and operation of reconfigured golf course, driving range and sports field. B) Delivery of approved masterplan.



**COMMENTS**  
**Timing delay** A) Notified resource consent process to be undertaken.  
**Timing on track** with potential for delay as indicative business cases are socialised and worked through with Local Board in June.

**DEVONPORT-TAKAPUNA – Lake Road\***  
Address Lake Road congestion issues.



**Timing on track. Project requires Monitoring**  
Detailed business case underway due Q3 of 2019  
Local Board have requested project scope be provided that reflects their scope view clear deliverables.

**FRANKLIN – Karaka Multi Sport and Community Hub**  
Park Development and Multi-sports hub. Upgrading playing surfaces and facilities.



**Timing on track** with potential for delay as indicative business cases are socialised and worked through with Local Board in June.

**GREAT BARRIER ISLAND – Solar and EV Infrastructure**  
Installation of solar panels at offices on Great Barrier and electric vehicle with charger and carport.



**Complete**

**HENDERSON-MASSEY – Land Purchase & Sports Field**  
Acquire land in the North West to prepare for a swimming pool and create a new sports suburb park within the Redhills precinct.



**Timing on track.** Investigation and options analysis ongoing for land acquisition. Indicative Business Case update to be provided in July. Local Board concerned that aquatic component has not progressed.

**HIBISCUS & BAYS – Orewa Beach Northern (N) & Southern (S)**  
Protection of the Northern public reserve from the effects of coastal erosion including provision for improved pedestrian access. Investigation and implementation of management options for the Southern extent of Orewa Beach incl. Orewa Estuary.



**Timing delay for Northern** due to resource consent refusal. May 2019 Hearing decision due.  
**Timing on track for Southern.** Business case for Local Board consultation June 2019.

**HOWICK – Flat Bush Community Facilities**  
Advanced planning for community facilities including library, and art/community and aquatic centres.



**Timing on track**  
Locations are under analysis for best service delivery.

**KAIPATIKI – Birkenhead War Memorial Park**  
Phase 1: demolition of grandstand – completed.  
Phase 2: regeneration of the site as per the masterplan.



**Timing on track**  
Public consultation process has closed. Submissions are under review.  
August 2019 Completion of Masterplan.

**MANGERE-OTAHUHU – Mangere East Town Centre**  
Purchase 374 Massey Road and develop a concept plan and detailed business plan for redevelopment.



**Timing delays due to land acquisition**  
A critical land acquisition has fallen through.  
Rescoping of OLI under consideration.

**MANUREWA – War Memorial Park**  
Refresh of needs assessment and generation of park master plan. Enable the development into a multi-purpose shared space.



**Timing on track** with potential for delay as indicative business cases are socialised and worked through with Local Board in June.

**MAUNGAKIEKIE-TAMAKI – Onehunga Transport Interchange\***  
Development of a multi-transport interchange at the current Onehunga train station / car park.



**Timing delays due to Project Clarification**  
Local Board have requested pre-feasibility options be carried out and for AT to provide clear milestones.

Note: Workflow timeline to be developed once strategic assessment/initiate phase complete  
Timelines are as indicated at Committee on September 2017 or forecasted guestimate

\* Description confirmed by Auckland Transport



# ONE LOCAL INITIATIVE 10 YEAR PROGRAMME

## WORKFLOW PIPELINE



KEY: Progress & RAG Status  
On track – Monitor – Issue

**ORAKEI – Spine Shared Path Connection\***  
Gowing Drive area walking and cycling connection to the Glen Innes to Tamaki Drive Shared Path (Eastern Connections Urban Cycleway).



**COMMENTS**  
**Timing delays**  
Local Board has concern with timing and proposed funding gates and have requested a critical path programme.

**OTARA PAPATOETOE – Ngāti Ōtara Park**  
Design and construction of the multipurpose facility in Ngāti Ōtara Park including storeroom and commercial laundry.



Recently approved as an OLI by F&P Committee.

**OTARA PAPATOETOE – Colin Dale Motorsport Park**  
Remove or reduce the burden of OPEX annual charge for Colin Dale Motorsports Park.



**Project Complete**

**PAPAKURA – Train Station Park & Ride\***  
Construction of a multi-storey car parking building for Park and Ride at the Papakura Train Station.



**Potential Timing Delays**  
Local Board currently does not support AT's preferred option and have met with AT Board.

**PUKETAPAPA – Liston Village & Open Space**  
Retain seniors' housing on the site and allow the entrance to Monte Cecilia Park to be expanded.



**Timing on track** with potential for delay as indicative business cases are socialised and worked through with Local Board in June.

**RODNEY – Local Indoor Courts**  
A Local multi-sport, multi use indoor court facility plus squash and cricket. Align build with Rodney's greenways plans.



**Timing on track** with potential for delay as indicative business cases are socialised and worked through with Local Board in June.

**UPPER HARBOUR – Sub-Regional Indoor Courts**  
Construct a sub-regional four court multi-story facility. Recommended locations are Whenuapai or Hobsonville.



**Timing on track** with potential for delay as indicative business cases are socialised and worked through with Local Board in June.

**WAITAKERE RANGES – Glen Eden Town Centre**  
Refresh the implementation plan. Construct town square and improve civic space. Develop new multi-story mixed use building.



**Ahead of schedule – acquired land Aug 2019**  
Bringing indicative business case forward. Aug 2019 Local Board feedback. Sept 2020 Seek committee approval.

**WAITEMATA – Ponsonby Park**  
Develop full site. Demolish buildings and develop a civic space and provide toilet facilities.



**Ahead of schedule**  
Progressing to detailed business case and design.

**WHAU – Pool & Recreation Centre & Land**  
Aquatic and recreation facility in Whau.



**Timing on track**  
Development of benefit realisation plan underway. Board are concerned there is little action on land purchase a critical path issue.

**WAIHEKE – Matiatia\***  
Development of a masterplan for Matiatia and implementation.



**Potential timing delays**  
The Strategic Business case has been endorsed by NZTA. NZTA funding for next business case yet to be approved. The Matitia working group is waiting on IWI input into land allocation for the masterplan.

\* Description confirmed by Auckland Transport

Note: Workflow timeline to be developed once strategic assessment/initiate phase complete  
Timelines are as indicated at Committee September 2017 or forecasted guestimate

## Other focus areas

### Customer experience

Auckland Council has recently created a new division, Customer and Community Services, which will bring together Customer Services, Community Facilities and Community Services.

The new structure will bring council closer to its customers and help the organisation shift the dial on our customer metrics and meet the ambitious targets set.

- Customer satisfaction for services associated with Libraries, Parks, Pools & Leisure Centres ranges between 80-94%.
- Commencing with Pools & Leisure, Community Venues and elements of Libraries, customer experience assessments are being carried out. These assessments are based on a range of drivers including staff, service, condition of the facility. They are carried out frequently (daily, weekly) which permits deployment of responses to identified issues.
- As more services such as bookings are made available online, customer experience assessments can be undertaken efficiently and frequently targeting recent users.

### Climate change

• In March 2019, the Auckland Climate Symposium brought together around 600 delegates over three days from across sectors to discuss and provide input into the emerging priorities of the regional climate action plan, under development. The symposium commenced with a conference on Day 1 followed by two days of action development sprint sessions and parallel events, including community hui, youth and MfE-led sessions through to the launch of Auckland's Climate Change Risk Assessment series undertaken by RIMU.

• The draft action plan is being readied for approval by the Environment and Community Committee in June for public consultation in July/August. It will include actions that dramatically reduce emissions and dramatically increase resilience to climate impacts. A plan for Auckland, not just for Auckland Council, it requires broad cross-sector implementation for its success.

### Contribution towards Māori outcomes (Auckland Council)

**Marae development:** Marae Infrastructure Programme - Four Marae are participating in the pilot. Programme will incur an underspend of 33k for FY 18/19 which will be carried over for FY 19/20.

**Kaitiakitanga outcomes:** Auckland Climate Action Plan - Engagement with Mana Whenua and subject matter experts underway, to enable contributions and support for Auckland's Climate action plan.

**Reo Māori outcomes:** - Level Finder Exam - A National exam developed in conjunction with Te Taura Whiri I Te Reo (Māori Language Commission) to acknowledge Reo capability across Auckland Council to recognise this capacity. 40 staff have been assessed to date.

**Māori Economic Development:** He Waka Eke Noa (social procurement programme) - Currently drafting a proposal to be considered for funding from the centralised Maori Outcomes budget to scale up the current successful approach being run out of The Southern Initiative

**Realising Rangatahi potential:** Rangatahi engagement/Māori Education Plan - Programme developed in partnership with The Southern Initiative, Democracy Services, Local Boards, Auckland Climate Action Plan, Water Strategy and Māori Communities is on track with a forward work programme to increase Council's capability.

**Māori Identity and Culture:** Māori Sites of Significance - Programme scope has increased to include incentives for sites of significance located on private land to be recognised, identified, protected and managed.

**Māori Housing & Papakāinga:** Whare for Life, Māori Housing - Ontrack with final year of project to improve internal processes for Māori Housing and Papakainga. Transitioning to BAU in FY2020 with a full FTE 3-year fixed term costed to project.

**Effective Māori participation (internal):** Mana Whenua Kaitiaki Forum support - Successful discussions with the forum on potential new operating model. Moving towards a proposal for scaling up the resourcing of the Forum.

**Organisational Effectiveness (internal):** Te Mātāpuna – Māori information portal - internal and Māori facing systems, tools and training to enable consistent, efficient and effective Council whanau work with and for Māori. Project is delayed by two months due to a specialist staff member leaving which will mean that by August 2019 phase 1 internal portal will be completed. The Stage 2 proof of concept (external iwi participation) is underway with Auckland Transport.

# Auckland Council Q3 financials



## Direct operating performance

(\$ million)	Notes	FY 18	FY 19 Quarter 3 YTD			FY 19
		Actual	Actual	Budget	Variance	Budget
<b>Net direct expenditure<sup>1</sup></b>	<b>A</b>	<b>799</b>	<b>626</b>	<b>654</b>	<b>28</b>	<b>884</b>
<b>Direct revenue<sup>2</sup></b>	<b>B</b>	<b>321</b>	<b>249</b>	<b>233</b>	<b>16</b>	<b>315</b>
Fees & user charges		267	212	203	9	273
Operating grants and subsidies		18	12	12	-	18
Other direct revenue		36	25	18	7	24
<b>Direct expenditure<sup>1</sup></b>	<b>C</b>	<b>1,120</b>	<b>875</b>	<b>887</b>	<b>12</b>	<b>1,199</b>
Employee benefits		500	390	402	12	537
Grants, contributions & sponsorship		119	113	114	1	134
Other direct expenditure		501	372	371	(1)	528
<b>Other key operating lines</b>						
Vested assets	<b>D</b>	226	91	63	28	84
Depreciation and amortisation		261	199	206	8	275
Net interest expense		301	240	238	(2)	323

1. All financials on this page excludes Commercial Property Portfolio

2. Excludes regional fuel tax



## Financial Commentary

**A:** Net direct expenditure continues to be favourable to the revised budget and is expected to remain favourable for the remainder of the year. This was mainly driven from increased regulatory services revenue and lower than expected staff costs due to vacancies.

**B:** Direct revenue continues to increase ahead of revised budget.

- Fees and user charges revenue was \$9m favourable driven by increases in volumes and complexity of resource consents, increases in planner charge out rates, increased billable hours in regulatory engineering and an overall focus on clearing billing backlogs.
- Other direct revenue was \$7m favourable primarily to the accounting of community facilities revenues which were offset by higher directly related costs.

**C:** Direct expenditure continues to be favourable to revised budget, mainly as a result of underspend in employee benefits. Employee benefits were favourable by \$12m due to vacancies, timing of living wage implementation, higher than budgeted capitalisation of employee benefits, reduced ACC levies (\$2m) and lower training costs (\$2m). This was offset against a \$6m overspend on outsourced works, principally in the regulatory division.

**D:** Vested assets are significantly up this year. Of the \$28m favourable to revised budget, \$27m relates to Healthy Waters. During the current year Healthy Waters had \$62m of assets vested, including pipes (\$35m), manholes (\$16m) and water quality devices (\$4m).

# Auckland Council Q3 performance measures

Key performance indicators	Previous	FY 19 Quarter 3		Status	Commentary
	Quarter	Actual	Target		
<p><b>Note:</b> 31 of 78 Auckland Council LTP measures have been updated since quarter one and are presented below.</p> <p>47 of 78 Auckland Council LTP measures are measured annually and not included in the below table. These measures can be found in the LTP document in this <a href="#">link</a>.</p>					
<h2>Community Services</h2>					
The number of internet session at libraries (unique sessions over public computing or public WIFI networks)	3,666,069	5,356,975	5,930,000	Not met	Internet sessions are under target. Both PC and WiFi sessions continue declining towards FY16/17 levels. WiFi sessions, which account for 83% of FYTD internet sessions, have declined by 5% (-233,000 sessions for the FYTD), thus driving the total decline. This may reflect lower demand, possibly due to increasing availability of free WiFi services. More investigations are required to ascertain possible drivers.
The number of visits to library facilities	5,673,836	8,324,989	8,250,000	Met	
The number of participants in activities at art facilities, community centres and hire venues	3,298,989	4,696,052	4,460,168	Met	
The percentage of arts, and culture programmes, grants and activities that are community led	100%				Measured half yearly
The number of library items checked out (including e-items)	7,688,543	11,363,040	10,950,000	Met	
The number of website sessions on Auckland Libraries website (corrected for the percentage of bounces, or non-productive page landings)	3,844,268	5,431,948	5,250,000	Met	

Key performance indicators	Previous	FY 19 Quarter 3		Status	Commentary
	Quarter	Actual	Target		
The percentage of all assets that are graffiti free across the city	96%				Measured half yearly
The number of active library members (members who have used their membership account at least once in the past 12 months)	401,419	402,984	390,000	Met	
<b>Auckland Emergency Management</b>					
The percentage of Aucklanders who are prepared for an emergency	67%				Measured half yearly
The percentage of Aucklanders that have a good understanding of the types of emergencies that could occur in Auckland	79%				Measured half yearly
<b>Waste services</b>					
The volume of domestic kerbside refuse per capita per annum	143kg	135kg	150kg	Met	Result includes estimates of privately collected refuse volumes and market share.
The total number of Resource Recovery Facilities	5	5	6	Not Met	Resource Recovery Network (the network of community recycling centres) development progressing well with Waiuku Community Recycling Centre (CRC) operational since October 2014, Helensville CRC since July 2015, Devonport CRC since March 2016, Waitakere since June 2016, Whangaparoa since August 2017. However, we are slightly behind target due to issues with finding suitable land and obtaining the necessary resource consents for additional sites.
<b>Stormwater Management</b>					
The number of complaints received about the performance of the stormwater system per 1000 properties connected to Auckland Council's stormwater system	0.65	0.75	3	Met	21 faults & blockages reported for March, with a total of 363 faults & blockages reported for FY19. Stormwater network performing as expected.

Key performance indicators	Previous Quarter	FY 19 Quarter 3		Status	Commentary
		Actual	Target		
The percentage of response time during storms to close storm water manholes that are within two hours	97%	99%	90%	Met	The reported actual is a year-to-date result. The result for the quarter of Jan-19 to Mar-19 is 100 percent.
The median response time to attend a flooding event, measured from the time that Auckland Council receives notification to the time that service personnel reach the site	1.08	1.05	2	Met	
Auckland Council stormwater compliance with resource consents for the discharge for its stormwater system, measured by the number of a) abatement notices, b) infringement notices, c) enforcement orders, and d) successful prosecutions, received in relation to those resource consents	0	0	0	Met	No abatement notices were received in Q3, and there have been no previous Abatement notices received to have escalated to infringement, enforcement or prosecution.
The number of flooding events that occur and the associated number of habitable floors affected per 1000 properties connect to Auckland Council's stormwater network	0.25	0.28	1	Met	4 habitable floor flood Work Orders were closed in March with a total of 136 for FY19 so far. Of these, 67 were attended to as emergencies and the remaining 69 were identified through investigations.  Note: does not include events attended to by NZ Fire Service unless customer also requested flooding investigation afterwards.
<b>Regulatory Services</b>					
The percentage of verified noise complaints issued with a formal notice	93%	94%	90%	Met	

Key performance indicators	Previous Quarter	FY 19 Quarter 3		Status	Commentary
		Actual	Target		
Percentage of complainants satisfied with the noise control services	54%	53%	51%	Met	
The percentage of customers satisfied with overall quality of resource consents service delivery	50%	57%	55%	Met	Recent months have seen a general improvement (with the exception of February 2019) followed by a significant improvement in March.
The percentage of non-notified resource consent applications processed within 20 statutory days	67%	69%	100%	Not met	Performance stable compared to previous FY Q3. Significant work underway to enhance operational management of timeliness with training, guidance, and regular reporting.
The percentage of non-notified resource consent applications processed within 10 statutory working days	22%	17%	20%	Not met	Performance stable compared to previous FY Q3. Significant work underway to re-engineer Streamline workstream. Likely to meet year-end LTP target
The percentage of notified resource consent applications processed within statutory time frame	36%	36%	100%	Not met	Performance improved during March to 50%. March is the first month of improvement after four consecutive months of worsening. The small number of notified consents (1% of all consents) and their lengthy and diverse timeframes means that this measure oscillates dramatically month on month.
The percentage of cases of non-compliance for menacing dogs that reach compliance within 3 months	86%	87%	90%	Not met	Results continue to be high. Likely to reach target by the end of the year.
Percentage of licensees satisfied with the food and hygiene licensing service	84%	80%	70%	Met	
The percentage of food premises that improve from a D or E grade to an A, B or C grade when revisited	100%	95%	95%	Met	
Percentage of licensees satisfied with the alcohol licensing service	86%	84%	67%	Met	A small drop in satisfaction this month. Customers are happy with our friendly and helpful staff, but there were a few complaints in relation to our online systems, where customers were unable to pay or submit their application correctly.

Key performance indicators	Previous	FY 19 Quarter 3		Status	Commentary
	Quarter	Actual	Target		
The percentage of off-licence premises that pass a Controlled Purchase Operation targeting underage drinkers	97%	96%	90%	Met	
The percentage of customers satisfied with the overall quality of building consent service delivery	46%	44%	60%	Not met	Satisfaction dropped significantly late 2018/early 2019 but has recovered in latest month. We have recently added property information memoranda to the survey list.
The percentage of building consent applications processed within 20 statutory working days	66%	75%	100%	Not met	Significant improvement in Q3 FY2019 over Q3 FY2018. Indications are that this will continue as April draft results are better.
The percentage of building consent applications processed within 10 statutory working days	5%	8%	20%	Not met	Consistent performance compared to previous financial year. Focus on Qualified Partner applications affects this measure as it is based on volume, not value, and Qualified Paper high value applications are prioritised for more rapid processing