

# Auckland Council

## Quarter 2 Performance Report

**For the 6 months ended 31 December 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 Q2 summary\*

## Highlights, issues & risks for the quarter

Teams from across the Council group came together to quickly and effectively manage the city's response to the [fire at Sky City's International Convention Centre](#). Our teams kept Aucklanders informed and safe.

Our swift responses when dealing with challenging media issues can impact how our people and communities feel about us. The latest [media sentiment results](#) for Nov/Dec 2019 indicated a favourability rating of 54 per cent for the first time in November and then rising to another all-time high of 55 per cent in December.

We have entered a 20-year partnership with kiwi-owned and operated Ecogas Ltd to process weekly food scraps. The service will [help with Auckland's target of reducing the amount of waste going to landfill](#) and help us to grow more food sustainably.

It will be easier and faster for our customers to report maintenance problems as a result of the launch of the new digital platform "Report a Problem".

### Risks

[Traffic disruption](#) as a result of the multiple construction and roading projects is being monitored by working closely with AT and other developers. The ProgressAKL website highlights the future benefits that this short-term disruption will deliver.

We are closely monitoring the situation with the outbreak of [coronavirus \(COVID-19\)](#) to assess the potential impact on our services. We have issued guidelines for our staff following guidance from the Ministry of Health and the World Health Organization.

## Key performance measures highlights




30 of 78 Auckland Council LTP measures have been updated.

19 have been met, 11 have not been met.

The percentage of building consent applications processed within 20 statutory working days has steadily improved over the first six months. Our customer satisfaction results have also seen a positive increase over this time.

The number of library items checked out (including e-items) continues to increase. Auckland libraries is in the small group of libraries around the world that achieved more than 2 million e-book checkouts in 2019.

## Financials (\$million)

Financials (\$million)	YTD actual	YTD budget	Actual vs Budget
Capital expenditure	294	384	(90)
Direct revenue <sup>1</sup>	206	189	 17
Direct expenditure	687	676	 11
Net direct expenditure <sup>1</sup>	481	487	 6

Overall, we are on track. Capital expenditure was \$294 million for the six-month period, up \$58m from the same period last year.

Net direct expenditure was on track with a 1.2% variance against budget.

Key highlights include:

- \$45 million of America's Cup capital works delivered, including the [demolition of Bulk Storage Terminal tanks](#) that will lead to an enhanced Silo Park Extension (new public open space).
- \$27 million of Water Quality Targeted Rate funded projects delivered, up \$23 million from the same period last year, with [central city stormwater projects](#) well-underway.

## Looking ahead

[Water conservation efforts](#) across the region to continue as we explore ways of reducing water usage at our facilities

Consultation with Aucklanders on the [Annual Budget 2020/2021](#) will run from 21 February to 22 March 2020.

[Climate actions](#) relating to emissions reduction and building resilience to climate change continue to be developed across the group.

\* 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 6 months to 31 December 2019, \$27.46 million was invested on water quality improvement projects against a year to date budget of \$26.88 million. The slight variance against budget is due to the Daldy Street stormwater project progressing faster than expected.**

### Highlights

- The St Marys Bay and Masefield Beach stormwater project is underway, following successful Environment Court proceedings. A dawn blessing with mana whenua was held for the project in December and physical enabling works have begun. The project is planned to be completed by May 2021.
- The Daldy Street stormwater outfall extension is ahead of schedule with ground stabilisation and pipe laying currently underway. The project is being delivered by the Wynyard Edge Alliance and is planned to be completed by June 2020.
- The Ōtāhuhu town centre transformation has been expanded with targeted rate funding to include more water quality treatment, managing stormwater run-off through rain gardens.
- Construction of the Okahu Bay targeted separation project began in October. The project will separate stormwater and wastewater from 171 properties and construct 4.5km of new stormwater network. The project is planned to be completed by December 2021.
- Contractors are now using a new council digital inspection app to electronically report the condition of systems, reducing staff processing time by 80 per cent.

### Issues/Risks

- We are working closely with Auckland Transport and other major developers to coordinate traffic management across the multiple construction and roading projects that are on the go simultaneously across the city. The [ProgressAKL](#) campaign is also promoting the benefits that this short-term disruption will deliver in the future.
- Early engagement with suppliers and a strategic approach to procurement is helping us to manage increased costs and demand for construction materials, labour and professional services and all programmes are currently on track.

## 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 programmes	Status	Description	Commentary
Western isthmus water quality improvement programme	<b>On track</b>	Delivery of improved infrastructure to reduce wastewater overflows into Waitematā Harbour and reduce stormwater volumes into Manukau Harbour.	In addition to the major capital projects currently underway at Daldy Street, Freemans Bay, and St Marys Bay, business cases are being developed for network upgrades and separation in Waterview, Ōwairaka, Westmere, St Marys Bay, and Herne Bay.
Contaminant reduction	<b>On track</b>	Programme to reduce the amount of contaminants (including litter, sediment and road pollutants) entering waterways across the region.	The Okahu Bay targeted separation is on track. Additional projects are being finalised including Quay Street improvements and upgrades to Hurstmere Road.
Urban and rural stream rehabilitation	<b>On track</b>	Stream restoration projects to improve ecological health of streams and reduce flow of contaminants into harbours.	The annual community grant funding to support riparian fencing and planting of private streams has been released for public applications.
Onsite wastewater systems	<b>On track</b>	Compliance programme to ensure private onsite wastewater systems are regularly inspected and maintained to reduce amount of wastewater overflows.	Consultation on the Waitākere pump out scheme will occur through the 2020/2021 annual plan process. Staff are reviewing the next areas for investigation in conjunction with Safe Networks monitoring.
Safe networks	<b>On track</b>	Investigate and eliminate sources of faecal contaminants that are discharging from the stormwater network and watercourses at popular swimming spots.	Safe networks staff continue to progress and complete investigations, including 19 outlet screening investigations initiated this quarter. Detailed investigations to identify sources of contamination in sub-catchments are also in progress.

# Strategic focus area – Natural environment programme

## Key commentary

For the 6 months to 31 December 2019, a total of \$11 million was invested in the natural environment programme against a budget of \$10.7 million.

### Highlights

- 10 kilometres of track have been upgraded to meet national kauri dieback standards, with 47 additional tracks in construction and a further 143 tracks being designed. 25 kauri dieback ambassadors spent over 4,300 hours at regional and local parks educating people on how to protect our kauri.
- We are cracking down on people who ignore track closures. Four targeted compliance checks for park track closures took place across the Auckland region. 23 trespass notices, 14 provisional trespass notices and 15 warnings were issued. Escalated enforcement action was initiated in November against an individual with the hearing deferred to March 2020.
- More communities are now looking after the natural environment across approximately 60 per cent of the Tāmaki Makaurau region (299,000ha), supported by funding from the Natural Environment Targeted Rate. For example, Te Korowai o Waiheke stoat eradication has begun with 1,500 traps installed across 400 properties. \$500,000 was allocated to top up the Regional Environment and Natural Heritage Grant and provide support for 13 community conservation projects. Educational conservation workshops were delivered to 70 early childhood centres.
- Pest animal and plant control and monitoring has been expanded both on and off council park land, including at 420 known low incidence pest plant sites. 80 feral pigs were eradicated from the Waitākere Ranges.

### Issues/Risks

- The blanket consent to upgrade tracks in the Waitākere Ranges Significant Ecological Area is still pending approval, which risks delaying the summer schedule. Construction work is underway in low risk areas to ensure that progress continues across the wider programme.

## 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 programmes	Status	Description	Commentary
Plant pathogen management	On track	Delivering infrastructure and interventions to decrease the risk of spread and reduce the impact of kauri dieback disease.	Construction of tracks has increased as we make the most of dry summer conditions. The surveillance programme for the Gulf Islands and local parks has commenced. Field investigations are being carried out into the effects of phosphate on improving immunity of diseased trees. We are consulting with stakeholders about a research and treatment plan for the next five years.
Mainland and freshwater	On track	Delivering biodiversity and biosecurity activities across mainland and freshwater ecosystems.	Expanded pest plant and animal control on high value ecological sites within mainland regional parks is on track. Pest fish monitoring, control and user surveys are being done in high priority freshwater lakes (Rototoa and Tomorata).
Expanding community action	On track	Supporting an increasing number of community groups, iwi, schools and households to undertake pest control and ecological	The Community Coordination and Facilitation Grant assessments and allocation of grants to community groups is underway with \$740,000 to allocate (including some funding from the water quality targeted rate).
Islands and marine	On track	Delivering biodiversity and biosecurity activities across marine ecosystems and Hauraki Gulf Islands, including pest pathway management.	Plans to eradicate pests from Kawau Island are being developed with iwi and the Department of Conservation prior to community engagement. A busy summer field season for expanded seabird monitoring is underway on the outer Hauraki Gulf islands.
Enabling tools	On track	Delivering ICT infrastructure and monitoring framework required to support the natural environment targeted rate programmes.	Development, testing and roll out of a spatial bio database, customer relationship management tool and Auckland Conservation website.

# Strategic focus area – Waste

## Key commentary

**For the 6 months to 31 December 2019, \$53.08 million was invested in waste solutions against a budget of \$53.02 million.**

### Highlights

- Procurement for the integrated waste collection services (including refuse, recycling and food scraps collections) was approved by the Strategic Procurement Committee in December. The contract is on target to commence in July 2020.
- The food scraps processing contract was signed in December. EcoGas Limited will process kerbside food scraps using anaerobic digestion technology, producing biogas which will be used for sustainable food production. EcoGas Limited will accept food scraps for processing through a two staged rollout beginning in October 2021 and again in October 2022.
- Auckland Council, TROW Group, and Green Way partnership won the Partnering for Good Award at the NZI Sustainable Business Network Awards 2019. The partnership demonstrates how the building industry can do things differently by rethinking about waste as a resource in deconstruction projects.
- Waste Solutions' customer satisfaction and customer effort scored 72.3 per cent, an increase compared to 67 per cent for the same period last year. A particularly outstanding month was October with a score of 76 per cent.
- A political working group was established to develop a council submission advocating to increase and expand the waste levy.

### Issues/Risks

- Identifying overseas markets for the mixed plastic and mixed paper sorted at VISY is challenging. There is a risk that these materials may be land-filled if alternative markets cannot be found. Council staff are looking at local solutions. We are also looking at how VISY can further sort and improve the quality of recycling.

## Strategic context

The Waste Management and Minimisation Plan seeks to reduce waste to landfill volumes, with a focus on reducing construction and demolition waste, the resource recovery network and reducing food waste. We are managing illegal dumping by improving awareness of alternatives and increasing enforcement. Offshore processing of some types of plastic and paper waste has ceased in some countries, creating a need to actively manage recyclables within New Zealand.

Key programmes	Status	Description	Commentary
Resource recovery network	<b>On track</b>	Establishing a network of 12 community recycling centres operating throughout the region by 2025.	Eight community recycling centres have been established. A further three in Waiheke, Western Springs and Onehunga are in development and expected to open by 2020/2021.
Food scraps	<b>On track</b>	Rates-funded, weekly kerbside collection of food scraps provided to all households in urban areas.	The contracts for food scraps collections and processing were awarded in December. The processing contract was awarded to EcoGas Limited based in Reporoa. Procurement of kitchen caddies and kerbside bins for households is underway.
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.	Senior Waste Planning Advisor for Construction and Demolition Waste, Mark Roberts, has been awarded a 2019 Winston Churchill Memorial Trust Fellowship. Mark will travel to North America in April to investigate community-led 'deconstruction hubs'.
Illegal dumping and enforcement	<b>On track</b>	Actively enforce litter and illegal dumping infringements under the Litter Act.	94 litter infringement notices were issued in quarter two. In December, a communication and engagement campaign gave people options on how to dispose of the increased amount of waste over the Christmas holiday period.
Markets for recyclables	<b>On track</b>	All processed, recyclable material is diverted from landfill and recycled through reputable companies.	We are identifying alternative markets and uses for recyclables. Council is involved in the national resource recovery task force analysing the national recycling situation and potential solutions.

# Strategic focus area – Regulatory

## Key commentary

**For the 6 months to 31 December 2019, the increased volume and complexity of consents resulted in fee revenue of \$124 million against a budget of \$116 million. Despite outsourced costs being above budget to meet demand, overall direct expenditure was on budget.**

### Highlights

- Process enhancements, closer monitoring and increased staff training and development is helping the continual improvement in statutory processing times. In December, we reached 89% compliance against statutory reporting times for Building Consents and 73% for Resource Consents.
- Project Springfield, our ICT enhancement project, has achieved multiple time savings across process steps (from a few seconds to several minutes). This included the urgent purchase of storage hardware over the Christmas break to address key bottlenecks. Multiplied by the number of consents processed, this means significant time savings.
- We have increased our proactive monitoring (above legislative requirements) of food and alcohol premises with the goal of further reducing potential risks. The initial focus has been revisiting previously non-compliant alcohol premises.
- We achieved 100% completion of our internal audit schedule of accredited functions (Building Consents and Environmental Health). This gives our external accreditors greater confidence in our internal quality systems.

### Issues/Risks

- We are continually upskilling our staff to manage consent applications which continue to be more complex, particularly building consents of Residential 3 complexity or above.
- Kāinga Ora (Housing NZ) have recruited a number of skilled staff and may continue to do so as they expand. We are working with Kāinga Ora and have initiated a number of internal actions to retain staff.
- The November Special Assessment of the Building Consents department identified 9 General Non-Compliances. To mitigate this, we have implemented a number of processes and training improvements, with associated internal audits to be done in Feb/March 2020 to ensure compliance.

## Strategic context

Regulatory Services ensures that Aucklanders live in secure, healthy, and affordable homes by managing the risk associated with the built form for Auckland.

They also enable Aucklanders to preserve, protect and care for the natural environment and to maximise the many opportunities for Auckland to deliver a better standard of living.

They ensure Aucklanders are kept safe and well through compliance work, animal management, alcohol licensing and environmental health.

Key programmes	Status	Description	Commentary
Business Optimisation	On track	Improving the efficiency of our processes, with a focus on timeliness and customer satisfaction.	Project Springfield has delivered multiple speed improvements to our core systems, and has further improvements to deliver. Our Lodgement and Request for Information Agile sprints are developing a suite of recommendations for delivery.
Culture and Capability	On track	Improving the skills and engagement of our people, with an initial focus on foundational training.	The vision and strategy are being finalised. There is a continued focus within the divisions with programmes and initiatives to enhance culture and capability. Quarterly People Leader forum sessions will enhance leadership capability and equip the group with effective tools.
Customer and Stakeholder	On track	Improving customer and stakeholder experience, with an initial focus on communication and information sharing.	We are improving our website to make information easier to access and enable customers to more rapidly apply or request the product or service they need.
Consent Auditing Programme	On track	A programme of works to ensure data relating to resource consent and building consent timeliness is accurately recorded in the system.	Both Building Consents and Resource Consents have staffed dedicated teams who are auditing 100% of completed consents for documentary evidence. Data quality rates are improving with the next milestone an Audit NZ review in February 2020.

# Strategic focus area – Community investment

## Key commentary

**For the 6 months to 31 December 2019, Customer & Community had net direct expenditure of \$203.9 million against a budget of \$204.8 million. Capital expenditure was \$89.4 million against a budget of \$104.2 million.**

### Highlights

- AKL Paths Digital has had over 400,000 web hits since officially going live, and in response to customer feedback we are adding features to the service content. We have added 270 public drinking fountain locations to support the Wai Auckland partnership, and it's supported the Kauri Dieback programme and Auckland Transport - Active Transport campaigns.
- We have completed Te Kete Rukuruku programme. This has been developed by and with mana whenua to implement the Māori Language Policy, increase the visibility of Māori names and associated narratives and build and maintain good practice within Council in relation to our matauranga (knowledge) management systems.
- The popularity of eBooks and eAudiobooks continues to grow and exceed expectations. In 2019 approximately 2.6 million eBooks, eAudiobooks and eMagazines were borrowed; a 13% increase on 2018. On OverDrive alone we exceeded 2.2 million checkouts; putting Auckland Libraries in the small group of libraries (37) around the world that achieved more than 2 million eBook checkouts in 2019.

### Issues/Risks

- Additional security personnel (long and short term) and the upgrade of facilities continues to be a challenge in our community facilities.
- We are assessing our risk exposure relating to seismic and asbestos in our buildings and we have closed Ley's Institute because of its high seismic risk.

## Strategic context

We are increasing participation and use across all our community and recreational spaces, contributing to community wellbeing and a sense of belonging. 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 the community also occurs through grants, leases and partnerships.

Auckland Emergency management builds resilient communities.

Customer Services manages all interactions with our customers.

Key programmes	Status	Description	Commentary
Service Programmes	<b>On track</b>	The Sport Facilities Investment Fund is a \$120 million, 10-year fund to invest and partner with organisations who are developing significant sport and recreation facilities.	The budget for the fund is \$7m. Expressions of interest closed early November and final proposals are due in December. The funding recommendations will go to the Governing Body in March. \$1.46m has been paid this year from last year's allocation.
Renewal of existing assets	<b>Slight delay</b>	Renewals programme across all local board community assets and community regional assets, including assets required to run the service.	95 projects completed in Q2 ranging from minor fixtures replacement to comprehensive renewals. This included refurbishments at Tupu Library, Grey Lynn and Glen Innes community centres, Stanmore Bay Leisure centre, Parnell Baths and a number of other playground and toilet renewals across the region. Forecasting 88% completion of programme at year-end due to timing delays.
Growth and development	<b>Slight delay</b>	Growth projects and new development in regional and local parks, play, sports and walkway recreation space and includes public art and Te Waka Tai-ranga-whenua.	14 projects completed in Q2 to add or improve to our existing assets, including Boggust Park improvements, installation of life rings at high risk coastal areas and a new toilet at Fowlds Park.
Land Acquisition	<b>On track</b>	Acquisition of open space programme.	Delivery of \$1.6 million represents 3% of the full year budget. This is due to delays in settlements. Forecast for year end is \$43.2 million (76%).

# WORKFLOW PIPELINE

KEY: Progress & Status  
 On track – Monitor – Issue

## ONE LOCAL INITIATIVE 10 YEAR PROGRAMME

	ESTIMATED FUNDING \$M	SECURED FUNDING \$M	PROJECT SPEND \$M	Strategic Assessment	Initiate Business Case	Plan Design-Award	Deliver	Close	COMMENTS
<b>Albert-Eden Local Board – Chamberlain Park</b> Masterplan delivery for operation of a reconfigured golf course, driving range, sports fields and park improvements.	22	1.87	0.57	FY19	FY20	FY21	FY22	FY24	<b>OLI scope re-set</b> - The local board have agreed to retain the 18-hole golf course, development of a local park western site end, creek restoration and delivery of walking tracks / cycleways. The OLI scope and next steps will be confirmed in early 2020.
				Current Directorate Owner: Customer & Community Services (Community Facilities)					
<b>Devonport-Takapuna Local Board – Lake Road*</b> Address Lake Road congestion issues.	47	47	0.8	FY19	FY20	-	-	-	<b>Timing on track</b> - Public consultation on early deliverables completed in December 2019. Preferred design for main project underway.
				Current CCO Owner: Auckland Transport					
<b>Franklin Local Board – Karaka Sports Park</b> Park development including multi-sports facility and sports field upgrades.	38	0.25	0.1	FY19	FY20	FY21	FY22	FY24	<b>Detailed Business Case Phase - Timing on track</b> The detailed business case is progressing on track.
				Current Directorate Owner: Customer & Community Services (Community Facilities)					
<b>Great Barrier Local Board – Solar and EV infrastructure</b>	0.3	0.3	0.3	FY18	FY19	FY19	FY19	FY19	<b>Complete</b>
				Current Directorate Owner: Customer & Community Services (Community Facilities)					
<b>Henderson-Massey Local Board – Land Acquisition to enable Aquatic Facility &amp; Sports Fields</b> Acquire land in the North West to prepare for a swimming pool and new sports fields within the Redhills precinct.	25.6	25	0.01	FY18	FY20	-	FY25-35	FY26-36	<b>Timing on track</b> - Investigation and options analysis ongoing for land acquisition. Indicative business case progresses on track for the aquatic facility. Masterplan pending for Redhills and sports provision.
				Current Directorate Owner: Chief Planning Office (Community & Social Policy)					
<b>Hibiscus &amp; Bays Local Board – Orewa Beach Northern (N) &amp; Southern (S)</b> - Protection of the northern reserve from coastal erosion. Investigation of options for the southern extent of Orewa Beach including Orewa Estuary.	18	9.3	1.7	FY18	FY20	-	FY19-28	FY28	<b>Timing delay for Northern</b> – Pending outcome of the Environment Court hearing. <b>Timing on track for Southern</b> – Analysis options are being progressed with local board update workshops during first half 2020.
				Current Directorate Owner: Customer & Community Services (Community Parks & Places)					
<b>Howick Local Board – Flat Bush Library &amp; Community Centre</b> Design and construction of a library and community centre.	35	35	0.45	FY18	FY19	FY20-22	FY21-23	FY24	<b>Timing on track</b> - The Ormiston town centre location has been approved and procurement of the design team is underway.
				Current Directorate Owner: Customer & Community Services (Community Facilities)					
<b>Howick Local Board – Flat Bush Aquatic &amp; Recreation Centre</b> Design and construction of an aquatic and recreation centre.	48	48	0.01	FY18	FY20-21	FY22-24	FY25-26	FY27	<b>Timing on track</b> - Approved location is Barry Curtis Park. Key findings from community engagement will be shared with the local board in February.
				Current Directorate Owner: Customer & Community Services (Service Strategy & Integration)					
<b>Kaipātiki Local Board – Birkenhead War Memorial Park</b> Phase 1: Demolition of grandstand – completed. Phase 2: Deliver OLI components of the Masterplan.	22	8	0.17	FY18	FY20	FY21-22	FY22	FY23	<b>Timing on track</b> - Service requirements and detailed business case phase are now underway for the OLI components of the Masterplan implementation plan: Multi-sport facility and swimming pool improvements.
				Current Directorate Owner: Customer & Community Services (Service Strategy & Integration)					
<b>Māngere-Ōtāhuhu Local Board – Māngere East Precinct</b> Acquisition of land and planning to enable improvements within the Māngere East precinct.	6.8	5.3	0.01	FY18	FY20	-	-	-	<b>Timing delays due to land acquisition status</b> - A critical land acquisition has fallen through and an OLI re-scope has been undertaken. The Local Board has developed five new initiatives. These will be progressed for approval.
				Current Directorate Owner: Governance Division (Local Board Services)					
<b>Manurewa Local Board – Manurewa War Memorial Park</b> Development of a multi-purpose facility and sports field upgrades.	17	0.3	0.07	FY19	FY20	FY21	FY23-24	FY25	<b>Detailed Business Case Phase - Timing on track</b> - The detailed business case is progressing on track.
				Current Directorate Owner: Customer & Community Services (Community Facilities)					
<b>Maungakiekie-Tāmaki Local Board – Onehunga Transport Interchange*</b> Assessment of a multi-transport interchange at the current Onehunga train station / car park.	-	-	0.03	FY18	FY20	-	-	-	<b>Timing delays due to project clarification</b> - AT are progressing options investigation with Panuku and will report back to the Local Board within FY20.
				Current CCO Owner: Auckland Transport					

Note: Workflow timelines will be developed once strategic assessment/initiate phases are complete. Timelines are as indicated at Committee September 2017 or a forecasted estimate

\*Description confirmed or supplied by Auckland Transport  
 \*\* Detailed Business Case Phase



ONE LOCAL INITIATIVE 10 YEAR PROGRAMME	ESTIMATED FUNDING \$'M			WORKFLOW PIPELINE					COMMENTS
	ESTIMATED FUNDING \$'M	SECURED FUNDING \$'M	PROJECT SPEND \$'M	Strategic Assessment	Initiate Business Case	Plan Design-Award	Deliver	Close	
<b>Ōrākei Local Board – Meadowbank-Kohimarama connectivity project*</b> - Active transport mode connection between Meadowbank & the Glen Innes to Tamaki Drive Shared Path, & Kohimarama and the GI2TD.	15.5	6.6	0.02	FY18	FY19-20	-	-	-	<b>Cost Risk</b> - The project is at risk due to cost estimates (\$15.5M) exceeding current funding provision (\$6.6M). A detailed business case will be progressed in early 2020, funded by the Local Board.
<b>Ōtara-Papatoetoe Local Board – Ngāti Ōtara Park</b> Design and construction of the multipurpose facility in Ngāti Ōtara Park including storeroom and commercial laundry.	6.3	6.3	0.98	FY18	FY19	FY20	FY20-21	FY21	<b>Timing on track</b> - Approved as an OLI by the Finance & Performance Committee now progressing to delivery in early February 2020.
<b>Ōtara-Papatoetoe Local Board – Colin Dale Motorsport Park</b> Remove or reduce the burden of annual charges for Colin Dale Motorsports Park.	2.8	2.8	2.8	FY18	-	-	-	FY19	<b>Project Complete</b>
<b>Papakura Local Board – Train Station Park &amp; Ride*</b> Construction of a multi-storey car parking building for Park and Ride at the Papakura Train Station.	25+	11.7	0.05	FY18	FY20	-	-	-	<b>Costs exceed RLTP budget</b> - Independent costing review presented to the board during December 2019. Funding shortfall options and next steps now under consideration.
<b>Puketāpapa Local Board – Liston Village</b> Provision of housing for the elderly and improvements to the entrance of Monte Cecilia Park.	17-33	0	0	FY19-20	FY20	FY21	FY22	FY23	<b>Timing on track</b> – The Local Board supported two development options at the August 2019 business meeting. A follow up workshop was held in December 2019 with a report to the Governing Body proposed for April / May 2020.
<b>Rodney Local Board – Local Indoor Courts</b> Delivery of a local multi-sport indoor court facility at Huapai.	22.4	1.25	0.03	FY19	FY20	FY21	FY22-24	FY25	<b>Detailed Business Case Phase - Timing on track</b> - Service requirements and detailed business case phase are underway for the project.
<b>Upper Harbour Local Board – Sub-Regional Indoor Courts</b> - Construct a sub-regional four court multi-sport facility. Identify suitable locations including Whenuapai or Hobsonville.	25.6	0.75	0.05	FY19	FY20	FY21-22	FY23	FY24	<b>Detailed Business Case Phase - Timing on track</b> - Service requirements and detailed business case phase are underway for the project.
<b>Waitākere Ranges Local Board – Glen Eden Town Centre</b> - Refresh the Glen Eden town centre implementation plan. Acquire land and develop a civic space.	21	4.6	3.9	FY18	FY20	FY21	FY22	FY24	<b>Detailed Business Case Phase - Timing on track</b> - The detailed business case is progressing on track.
<b>Waitematā Local Board – Ponsonby Park</b> Develop full site at 254 Ponsonby Road into a civic space and provide toilet facilities.	6-9	5.6	0.05	FY19	FY20	FY20	FY21	FY23	<b>Detailed Business Case Phase - Timing on track.</b> The detailed business case is progressing on track. A funding allocation of \$5.5m is being sought from the Town Centre Revitalisation funds at the 19 March 2020 Finance & Performance Committee.
<b>Whau Local Board – Aquatic &amp; Recreation Centre</b> Acquire land and develop an aquatic and recreation facility.	104	104	0.02	FY19	FY21	FY23	FY25	FY27	<b>Timing on track</b> - Planning is underway for location options analysis to support land acquisition.
<b>Waiheke Local Board – Matiatia Masterplan*</b> Development of a masterplan for Matiatia and implementation.	-	15.3	0.02	FY18	FY19-20	-	FY21	FY25	<b>Timing delays</b> - NZTA co-funding for single stage business case for landside transport improvements has been approved and is being progressed by AT. Non-transport initiatives under consideration for funding by AC / Local Board.

KEY: Progress & Status  
 On track – Monitor – Issue

Note: Workflow timelines will be developed once strategic assessment/initiate phases are complete. Timelines are as indicated at Committee September 2017 or a forecasted estimate

\*Description confirmed or supplied by Auckland Transport  
 \*\* Detailed Business Case Phase

## Other focus areas

### Customer experience

Successful launch of online Request for Service has resulted in over 20,000 RFS jobs logged, 20% of these using the new online service. A comprehensive public awareness programme commences this month of this new online service.

Active Recreation's website refresh implemented on 2 December 2019 resulting in easier to access information and services. Next step will be to incorporate self-service tools for customers.

Customer satisfaction levels remain high across our services with 95% for libraries, 95% for regional parks and 87% for local parks, 85% for community facilities and 84% for venues.

*Note – the satisfaction is for July to December YTD, and the 84% for venues is described in the BUZZ Customer Experience Monitor as community hirers.*

### Climate change

Refinement of Te Taruke a Tawhiri: Auckland's Climate Action Framework following consultation input progressed alongside various activities to increase elected member and organisational awareness and understanding of Council's organisational and regional commitments.

A package of climate actions were developed for consideration within the Mayor's Annual Plan proposal. These included proposals to reduce emissions associated with Auckland Council fleet, replacement of gas boilers in community facilities, a review of the Unitary Plan and a consolidated climate communication and engagement campaign.

Climate actions related to the framework continue to be developed and costed for the climate action lane of the LTP in collaboration with teams across council and CCOs. These include actions relating to emissions reduction and building resilience to climate change to deliver against our target to keep within 1.5 degrees of warming.

Climate impact statements are now included in every report to committee and local boards.

### Contribution towards Māori outcomes (Auckland Council) \* FY19-FY21 priorities

#### 1. Māori Housing & Papakāinga:

The Māori Housing unit continues to provide opportunities, enhanced support, and facilitation for Māori organisations to develop affordable and papakāinga housing. Three grants (\$450k total) allocated in FY19/20 to support papakāinga housing projects.

#### 2. Whānau & Tamariki Wellbeing:

Council and mana whenua are working to deliver a second māra hupara (traditional Māori playground) in Birkenhead War Memorial Park.

#### 3. Marae development:

Cultural Initiatives Fund allocated \$762k to support marae projects. Marae Infrastructure Programme delivering the pilot programme and undertaking urgent works at seven marae.

#### 4. Te Reo Māori\*:

Council group is supporting planning and delivery of Te Matatini 2021. Council is progressing collaborative design with mana whenua of māra hupara at Birkenhead War Memorial Park. Te Kete Rukuruku is progressing with mana whenua working towards handing over names and narratives between Q4 and Q1 FY20/21.

#### 5. Māori Identity and Culture

The Māori Cultural Heritage programme added an incentives programme for sites of significance located on private land. Council is supporting the Waitakere Arts and Culture Development Trust to establish a Māori Arts Centre.

#### 6. Māori Business, Tourism & Employment\*

He Waka Eke Noa - social procurement initiative that supports both Māori businesses and buyers. The Whāu cafe and kiosk were successfully opened December 2019.

#### 7. Realising Rangatahi potential

Rangatahi engagement / Māori education plan programme - trialling ways of enhancing rangatahi Māori leadership and participation.

#### 8. Kaitiakitanga (particularly water)\*

Mana whenua being supported to input into the Puhinui Awa Regeneration Strategy/Work Programme. Māori Outcomes funding is supporting iwi to integrate cultural narrative into the Pūhoi to Pākari Trail Development. Rangatira-ki-te-rangatira engagement began between MWKF and new councillors around Te Tāruke-ā-Tāwhiri: Auckland's climate action framework.

#### 9. Effective Māori participation

Council continue to fund and support the Mana Whenua Kaitiaki Forum with the annual funding level increased to \$1.26 million. Council and mana whenua are progressing their collaboration to co-design and implement an improved Cultural Value Assessment process.

#### 10. Organisational Effectiveness (internal)

Council continues to deliver MAHI (council's internal employment strategy).

# Auckland Council Q2 financials



## Direct operating performance

(\$ million)	Notes	FY 19	FY 20 Quarter 2 YTD			FY 20
		Actual	Actual	Budget	Variance	Budget
<b>Net direct expenditure<sup>1</sup></b>	<b>A</b>	<b>865</b>	<b>481</b>	<b>487</b>	<b>6</b>	<b>957</b>
<b>Direct revenue<sup>2</sup></b>	<b>B</b>	<b>347</b>	<b>206</b>	<b>189</b>	<b>17</b>	<b>360</b>
Fees & user charges		287	168	156	12	296
Operating grants and subsidies		21	10	10	-	17
Other direct revenue		39	28	23	5	47
<b>Direct expenditure<sup>1</sup></b>		<b>1,212</b>	<b>687</b>	<b>676</b>	<b>(11)</b>	<b>1,317</b>
Employee benefits	<b>C</b>	531	295	283	(12)	567
Grants, contributions & sponsorship		130	103	103	-	144
Other direct expenditure		551	289	290	1	606
<b>Other key operating lines</b>						
Vested assets		119	59	54	5	99
Depreciation and amortisation		267	134	140	6	280
Net interest expense		330	141	148	7	294

1. All financials on this page excludes Panuku Managed Activities

2. Excludes regional fuel tax



## Financial Commentary

**A:** Net direct expenditure was \$6m favourable against budget for the first half of the 2019/2020 financial year. This was largely driven by strong revenue growth which has offset unfavourable employee benefits variances.

**B:** Majority of the revenue growth was attributed to Regulatory Services, particularly in Building and Resource Consents. This was mainly a result of processing more complex and higher value consents for both types of consents. Notably, statutory timeframe performance has also improved by around 8-10% for Resource Consents over the prior period which has resulted in lower statutory discounts being applied.

**C:** Employee benefits was \$12m unfavourable mainly as a result of redundancy payments, higher than expected Holidays Act remediation costs and staff cost pressure to meet increased demand from council services.

Redundancy costs in the 6 months to December 2019 were \$7m, due to organisational structure changes to remove duplication and improve efficiency by reducing management layers and increasing spans of control. Redundancy costs are not budgeted for. These organisational structure changes contribute towards meeting the chief executive's objectives for full-time equivalent employees, salaries & wages costs and efficiency savings.

# Auckland Council Q2 financials



## Capital performance

(\$ million)	FY 19	FY 20 Quarter 2 YTD			FY 20
	Actual	Actual	Budget	Variance	Budget
<b>Auckland Council gross capital expenditure</b>	<b>542.9</b>	<b>293.8</b>	<b>383.9</b>	<b>(90.1)</b>	<b>886.1</b>
Community Facilities	215.2	78.8	116.6	(37.8)	279.0
Development Programme Office	58.5	43.1	52.4	(9.3)	138.5
America's Cup	56.2	44.9	56.3	(11.4)	85.1
Healthy Waters <i>excluding WQTR</i>	104.2	52.7	28.1	24.6	85.2
Water Quality Targeted Rate (WQTR) projects	19.1	26.5	24.7	1.8	53.3
Corporate property and support services	12.9	10.1	39.6	(29.5)	77.2
Information communication and technology	36.9	13.5	9.8	3.7	28.3
Parks, Sports and Recreation	9.0	3.9	5.4	(1.5)	17.5
Libraries and information	13.6	6.7	9.1	(2.4)	16.0
Other Auckland Council capital projects	17.3	13.6	41.9	(28.3)	106.0



## Key Commentary

Auckland Council's overall capital expenditure is within its budget at 77% for the six months to 31 December 2019.

### Key community highlights include:

- Public Arts projects progressing well, with three projects due to be completed in the next quarter and five on track to be completed in quarter four.
- Full delivery of Coastal programme expected for the current financial year with key projects such as the Huia Domain Seawall and the Shelly Beach recreation reserve already completed.
- Early delivery of Onehunga War Memorial Pool renewal is also expected to be completed in this financial year, but with a slight delay in the renewal of Albany Pool.

America's Cup construction programme is on track to be completed by November 2020, with final bases targeted for June 2020 delivery.

Majority of Healthy Waters projects are delivering ahead of schedule. However, the emergency renewal of a culvert in Lynn Reserve, which collapsed suddenly was not budgeted for. Staff tracking expenditure closely to ensure overall programme affordability.

# Auckland Council Q2 performance measures

Key performance indicators	Previous	FY 20 Quarter 2		Status	Commentary
	Period	Actual YTD	Target		
Previous period refers to previous YTD quarter unless specified otherwise.					
30 of 78 Auckland Council LTP measures have been updated and are presented below – 19 has been met / 11 has not been met					
<b>Community Services</b>					
The number of internet session at libraries (unique sessions over public computing or public WIFI networks)	1,726,308	3,368,865	4,006,179	Not met	A declining trend across Auckland for internet sessions at libraries reflecting better and more affordable data plans, as well as greater availability of free WiFi throughout the city. Franklin and Waitākere Ranges internet sessions increased compared to this time last year, suggesting that demand for internet access is greater in rural areas compared to more urban areas where alternative free WiFi may be available.
The number of visits to library facilities	2,854,639	5,500,875	5,362,151	Met	
The number of participants in activities at art facilities, community centres and hire venues	1,591,092	3,692,785	3,031,779	Met	
The number of library items checked out (including e-items)	4,007,425	7,693,223	7,138,544	Met	
The number of website sessions on Auckland Libraries website (corrected for the percentage of bounces, or non-productive page landings)	1,574,623	2,782,708	3,622,790	Not met	Under target due to a change in website structure and consolidation of domains (URLs). The review of analytics methodology revealed incorrect cross-domain tracking had previously increased session numbers. <i>(We expect to be under target at year-end as target was set using incorrect methodology)</i>
The percentage of all assets that are graffiti free across the city	96% (FY19)	96%	95%	Met	Highest annual score achieved since 2011. Since March 2019 survey, the significant improvements were in Otara-Papatoetoe, Mangere-Otahuhu, Orakei, Devonport-Takapuna, and Waitemātā.
The number of active library members (members who have used their membership account at least once in the past 12 months)	414,995	414,843	390,000	Met	

Key performance indicators	Previous period	FY 20 Quarter 2		Status	Commentary
		Actual	Target		
<b>Auckland Emergency Management</b>					
The percentage of Aucklanders who are prepared for an emergency	64% (FY19)	68%	65%	Met	
The percentage of Aucklanders that have a good understanding of the types of emergencies that could occur in Auckland	81% (FY19)	83%	75%	Met	
<b>Waste services</b>					
The volume of domestic kerbside refuse per capita per annum	134kg	137kg	144kg	Met	
The total number of Resource Recovery Facilities	8	8	6	Met	
<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	0.28	0.47	3	Met	
The percentage of response time during storms to close storm water manholes that are within three hours	84%	97%	90%	Met	
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	0.74	0.8	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	

Key performance indicators	Previous	FY 20 Quarter 2		Status	Commentary
	Period	Actual	Target		
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	0.04	0.07	0.8	Met	<i>Note: The figures reported on do not include events attended to only by NZ Fire Service, unless the customer requested a flooding investigation by Healthy Waters afterwards.</i>
<b>Regulatory Services</b>					
The percentage of verified noise complaints issued with a formal notice	98%	96%	99%	Not met	In cases where a formal notice was not issued, the excessive noise had stopped while the officer was on site. However, these are still included in the total number of complaints.
Percentage of complainants satisfied with the noise control services	51%	47%	60%	Not met	Performance has been worsening for an extended period. Customers are split between those who receive a prompt response and resolution, and those who get neither. There is some customer frustration about not knowing what the outcome of their calls has been. Some customers are also frustrated with the daytime shut down and the amount of time on hold.
The percentage of customers satisfied with overall quality of resource consents service delivery	47%	50%	60%	Not met	Monthly performance fluctuates but showing signs of long-term improvement. Customers have expressed satisfaction with improvements in processing times, quality of advice and assistance from our planners. Frustrations include continued delays, higher than expected costs, and complicated processes.
The percentage of non-notified resource consent applications processed within 20 statutory days	66%	68%	100%	Not met	Performance has steadily improved through the first six months of FY20. In December 78% of Land Use Consents (most common) were processed within the statutory timeframe.
The percentage of non-notified resource consent applications processed within 10 statutory working days	19%	21%	25%	Not met	Performance has steadily improved through the first six months of FY20. The dedicated Streamline unit reached 49% of all consents processed within 10 working days in November, an improvement of 38% from July. Project Springfield, designed to improve system response times has also been a key contributor to achieving significant time savings
The percentage of notified resource consent applications processed within statutory time frame	60%	75%	100%	Not met	Performance has remained stable despite the very low volumes and particularly varied processing times for notified resource consents.
The percentage of cases of non-compliance for menacing dogs that reach compliance within 3 months	94%	94%	90%	Met	

Key performance indicators	Previous period	FY 20 Quarter 2		Status	Commentary
		Actual	Target		
Percentage of licensees satisfied with the food and hygiene licensing service	84%	85%	80%	Met	Customers are happy with the level of customer service, particularly in taking their specific needs and requirements into account. The one small area for improvement is ease and speed of communication.
The percentage of food premises that improve from a D or E grade to an A, B or C grade when revisited	100%	96%	95%	Met	Performance is tracking above target despite overall volume of D/E grades rising significantly. 62 premises have been revisited year to date compared to 22 last year.
Percentage of licensees satisfied with the alcohol licensing service	85%	86%	85%	Met	Customers are very happy with the friendliness of our staff, as well as our quick and easy processes. Manager interviews are also a key driver of satisfaction. The one small area for improvement involves customers that have experienced delays or never received their certificate or licence.
The percentage of off-licence premises that pass a Controlled Purchase Operation targeting underage drinkers	88%	96%	90%	Met	
The percentage of customers satisfied with the overall quality of building consent service delivery	46%	58%	63%	Not Met	Customers are satisfied with processing times and their interactions with staff and have noted a perceived reduction in Council-generated requests for information. Frustration remains with the level of communication, as well as continued concerns that some requests for information were satisfied in the initial application. Performance continues to improve, reaching 62% in December.
The percentage of building consent applications processed within 20 statutory working days	67%	87%	100%	Not Met	Performance has steadily improved throughout the first six months of FY20. Performance improvements have been consistent across the entire region, with several areas now in the mid-90% range. The accuracy of performance information is significantly better than in previous years thanks to the 100% audit of all completed consent applications. We have reduced time to lodge consents by over 25% in FY19, meaning consents reach our technical officers several days earlier. Project Springfield, designed to improve system response times has also been a key contributor to achieving significant time savings.
The percentage of building consent applications processed within 10 statutory working days	5%	9%	20%	Not Met	Performance has remained below target throughout the first six months of FY20. When the target was set we did not anticipate the rapid increase in consent complexity (particularly in housing), which has made it more difficult for applicants to provide all of the necessary information needed for compliance when they first submit their applications, leading to requests for further information. While we have achieved monthly results as high as 16%, the increased frequency of incomplete applications and slow response times by designers makes achieving this target difficult. Moreover, we have been heavily focused on improving our statutory timeframe performance in order to retain accreditation. Moving forward we have several initiatives in play to improve performance against this measure