



Te Whakarāpopototanga o te Pūrongo ā-Tau a
Te Kaunihera o Tāmaki Makaurau 2023/2024

Auckland Council Summary Annual Report





1 Introduction

Mihi

Nau mai e te tai Whakarunga e te Tai Whakararo

Welcome the southern and northern tides, the tides of East and West.

Nau mai e te tai Tama-wahine, e te tai Tama-tāne,

Welcome to Tāmaki, the land born of the sacred waters Waitematā and the Manukau

Nau mai ki Tāmaki i whakawhenuatia rā, i ngā waitapu e rua nei arā ki a Waitematā i te Mānukanuka.

You who emerged from the womb of Papatūānuku laying here and amalgamate with Rangīnui above.

Koia i maea ake i te kōpū o Papatūānuku e takoto mai nei,

Those who have passed are lamented, called hither and then home.

Tuia ki a Rangīnui e tū iho nei.

Ko ngā aituā hoki tēnei e tangihia ana e tō tātou manu!

Come forth, climb, or ascend, likened to birds that settle.

Hoki wairua mai, hara mai haere

You are the visitor who has arrived.

Piki taku manu, kake taku manu ka tau me he manu-kau noa nei ē!

And the Kaunihera who say,

Ko koe te manuhiri kua tau,

It is I, it is we, the members of Auckland Council!

Ko au te mana Kaunihera ka kī

Welcome, welcome, greetings to all.

Ko au, ko au, ko te Kaunihera o Tāmaki Makaurau!

Nau mai, Tautī mai, Whakatau mai nā.

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Ā mātou kōrero **Our story**

Auckland Council is the local authority that is responsible for all local government decisions and responsibilities in the Auckland region and is the largest local authority in New Zealand. Its statutory purpose is to promote the social, economic, environmental and cultural well-being of Auckland communities in the present and for the future and to enable democratic local decision-making.

The Auckland Council group works to improve the daily lives of Aucklanders.

The group includes Auckland Council and its subsidiaries (council-controlled organisations and Port of Auckland Limited).

It provides a diverse range of activities, services, facilities and infrastructure to deliver positive outcomes for Aucklanders.

This Annual Report explains:

- how we performed relative to our Annual Plan 2023/2024 and the third year of our Long-term Plan 2021-2031
- what we did as the group to deliver activities and services for Aucklanders and help face the challenges facing our communities
- how we contributed to the best possible outcomes for Aucklanders and the broader economy.

About this volume

The information in this document only provides some of the highlights of this year's Annual Report. To find out more, you can read the report in full:

Volume 1 – Overview and service performance

Volume 2 – Local boards

Volume 3 – Financial statements

Volume 4 – Climate statement.

Tauākī āheitanga me te kawenga **Statement of compliance and responsibility**

The Governing Body and management of Auckland Council confirm that all the statutory requirements in relation to this annual report have been met, including those outlined in the Local Government Act 2002, Local Government (Financial Reporting and Prudence) Regulations 2014 and the Financial Markets Conduct Act 2013.

Responsibility

The Governing Body and management of Auckland Council group accept responsibility for the preparation and completion of the annual report and the related assumptions, estimates and judgements.

The Governing Body and management accept responsibility for establishing and maintaining systems of internal control designed to provide reasonable assurance as to the integrity and reliability of financial, service performance and climate reporting.

In our opinion, the annual report for the year ended 30 June 2024 presents fairly in all material respects:

- our financial performance, financial position, cash flows
- the funds from each source of funding
- the capital expenditure spent compared to budget
- our service performance by group of activities and local board
- our consideration of climate-related risks and opportunities of the Auckland Council group and Auckland Council.

The Governing Body adopted this Annual Report on 26 September 2024.



Mayor Wayne Brown
Mayor of Auckland
26 September 2024



Phil Wilson
Chief Executive
26 September 2024

Annual Report 2023/2024 Volumes



1
Overview and service performance
An overview of the financial and non-financial performance of the group.



2
Local board reports
A collection of individual annual reports for each of the 21 local boards, reporting financial and non-financial performance.



3
Financial statements
The financial statements of the Auckland Council Group and Auckland Council for the year ended 30 June 2024.



4
Climate risk statement
A summary of the group's climate-related financial risks and opportunities.

Nā te Koromatua From the mayor

I am pleased to be able to report that the Auckland Council Group performed satisfactorily over the past financial year, particularly in the face of the ongoing challenges from the effects of last year’s weather events.

We’ve also had big cost of living impacts – with high inflation and interest rates affecting the daily lives of many Aucklanders. This particularly hit council in the pocket when it came to things like negotiating wage and salary costs, and increases to the cost of delivering the large number of services we provide to keep the city moving ahead.

A big positive is that our costs are under control, and we’re back on track in terms of getting ourselves in a good position to tackle some of the big physical and financial challenges council has been facing for too long.

This annual report shows progress in the right direction. This includes:

- fixing Auckland’s infrastructure
- increased transport funding and activities to deliver better, more efficient public transport

- building financial and physical resilience of the region following last year’s weather events
- providing fairer funding for local boards
- getting our finances in better shape for the future.

This has included repaying debt with the proceeds from selling some of our poorly-performing airport shares, and also making sure our port is making a profit for ratepayers, while also playing a role in getting better harbour access for Aucklanders.

Underpinning this progress, I’m pleased to see in these results that the group has taken on board my determination for there to be a laser-like focus to stop wasting money. We’re not there yet, but we’ve made a good start. I’m particularly pleased to see some of the layers of bureaucracy and duplication removed, with a review and trimming of the council’s leadership team. This goes hand-in-hand with moves to find savings and rein in operating spending, while not compromising the activities and services we provide to Aucklanders.

At the beginning of the financial year, we faced a fragile future with a potential budget hole and the

prospect of significant service reductions, capital investment cutbacks and debt costs ballooning.

But it has been a good year where we have stemmed an incoming financial tide, done a great deal for Auckland in terms of weather recovery and resilience, and put ourselves in a good position for the future with the establishment of a fund to mitigate rates rises for Aucklanders. The decision to establish this fund allowed us to channel funds into a ‘fix and finish’ fund for community projects in legacy council areas that didn’t sell their airports shares before merging into the current council.

This report shows we have put ourselves in a position of having sufficient debt headroom and have plans in place to diversify our financial assets to respond to any future risks. We’ve also made good inroads with the new government, looking at the way to fund infrastructure like transport and water. We are working with them to get solutions for Auckland that are driven by Auckland.

All-in-all, not a bad effort for the year – but of course, there’s more to do and I will continue my work to fix Auckland.

“A big positive is that our costs are under control”

Wayne Brown
Koromatua |
Mayor of Auckland





Nā te Tumu Whakarae From the chief executive

Auckland Council Group supports the region’s recovery while building resilience

The devastating weather events of early 2023 gave new meaning to the word ‘recovery’ and the Auckland Council Group stepped up our commitments to respond like never before. As I look back on the 2023/2024 financial year, I am proud of the way we were able to support the region’s recovery, while maintaining important and essential services.

The council group delivered \$60 million in savings along with the biggest-ever capital investment programme across Tāmaki Makaurau. We managed to do this while still coming back from the long-tail effects of COVID-19’s drop in revenues, which is now stabilising, absorbing inflation-related cost pressures, and significant interest rate increases. Navigating all these factors is a testament to the resilience of Aucklanders.

Our focused response to the weather events included:

- big increases to the maintenance of our stormwater networks, and investing in preventative maintenance
- re-prioritising previously planned investment into stormwater-related assets, and
- planning for investment into significant new assets and service level improvements that will reduce the risk of impacts from future storm events.

At the same time, helped by the cost-sharing arrangement we negotiated with the government, we were able to give some peace of mind to those in our community most affected by flooding. We bought-out the first 127 Risk Category 3 properties - homes that pose an unacceptable risk to life, that can’t be easily mitigated. Our Recovery Office worked with homeowners to support them through this, and I am grateful that so many Aucklanders have supported

our recovery efforts - it has been a true testament of the community spirit that exists in Tāmaki Makaurau. While there is more to do, we will continue to prioritise work that supports both recovery and adaptation to improve Auckland’s resilience.

We also made good progress during the year with the capital investments that will make sure we continue to provide for the services and facilities that our growing city needs. Our total group investment of \$3.2 billion included:

- \$1.4 billion on transport-related assets, including progressing the City Rail Link, the Eastern Busway and roading renewals.
- \$1.2 billion on clean water, wastewater and stormwater assets, including progressing the Central Interceptor project, completing the Waikōwhai booster pump station and a buttress built to support the downstream slope of Helensville’s Mangakura 1 dam face.
- Around \$600 million on other assets, such as upgrades to playground and sports facilities, environmental initiatives, renewals of cultural venues and seawall replacements.

At the same time, our total group asset base grew by \$1.4 billion to \$74 billion, and we were able to decrease our net debt by \$70 million to \$12.3 billion. This was due to using the proceeds from the part-sale of Auckland International Airport Limited shares (for \$833 million) to repay some debt. Our resulting debt-to-revenue ratio of 239 per cent is below the group’s prudential limit of 290 per cent. This means we are in a strong position to keep investing wisely in essential assets, such as roads, pipes, transport services

and the planned community facilities that provide services to Aucklanders.

This annual report details the activities and services supported by the council group for Aucklanders over the past year – often in partnership with iwi, community, central government and the private sector. The following examples of the past year’s achievements are as diverse as the communities we work for:

- developing spaces like Takapuna’s Waiwharariki Anzac Square for community activities
- enlivening the Old Papatoetoe town centre to boost local business and provide new homes
- introducing new safety initiatives such as dedicated enforcement officers to help improve the feeling of safety in town centres and on our bus routes
- maintaining the percentage of our local programmes, grants and activities that respond to Māori aspirations
- resurfacing over 400 kilometres of roads across the region
- working with government agencies to survey 1,360 boat hulls to prevent the spread of marine pests
- hosting or co-hosting events like the FIFA Women’s World Cup 2023, 2024 Weightlifting Festival, Moana Auckland Ocean Festival and the Rainbow Games
- conducting 11,431 food and alcohol premises inspections
- diverting more than 20,000 tonnes of food scraps to renewable energy and fertiliser use
- re-opened community assets, parks and walkways damaged by the weather events.

“I am proud of the way Auckland Council Group was able to support the region’s recovery”

Phil Wilson

Tumu Whakarae | Chief Executive

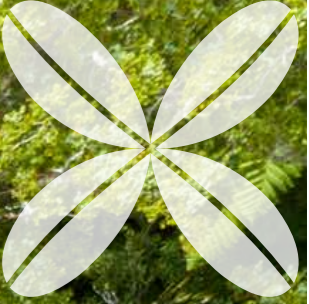


The Long-term Plan 2024-2034 (LTP) was adopted by the Governing Body in June this year. The LTP sets our work programme alongside agreed priorities set by our elected members and in response to 28,000 pieces of feedback received from Aucklanders.

This annual report acknowledges both the work done already, and the opportunities we have to continue improving how we serve 1.7 million Aucklanders and visitors to Auckland.

I hope you can take the time to read this report and see the value we are delivering for Tāmaki Makaurau.





2

Tā mātou rautaki me te ara
e tau ai i'a mātou te uara

Our strategy and how we create value

**Resilience in
the face of
the ongoing
challenges**

Tā mātou rautaki Our strategy

We have several plans that guide and direct the activities and services we provide to Aucklanders.

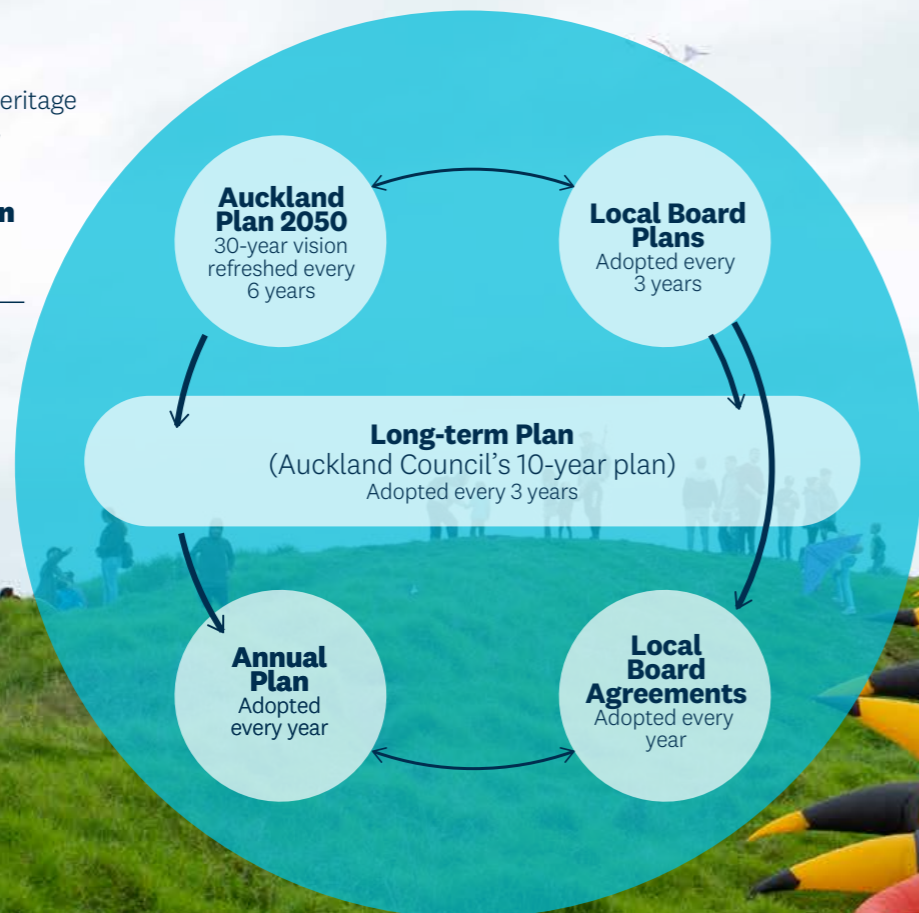
The Auckland Plan 2050

The Auckland Plan 2050 is our 30-year spatial plan to contribute to Auckland’s social, economic, environmental and cultural wellbeing. As required by legislation, the plan provides direction for addressing Auckland’s key challenges of high population growth and environmental degradation, and how we can ensure shared prosperity for all Aucklanders.

The six Auckland Plan outcomes are:

- Belonging and participation
- Māori identity and wellbeing
- Homes and places
- Transport and access
- Environment and cultural heritage
- Opportunity and prosperity

The relationship between Auckland Council plans and agreements



Long-term plan (LTP)

We adopt a new LTP every three years. This Annual Report 2023/2024 covers the third year of our Long-term Plan 2021-2031, also known as our Recovery Budget. Our focus was on supporting communities, stimulating the economy through our capital investment programme and continue to build infrastructure that supports growth. We also wanted to achieve better outcomes for Māori and consider climate impacts in everything that we do.

Annual plan (Annual budget)

In the intervening years of the long-term plan, we adopt an annual plan. The Annual Plan 2023/2024 required some tough choices, including spending cuts, rates increases, assets sales and debt. This was because economic impacts were more significant than forecast in the third year of the Long-term Plan 2021-2031 and the short term impacts of the weather events on revenue and operational costs.

Our plan provided for a wide range of services Aucklanders need, while preparing for some

significant changes in the way council works. This required the council to move towards a more simple, efficient and sustainable approach to providing services and investment for Aucklanders.ⁱ

Local board plans are three-year plans that set out the aspirations and priorities for each local board.

Local board agreements set out the funding available for projects in each local board area.

► See Volume 2 for more information on local boards.



▼ Puketapapa Kite day, Winstone Park

i. <https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-plans-strategies/budget-plans/Documents/annual-budget-2023-24-volume-1.pdf>



Te āhua o te hononga tahitanga How it fits together

Under the Local Government Act 2002, a key purpose of this Annual Report is to compare what the long-term plan and annual plan said the council would do in this past financial year, against how the council actually performed.

We do this primarily by reporting against eight groups of activities (GOAs).


















The GOAs are groups of one or more related activities provided by, or on behalf of, the council or its council-controlled organisations. The GOAs are:

- Roads and footpaths
- Public transport and travel demand management
- Water supply
- Wastewater
- Stormwater management
- Local council services
- Regionally delivered council services
- Council-controlled services.

Levels of service, performance measures and targets are also set and reported against for each group of activity.

We track progress through 33 outcome measures (levels of service), which is the basis of the council's overall performance measurement framework. Each of the levels of service has a number of performance measures and its targets. There are 125 regional performance measures in our Long-term Plan 2021-2031 and 475 local board performance measures. We demonstrated our contribution to Māori outcomes by integrating them into the GOAs, as outlined in the Kia Ora Tāmaki Makaurau (KOTM) performance framework (more details refer to page 18 in Volume 1).

We have outlined negative significant effects within the GOAs under the title *Things we are keeping an eye on*.

Theme	Group of activity	Delivered by	Auckland Plan Outcomes
 Transport	Roads and footpaths		
	Public transport		
 Water	Water supply		
	Wastewater		
	Stormwater		
 Parks and community	Regionally delivered council services		
	Local council services		
 Environmental management and regulation	Regionally delivered council services		
	Local council services		
 Council support	Regionally delivered council services		
 City centre and local development	Regionally delivered council services		
	Council controlled services		
 Economic and cultural development	Council controlled services		



3

What are our drivers

We provide a wide range of services for Aucklanders, while managing some significant changes and challenges such as uncertain economic conditions, growing demand for our services and unexpected factors like severe weather events. We steered a pathway through this in the latest financial year while also progressing climate and Māori Outcomes.





Te urupare ki te taiao ā-ōhanga me ētahi atu āhuatanga o waho

Responding to the economic environment and other external factors

As kaitiaki (guardians) of a growing city, Auckland Council is committed to providing an expanded range of activities and services for Aucklanders, and ensuring this is supported by fit-for-purpose facilities and infrastructure. There are several drivers we consider as we create, operate and maintain the activities and services for Aucklanders.



Improving outcomes for Māori

Auckland Council Group's vision of "a Tāmaki Makaurau where Māori thrive" has wellbeing at its centre. Auckland Council's 10-year budget allocated \$150 million over 10 years towards the achievement of the 'Māori identity and wellbeing' outcome and other sections of the Auckland Plan 2050. This outcome is also delivered through the everyday budgets and activities of Auckland council and council-controlled organisations.

Inflation - related cost pressures

Cost increases place pressure on the council's finances. The inflation rate is reflected in the costs of buying, maintaining and operating the many assets and services provided for Aucklanders. Many council contracts and agreements, including workforce, facility maintenance, utilities such as electricity, public transport and waste, are directly connected to inflation rate measures such as the Consumers Price Index (CPI) and the Producer Price Index (PPI).



Interest rate pressure

The Reserve Bank uses interest rates to control inflation. Higher interest rates temper inflation but also push up financing costs. These interest costs affect the cost of council debt, which is used to spread the cost of capital across current and future generations. We do this because future generations of Aucklanders will benefit from the assets and services we are investing in now.



Growing infrastructure demands

Auckland's housing, water and transport infrastructure needs to grow as the city grows. In addition, there is a need to invest more in improving flood resilience. There are capital investment costs to be managed including the City Rail Link (CRL) costs, renewal or replacement of storm-damaged infrastructure, climate adaptation and mitigation actions, and growth and housing infrastructure costs. These capital costs lead to rising operating costs through interest, depreciation, operating and maintenance costs. The council will need to strike a balance between managing these challenges and looking at opportunities for change.



Population growth

Auckland's population is growing and is expected to increase from 1.7 million people to 2 million by the late 2030s. Auckland's demographics are changing at the same time, making it more culturally diverse. Responding to these changes requires infrastructure that addresses the needs of current and future residents while balancing social, cultural, environmental and financial outcomes to enhance wellbeing for Aucklanders.



Government policy, reforms and legislation

Central government policy and reform impact on current and future service programmes. We stay up to date on changes and collaborate with central government on critical policies.

Te Whau Pathway construction ▲



Making use of our limited resources

We have limited resources available to create, deliver, maintain and operate the services we provide. We need to make the best use of our people, finances and other resources, and prioritise the right projects and services. Attracting and retaining key skills and the prudent use of funds play a key part in making the best use of our limited resources.



Protecting our natural environment

We need to safeguard and protect Tāmaki Makaurau / Auckland's natural environment and protect it from natural and human threats. The services we deliver must minimise environmental impacts and also encourage healthy behaviours amongst Aucklanders.

Weather events and storm response

Auckland had several severe storm events in January, February and May 2023.

These events caused significant material damage which have financial implications. In addition, we recognised the need to increase funding for storm-related events to fund proactive and reactive activities, enabling us to respond better to such events in the future, and to build our resilience. In the ongoing climate crisis, it is expected that severe weather events such as cyclones and floodings will become more frequent.

Climate change

As our climate continues to change, the likelihood of heavy rain events, storm surges and coastal inundation, extreme heat events, and droughts are expected to increase in frequency and severity. We finalised and adopted Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan, the region's strategic response to climate change. The plan will need to be delivered through individual action, collective action, and regional partnerships. Auckland Council will continue to identify priority areas of action and consider climate change in our planning and decision-making processes.



Family at the Auckland Botanic Gardens ▲

4

Te āhua o ā mātou mahi

How we did

Our performance at a glance

We continued to invest in our infrastructure and provide core services for Aucklanders, while building a stronger and more resilient region. We did this even as we dealt with the impacts of the 2023 weather events and challenging economic conditions such as high inflation.



▲ Autumn leaves at Auckland Botanic Gardens

Te tirohanga whānui ki tā mātou whakahaere mahi
Overview of our performance

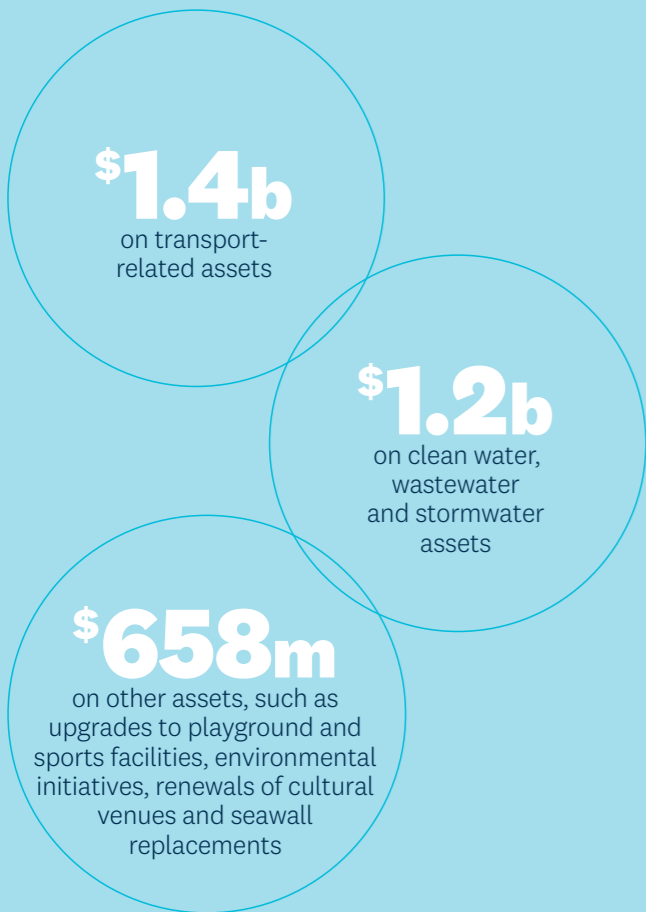
Investing in our capital programme for the future

This year we continued to build and expand our infrastructure and assets to better withstand future weather events, meet the needs of Aucklanders and to sustain future growth. We also continued to renew, replace and upgrade our existing assets as we worked to build a stronger, more resilient city.

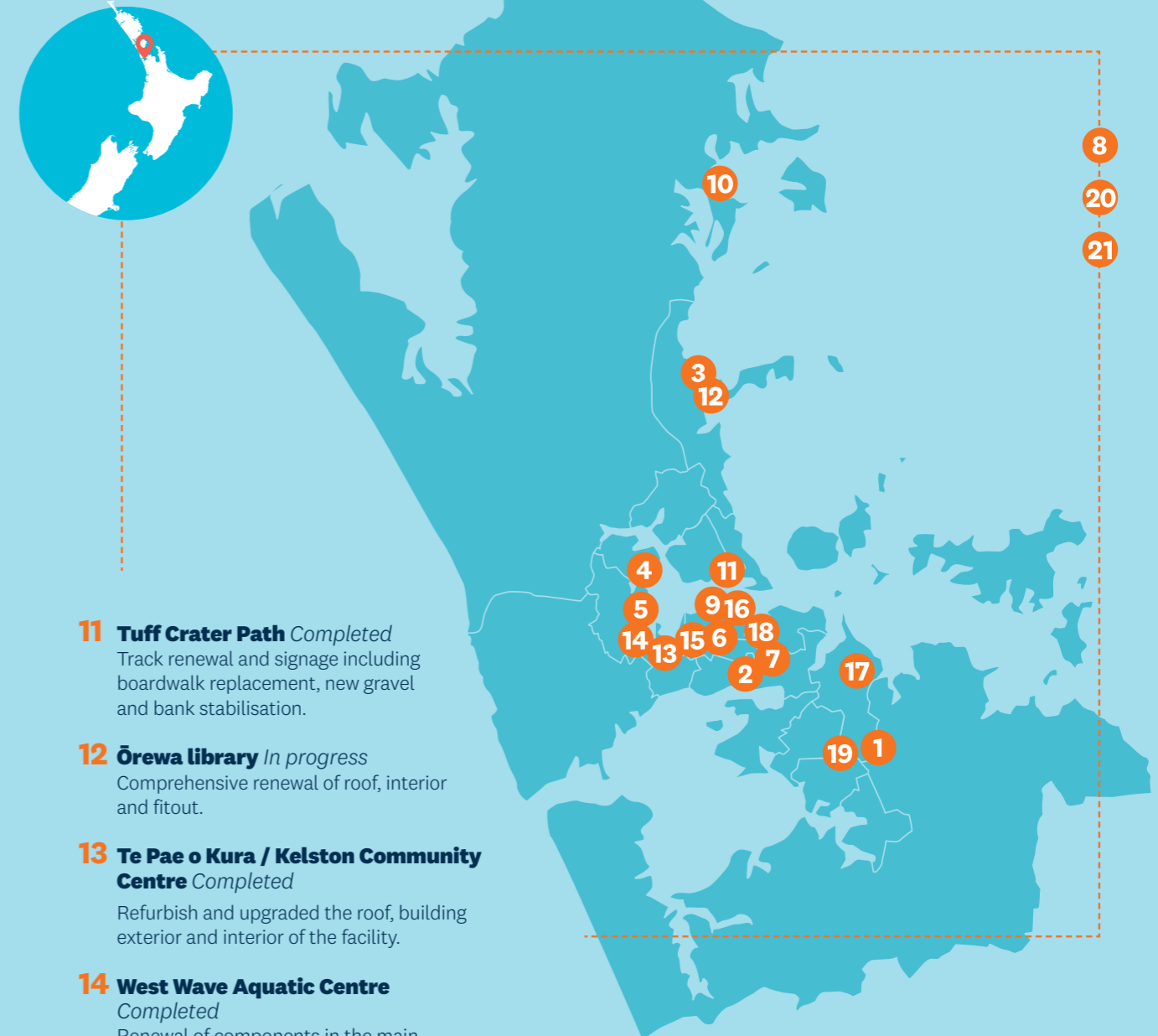
We invested \$3.2 billion in our capital programme which is our highest capital spend ever. This was \$487 million more than the previous year and included significant investment in transport and water infrastructure. We also repaired, upgraded and replaced community assets such as pool and leisure centres, playgrounds and sports facilities. The 2023 weather events caused damage to infrastructure, networks, facilities and we worked to repair, upgrade and replace them.



Our key areas of spend were:



- 1 Redoubt Road reservoir expansion** *In progress*
Construction of additional storage capacity for treated water to maintain security and supply and cater for growth. Third reservoir completed in March 2024.
- 2 Central Interceptor** *In progress*
Watercare’s super-sized tunnel is 78 per cent progressed and it will reduce wastewater overflows into central Auckland waterways.
- 3 Northern Seawall, Ōrewa** *In progress*
Section of seawall delivered in March 2024 to prevent erosion at the northern end of Orewa Beach.
- 4 Te Kori Scott Point, Hobsonville** *In progress*
Develop a sustainable sports park.
- 5 Te Whau Pathway** *In progress*
Develop boardwalk connections.
- 6 Ponsonby Civic Space** *In progress*
Staged development of a civic park space at 254 Ponsonby Road. Funded in part from the sale of properties in the Waitemātā Local Board area.
- 7 Michaels Avenue Reserve** *Completed*
Stage two — Renewal of carparks and playspace.
- 8 Sports field capacity development programme** *In progress*
Developing, upgrading and renewing sports fields to increase capacity across Auckland.
- 9 City Rail Link (CRL)** *In progress*
Transformation of Auckland’s public transport system progressed interior and exterior fitout of new stations.
- 10 Mahurangi community building** *On track*
Comprehensive renewal including library reconfiguration, toilet facilities.

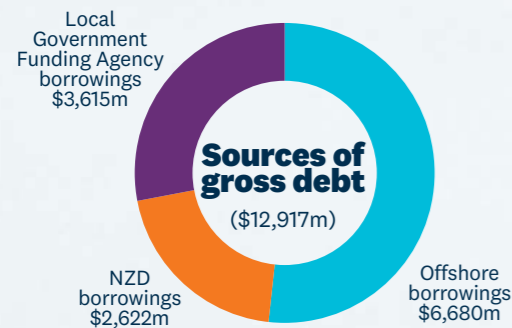


- 11 Tuff Crater Path** *Completed*
Track renewal and signage including boardwalk replacement, new gravel and bank stabilisation.
- 12 Ōrewa library** *In progress*
Comprehensive renewal of roof, interior and fitout.
- 13 Te Pae o Kura / Kelston Community Centre** *Completed*
Refurbish and upgraded the roof, building exterior and interior of the facility.
- 14 West Wave Aquatic Centre** *Completed*
Renewal of components in the main pool, leisure pool and recreation halls, including heating and ventilation systems, lighting and changing rooms.
- 15 Te Hono / Avondale Community Centre replacement** *Design approved*
Development of an integrated library and community centre hub.
- 16 City Centre Programme** *In progress*
Delivering on the outcomes of the City Centre Masterplan to create a city centre that contributes significantly to the Auckland region.
- 17 Eastern Busway Stage two - Pakuranga to Botany** *In progress*
Improving connections and travel options. Opened extension of William Roberts Road and the Aylesbury Street/TI Rākau Drive junction.
- 18 Jubilee Bridge, Panmure** *In progress*
Comprehensive renewal to increase the greenway/cycleway provision and incorporate an arts feature.
- 19 Recreational facility upgrades in Manukau** *In progress*
Development of playgrounds, skateparks, sport, pool and leisure centres.
- 20 Urban regeneration** *In progress*
Mixing residential and commercial opportunities to optimise the use of council land. Completed transformations in Takapuna, Northcote, Pukekohe.
- 21 Land acquisitions** *In progress*
Acquiring land for parks and open spaces to contribute to Aucklanders’ quality of life, as well as make better use of the parks we already have.

Overview of our performance *Continued*

We use debt to spread the cost of assets over the generations that will benefit from them, and we took on new debt to help fund our capital projects. However, net debt decreased overall by \$70 million from the beginning of the year to \$12.3 billion. The most significant movement was the reduction in debt of \$833 million from the proceeds of the partial sale of Auckland International Airport Limited (AIAL) shares in August 2023. This was offset by new borrowings to fund the capital projects. Net debt at 30 June 2024 was \$478 million higher than the budget. This includes around \$200 million of non-cash accounting adjustments (as foreign debt must be recognised at current exchange rates rather than the rate at which they are hedged). Excluding these non-cash adjustments, underlying net debt was \$282 million higher than budget, this was primarily due to less capital funding being received during the year, including timing difference on insurance recoveries and timing differences on asset sales, lower development contributions than budgeted, and lower proceeds from the partial sell-down of Auckland International Airport Limited shares than budgeted.

\$12.3b
net debt to fund infrastructure



The group's credit ratings with S&P Global Ratings and Moody's Investor Services remained AA and Aa2 respectively, both with a 'stable' outlook, which confirms our very strong capacity to meet financial commitments.



Responding to climate change

The **Climate Action Transport Targeted Rate (CATTR)** provides greater access to efficient and reliable low carbon public transport. It provides safe, convenient, and well-connected walking and cycling options for Aucklanders. This year the CATTR spent \$33.8 million on programmes such as the construction of electric ferries.

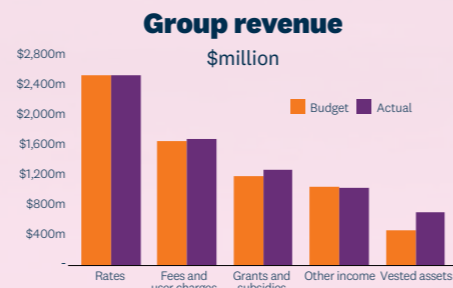
The **Climate Action Programme** spent \$16.1 million this year on projects such as installing solar panels at community centres, adding electric buses to the fleet and creating a zero emissions area within the Waihorotiu Queen Street.

\$7.2b
revenue

We fund our services and parts of our capital investment through various sources of revenue. Our revenue for the year was \$7.2 billion which was \$349 million higher than budget.

This was partly driven by an increase in vested assets of \$242 million representing the receipt of parks and infrastructure assets from developers. Increased performance for building consents and resource consents together with strong results from inspections, licenses and permits also contributed to the revenue result.

Revenue from grants and subsidies was \$1.3 billion, \$86 million higher than budget. This was mainly because of capital grants received in terms of the cost-sharing arrangement with central government for the Risk Category 3 property buy-outs (\$67 million) and transport projects (\$38 million).



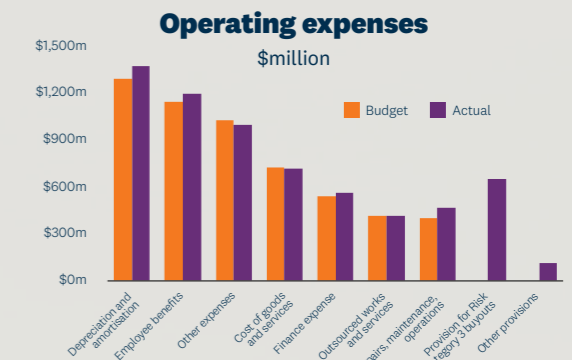
We incur operating expenditure delivering services to Aucklanders such as collecting rubbish, paying bus service providers, maintaining our facilities and venues, supporting communities and providing back-office support for our activities. Our operating costs this year were \$6.5 billion, which was \$940 million above what we budgeted.

Our largest unbudgeted cost was \$685 million, related to recognising the full impact of our planned buyout of storm-affected properties and investment in property-level risk mitigation projects.

Other large costs include the unbudgeted management of contaminated land and closed landfills which was \$74 million, due to higher estimated asset maintenance and operational costs. Furthermore, our cost base, which includes wages and salaries, materials and long-term contract costs, was affected by strong inflation. Our interest costs also increased because of high interest rates. Depreciation increased because of our capital investment and the increased value of our infrastructure assets.

We spent \$433 million on repairs and maintenance which included weather event repairs and temporary solutions put in place while permanent solutions could be implemented. The increase in public transport usage and the recruitment of bus

\$6.5b
delivering services to Aucklanders



drivers resulted in an increase to costs, but also an increase in the provision of services.

Apart from depreciation of our assets, our biggest cost is what we pay to our people and our suppliers. To respond to the needs of our communities and to become more adaptable and agile, we had restructures across the group resulting in unbudgeted redundancy costs, and during times of change, employees reduce their leave taken, which increased employees costs.

Improving outcomes for Māori in Tāmaki Makaurau

Auckland Council group's vision of a Tāmaki Makaurau where Māori thrive has wellbeing at its centre. This year we spent \$14.8 million on projects across Auckland, which is 95 per cent of the updated budget \$15.6 million for the 2023/2024 financial year. The original budget of \$16.4 million was reduced because the funding for the Sites of Significance initiative came from the Heritage team's department budget.

Auckland Council group invests in marae to be self-sustaining and thriving hubs for Māori and the wider community. This year we spent \$7.2 million on **Kia ora te Marae - Marae development** which included progressing upgrades to the Makaurau Marae, Manurewa Marae and Te Tira Hou Marae.

Under **Kia Ora Te Hononga: Effective Māori Participation** we work to ensure mana whenua and Māori are active partners and participants at all levels of the council group's decision making. This year we paid \$3.57m in capacity grants out

to 18 mana whenua entities and \$306,472 to six mataawaka entities, with the aim to facilitate and support Māori capacity to engage and participate in Auckland Council decision-making processes. Capacity grants are designed to help develop the skills, systems, and structures necessary for achieving council goals more effectively and sustainably. This investment not only enhances our service delivery, cost-effectiveness, and strategic objectives, but also empowers mana whenua and mataawaka groups to better serve their communities. By increasing participation in council programmes, these grants promote social cohesion and pave the way for innovative, sustainable solutions that can be scaled across the city.

► For more information refer to the Māori Outcomes Annual Report (published on the Auckland Council website) and Groups of activities section.

\$14.8m

Te whakatutuki kaupapa mā tō tātou hapori
Delivering for our community

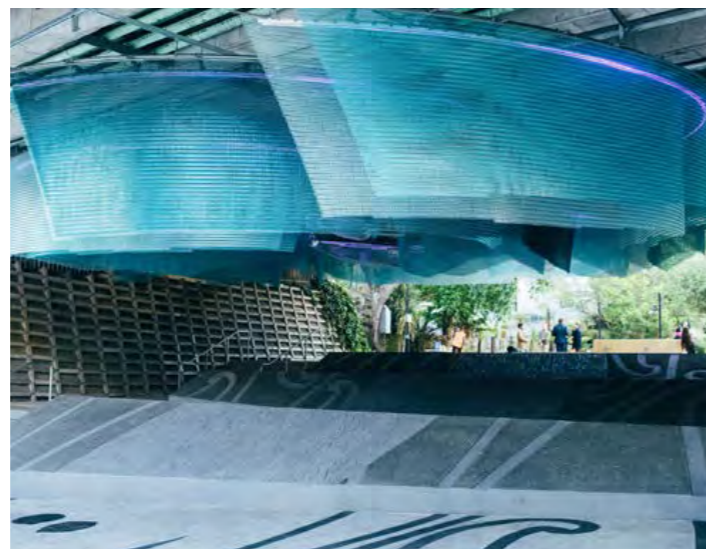
We continued to deliver services that our communities rely on, such as the collection of waste, and maintaining our cultural and leisure facilities such as parks, pools, leisure centres and libraries.



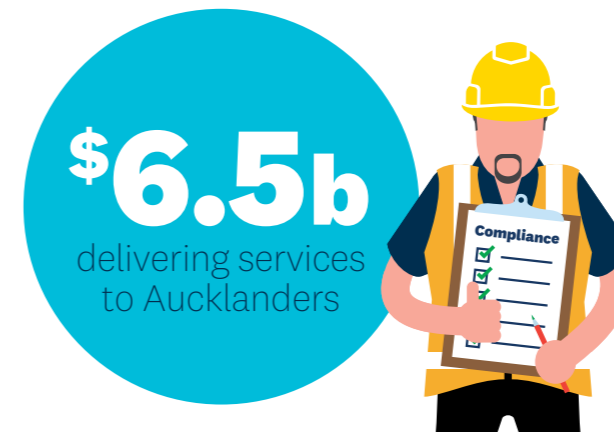
Our **food scraps programme** has been rolled out to more 475,000 households and in the last year more than 20,000 tonnes of food scraps have been diverted from landfill. These food scraps have been processed into renewable energy and fertiliser at an anaerobic digestion facility, eliminating the methane emissions that they would have given off in a landfill. Efforts to keep our waste collection services up to scratch resulted in a 77 per cent customer satisfaction rate.



Our facilities continue to remain important places in the community with 7.3 million visits to our regional parks, 8.2 million visits to pool and leisure centres and 7.9 million library visits. West Wave leisure pool reopened after flood damage repairs. It now offers local families more hours of entertainment and activities.



In December 2023 we launched the Waimahara Māori artwork in Myers Park, transforming a central Auckland underpass into a unique space. An extensive upgrade began at the Ōrewa Library to provide a better space for the growing community and a new roof for the building. We have noticed changes in customer behaviour in libraries where the number of library items checked out has increased 6 per cent to 16.44 million and this growth is being supported by e-book and e-audiobook issues increasing 27 per cent.



Major events and business events contributed \$142.8 million to regional GDP. The largest contributor was the **FIFA Women's World Cup** which exceeded all forecasts. Other significant major events that contributed were the All Blacks vs South Africa, the ASB Classic, Synthony in the Domain, PINK concert at Eden Park and the Auckland Boat Show. The single largest business event was the Auckland component of the Amway (China) Leadership Seminar New Zealand, with an estimated \$40 million injection into New Zealand's economy.



The resolution of the **bus driver shortage** at the beginning of the year, the reinstatement of all bus services and 10 major events including the FIFA Women's World Cup contributed to public transport usage increasing to 86.8 million boardings. Higher public transport usage, the removal of the fare discounts and other public transport incentives provided by the central government resulted in us recovering 31 per cent of public transport costs, up from 22 per cent last year.



We conducted over **195,000** building inspections (210,300 previous year) and issued **16,807** code compliance certificates (16,855 previous year). We increased inspections at food and alcohol premises.



We delivered **173** environmental projects across the local boards this year (178 previous year). This included funding towards pest plant and animal control, stream restoration, climate action and construction waste reduction.



We improved the existing stormwater network, added new stormwater infrastructure and minimised the flooding of habitable floors during storm events. We launched the Flood Viewer – a free application that breaks down complex, technical flood risk data into an easy-to-understand format and sits alongside practical advice on how to prepare for floods. The website had 480,000 visits since its launch. The Safeswim website had over 850,000 visits during the summer. It keeps the public informed about water quality and water safety at Auckland's swimming spots.

Te tautoko i te haumanu ā-rohe

Supporting regional recovery

The severe weather events of early 2023 had a great impact on our region. Six people tragically lost their lives, over 4,500 households needed assistance with almost 600 being provided with emergency accommodation, and around 3,000 homes had restricted or prohibited access.

127
storm-damaged properties bought (of approximately 900 estimated)

\$132m
storm-related property buyouts

1,838
final categories approved

2,960
property owners opted in the buy-out process

The Auckland Council-led Tāmaki Makāurau Recovery Office coordinated the Auckland-wide repair and rebuild of our region’s built and natural environment to deliver what is needed for immediate and long-term recovery. We are supporting our most impacted communities as they deal with the after-effects of the storms. The Recovery Office is coordinating the region’s recovery efforts on behalf of the council group, central government, and community partners and stakeholders. A funding agreement is in place with the central government for the cost-sharing of region’s recovery. Central government will contribute up to \$877 million.

To help impacted individuals, whānau and families, our Storm Recovery Navigators provide free advice, support and services for accommodation, finance, mental health, insurance and much more. This one-stop-shop service has so far supported more than 800 whānau.

To move Aucklanders out of harm’s way we have bought out 127 Category 3 properties (with an intolerable risk to life and no feasible mitigation solutions) at a cost of \$132 million. Work to buy-out approximately 900 high-risk homes continues into the 2024/2025 financial year. We also established a Category 2P grants scheme to fund changes (up to 25 per cent of a property’s Capital Value) to mitigate the intolerable risk to life at those properties.

The Healthy Waters and Flood Resilience teams are delivering flood resilience projects in Māngere as well as landslide and stormwater resilience upgrades in Muriwai. These projects are part of the wider Making Space for Water programme and represent the first in a series of projects that will increase flood resilience in the region.

Our recovery work this year also saw remediation of damaged roads and significant erosion, repair of our water networks including pipes and water plants, maintenance of streams, culverts and manholes.

Auckland Transport repaired over 500 sites, and work continues on the remaining 285 that are more complex. Watercare set up the Asset, Upgrades and Renewals team which identified 200 individual infrastructure issues that needed to be repaired. 60 of these have been resolved with 16 underway and the 124 remaining requiring considerable work which is expected to extend through to the 2024/2025 financial year.

Storm Response Fund

(\$20 million)

This year we spent \$13.1 million on projects in response to the storm and to support resilience to future weather events. This was \$6.9 million below what we expected as this was the first year of funding, with some projects taking longer to plan and subsequently start. \$6.2 million of this will be carried to next year to continue the projects and add to a provision for future events.ⁱ

Strengthening Auckland Emergency Management (AEM)



We established and upskilled response teams and we purchased additional equipment for civil defence locations to support rapid response to future emergency events. We also piloted three sites for early flood warning systems for the roading network, and piloted a forecasting model to predict river flows and groundwater levels for early warning of flooding.

The night shift duty team will instead be replaced with two new duty roles and three additional AEM roles with recruitment underway. The training of local board members has been facilitated under the development of local board response plans.

\$2.8m
(funding allocation \$6m)

\$1.5m

(funding allocation \$3m)

Improved capital works coordination and land use planning

Greater resourcing of the shoreline adaptation plans (SAP) has seen two SAP reports with local boards for endorsement, two draft reports are ready for public consultation and initial adaptation strategies have been developed for a further eight areas.

Draft design guidance documents were prepared to support resilience, consider durability of concrete infrastructure, coastal outfalls and dynamic adaptive pathways planning.

Scoping of a regional climate change risk assessment is complete and the next phase is underway to enable regional consistency in decision-making about climate adaptation planning and investment.

A Strategic Spatial Modelling system procurement is underway. This will enable detailed and accurate projections and support land use investment and policy decision-making.

Proactive maintenance and monitoring of our stormwater, road and parks assets to monitor more at risk locations

We completed over 44,000 additional street catchpit (sump) cleans, with increased frequency in high leaf-fall areas. We conducted over 2,400 educational visits to high-risk properties. Our proactive maintenance fund included 14 large-scale stream clearance projects and the installation of 20 new cameras at hotspot locations will improve stormwater network intelligence.

\$6.1m

(funding allocation \$7m)



Provide people with better and targeted information

We worked with local boards to develop Local Board Emergency Readiness and Response Plans (draft and map design), including appointing the Local Board Emergency Readiness and Response Leads.

We funded 39 community and youth-led projects in highly impacted communities with a total of 4,280 Aucklanders engaged to better understand their local climate risk or participate in practical projects to build resilience to climate disruption. Projects have been supported in the Wāitakere Ranges, Puketāpapa, Whau, Henderson-Massey, Māngere-Otāhuhu Local Boards. This included:

- installation of solar batteries for an off-grid community hub to improve local energy resilience
- re-establishment of māra kai (food gardens) damaged during the 2023 flood events
- local planting projects with schools and community groups
- youth-led resilience projects to increase understanding about flood resilience (stream cleans, native plantings and wetlands).

We signed 10 funding agreements with impacted communities to support development of local recovery plans, with access to contestable funding to support implementation. Over the next three years in three priority communities (Māngere, Henderson-Rānui and Puketāpapa), community-led recovery and long-term resilience will be delivered by growing local leadership, implementation of participatory grant models, including access to a contestable fund. This is delivered in partnership with the Recovery Office.

Research has been completed to help frame conversations, deepen understanding and improve community engagement in planning for climate disruption.

Regionwide land mapping has been completed and a solution to integrate with Land Information Memorandums is underway.

\$2.7m

(funding allocation \$4m)

▲ Oakley Creek storm debris

i. There was a true underspend of \$700,000 not carried forward.

He Kupu Whakataki mō ngā Tōpūtanga Mahi

Performance by Groups of activities

We will outline key activities and projects, and report against our performance measures.

Each group of activity includes their statements of service provision. The funding impact statements are contained in Volume 3.



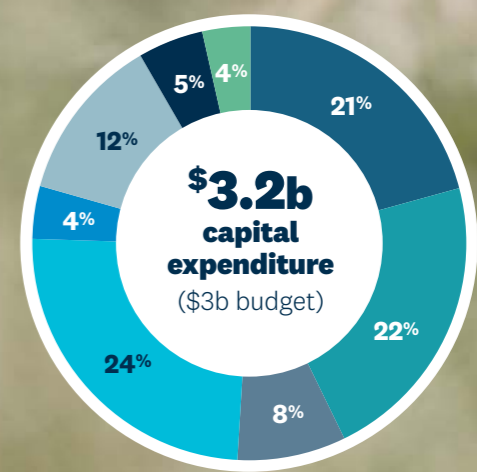
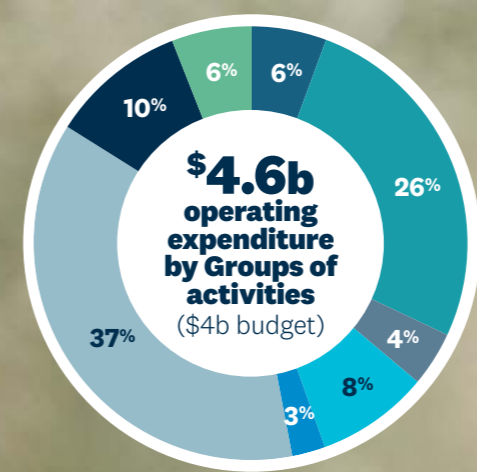
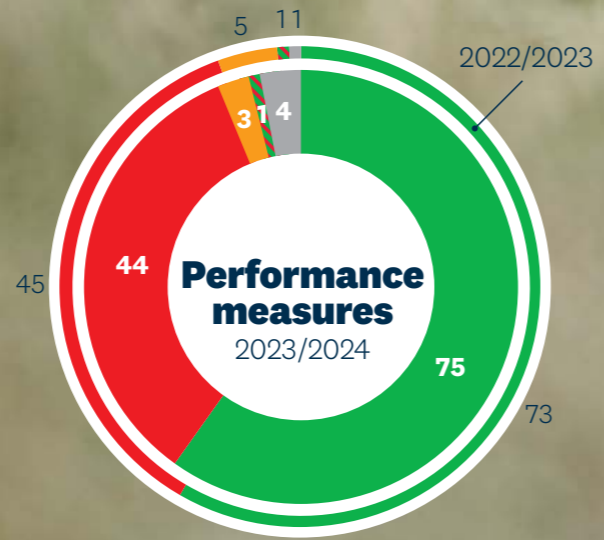
Key to performance measures

RESULT AGAINST TARGET

- Achieved
Target has been met or exceeded
- Not achieved
Target not achieved
- Substantially achieved
Target has not been met by a slim margin (+/-2%)
- Not measured
- Achieved/Not achieved

*** Impacted by COVID-19**
Measures favourably/unfavourably impacted by COVID-19

Note: 'Achieved/Not achieved' relates to the 'public transport punctuality' performance measure. For more information refer to section Public transport and travel demand management (page 52 of Volume 1).



- Roads and footpaths
- Public transport and travel demand management
- Water supply
- Wastewater
- Stormwater
- Regionally delivered council services
- Locally delivered council services
- Council-controlled services

▲ Ōrewa Beach

Ngā Huarahi me ngā Ara Hīkoi Roads and footpaths

Auckland Transport (AT) is a council-controlled organisation responsible for most of Auckland’s transport infrastructure and services in Auckland.

Auckland Transport (AT) is a council-controlled organisation responsible for most of Auckland’s transport infrastructure and services in Auckland.

AT maintains and operates:

- 7,810 kilometres of arterial and local roads
- 1150 bridges
- 680km of shared paths, cycle paths and cycleways
- 7,700 kilometres of footpath.

This year, AT:

- repaired over 500 storm-damaged and slip sites
- resurfaced over 400kms of roads
- added 35km of new footpaths

- added 245km of cycle lanes to better connect communities
- closed four level crossings to support City Rail Link operations from 2026.

New wayfinding, signs and maps, have been installed at over 150 locations along eight city centre cycle paths, linking the City Centre Cycle Loop with other popular routes across Auckland.

The **Rodney Transport Targeted Rates programme** finished Puhoi Road and Warkworth footpaths, with four more under construction and four in design.



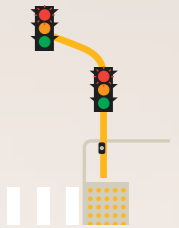
Increased by
3ⁱ

The change from the previous financial year in the number of deaths and serious injuries on local road network, expressed as a number
(Target: reduce by at least 41)



88%

Percentage of customer service requests relating to roads and footpaths which receive a response within specific timeframes
(Target: 85%)



76.4%

Proportion of road assets in acceptable condition
(Target: 92%)

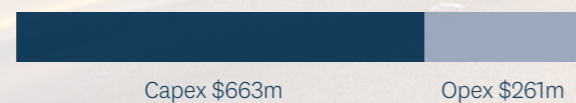
“Kia tere te kārohirohi i mua i tō huarahi”
May the shimmer of the sun guide you on your path

How we did against our performance measure targets?

Total 11



Our investment



Related Auckland Plan Outcomes



ⁱ. This result is reported on a calendar year basis. For more information please refer to page 44 of Vol 1.

Ngā Tikanga Kawe Pāhihi/ Ngā Tikanga Aro Hāereere **Public transport and travel demand**

Auckland Transport (AT) manages, maintains and develops the Auckland public transport network, comprising the rail network, bus system and ferries. AT aims to make travelling around Auckland more efficient, convenient and sustainable.

Auckland Transport (AT) manages, maintains and develops the Auckland public transport network which includes the rail network, bus system and ferries. It aims to make travelling around Auckland more efficient, convenient and sustainable.

AT introduced 90 new electric buses and resolved the shortage of bus drivers by recruiting more than 500 new bus drivers. This has made public transport much more available to Aucklanders.

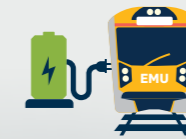
The introduction of contactless payment options on public transport are also underway. AT also launched the 'Fareshare' concession which allows employers to subsidise their staff's public transport costs when they travel to and from work using AT services.

Total public transport usage for 2023/2024 financial year was 86.8 million, which is 15.8 million or 22 per cent higher than previous year.



86.8m

Total public transport boardings (millions)
(Target 107m)



54%

Percentage reduction of greenhouse gas emissions from Auckland Transport's assets
(baseline 2018/2019)
(Target 12%)



90%

The percentage of passengers satisfied with public transport services
(Target 85-87%)



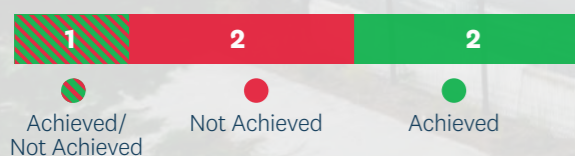
**“Kia kotahi te hāpai
o te hoe i te waka”**
Let's travel with one
mind and heart

**Related Auckland
Plan Outcomes**



How we did against our performance measure targets?

Total 5



Our investment



Ngā Putunga Wai Water supply

Watercare Services Limited (Watercare) is New Zealand’s largest water utility and a council-controlled organisation. It provides Aucklanders with clean and healthy water and manages wastewater and sewage.

Watercare opened a third reservoir at the Redoubt Reservoir Complex with 45-million litre capacity. This increases the city’s overall treated water storage capacity to more than 700 million litres.

Watercare’s leak management programme found 14,900 leaks after surveying approximately 23,500km of pipes. This has saved more than 26.5 million litres of water loss per day.

Watercare began the replacement of the temporary watermain in Glenbrook in April 2024 and is expected to complete the works by October 2024. The new watermain will allow for easier maintenance and improve the health and safety of the environment.



700

million litres of water storage



0

Compliance with the New Zealand Drinking Water Standards from its Small Waters ‘network’ systems measured by the number of non-compliance notices received from the Drinking Water Regulator (Target 0)



43mins

Median response time for attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (minutes) (target ≤60 mins)



12.4%

The percentage of real water loss from the local authority’s networked reticulation system (Target ≤13%)

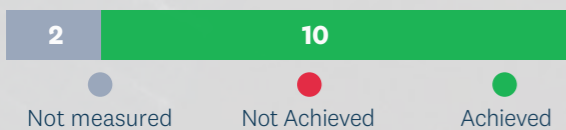


“Mā te wai rawa e ora ai te tangata”

A person must have water to survive

How we did against our performance measure targets?

Total 12



Our investment



Related Auckland Plan Outcomes



Lower Nihotupu dam, Waitākere Ranges ▲

Ngā Tikanga Tiaki me te Tuku Wai Para Wastewater treatment and disposal

Watercare provides safe and reliable wastewater services for Aucklanders, including collection, treatment and disposal of the wastewater.

The Central Interceptor wastewater tunnel is 78 per cent complete. The project completion is expected in late 2026, and the Point Erin Extension in 2028.

The collapse of the Ōrākei Main Sewer was repaired and returned to operation.

A new pump station and a new gravity pipeline were built in Dunkirk Road (Panmure) in partnership with Kāinga Ora to reduce overflows in Tāmaki River.

Progress has also been made on the Snells Beach Wastewater Treatment Plant Upgrade.

“Tiakina te wai kia ora ai te whenua”
Look after the water so the land is healthy

Related Auckland Plan Outcomes



11.7km of main tunnel bored for Central Interceptor



\$86m

investment for long term infrastructure

0

Compliance with the territorial authority’s resource consents for discharge from its sewerage system measured by the number of:

- a) abatement notices
- b) infringement notices
- c) enforcement orders
- d) convictions

received by the territorial authority in relation to those resource consents
(Target ≤2 or 0)



3.4 hours

Attendance at sewerage overflows resulting from blockages or other faults: median response time for resolution - from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault (hours)
(Target ≤5 hours)



84mins

Attendance at sewerage overflows resulting from blockages or other faults: median response time for attendance - from the time that the territorial authority receives notification to the time that service personnel reach the site (minutes)
(Target ≤60 mins)

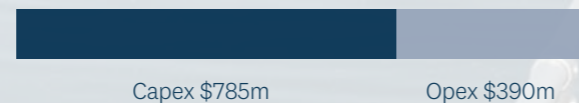


How we did against our performance measure targets?

Total 6



Our investment



Te Whakahaere Wai Āwhā Stormwater management

We strengthen and maintain Auckland’s stormwater network as it flows through public and private pipes, drains, streams and channels.

We improved the existing stormwater network and added new stormwater infrastructure at Great North Road and Potatau Street. We also completed the Stanmore to Fife Stormwater Project (Grey Lynn) and minimised the flooding of habitable floors during storm events.

We launched the Flood Viewer – a free application that breaks down complex, technical flood risk data into an easy-to-understand format and sits alongside practical advice on how to prepare for floods. It had 480,000 visits to the website since the launch.

We repaired the damaged pipe at the College Hill (sinkhole) with a new 250-metre stormwater pipe.

The Safeswim website had over 850,000 visits during the summer. It keeps the public informed about water quality and water safety at Auckland’s swimming spots.

Related Auckland Plan Outcomes



\$45.7m

for water quality improvement



121

notices issued

98%

The percentage of response time during storms to close stormwater manholes within three hours
(Target 90%)

2.46 per 1000 properties

The number of complaints received about the performance of the stormwater system per 1000 properties connected to Auckland Council’s stormwater system
(<3 per 1000 properties)

“Ko te wai te toto o te whenua; ko te whenua te toto o te tangata”
Water is the lifeline of the land; the land is the lifeline of the people

How we did against our performance measure targets?

Total 6



Not Achieved

Achieved

Our investment



Capex \$125m

Opex \$115m

Ngā Ratonga Kaunihera ka Tukuna e ngā Rohe Regionally delivered council services

Our regionally delivered council services aim to make Auckland a city with great neighbourhoods, centres, parks and public spaces that people love.

Regionally delivered council services include:

Auckland Emergency Management

We have established a new Civil Defence and Emergency Management Group Plan for a Tāmaki Makaurau that is resilient to disasters and trained over 650 people to help support different teams across the region.

Investment

We sold 7 per cent of the shares in Auckland International Airport Limited and raised **\$833 million from the sale** to pay down our debt. We continue to work to improve the financial stability of the council.

Environmental services

We completed 21km of track upgrades which help reduce the kauri dieback risk.

We also implemented possum population control across 52,000ha in rural Auckland with the help of our communities.

We continue to eradicate rats, stoats, possums, and wallabies from the islands to boost biodiversity of endemic bird species.

Regional community services

West Wave leisure pool reopened after flood damage repairs. It now offers local families more hours of entertainment and activities.

In December 2023 we launched the Waimahara Māori artwork in Myers Park in central Auckland, transforming an underpass into a unique space.

An extensive upgrade began at the Ōrewa Library to provide a better space for the growing community and a new roof for the building.

Regional governance

We hosted and managed 337 meetings including 129 workshops.

We had over 270,000 visits to our community engagement site AKHaveYourSay and received feedback on our services from 248,000 customers.

Regional planning

We are transforming the city centre in preparation for the City Rail Link's (CRL) opening.



114

Number of indigenous plants and animals regionally vulnerable to extinction under active management
(Target 98)



93%

The percentage of regional park visitors satisfied with the overall quality of their visit
(Target 96%)



Waste services

We delivered more than 475,000 new bins across Auckland and turned over 20,000 tonnes of food scraps into renewable energy and biofertilizer.

We are also working with the youth and community to re-use the materials to minimise the waste through our Community Recycling Centres.

Third party amenities and grants

We secured a three-year funding agreement for the Museum of Transport and Technology (MOTAT) funding to pay for the maintenance of its heritage building, core services, and gallery redevelopment projects.

Organisational support

We achieved \$60.2m of operational savings and we will continue to find more savings and improve efficiency in the way we work.

Regulatory services

We conducted over 195,000 building inspections and issued 16,807 code compliance certificates. We also increased inspections at food and alcohol premises.

We have established a new Salesforce database solution to help us efficiently manage information about dogs at our animal shelters.

We continue to address anti-social behaviour and crime with police patrols and by developing community partnerships like Together for Tāmaki Makaurau.

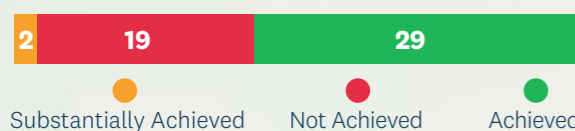
Related Auckland Plan Outcomes



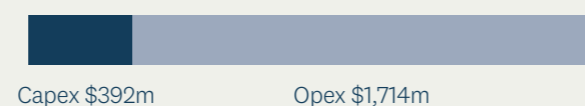
“Hei ringa raupā mō te iwi”
To be a worker for the people

How we did against our performance measure targets?

Total 50



Our investment



Ngā Ratonga Kaunihera ā-Rohe Local council services

Local council services are activities governed by Auckland’s 21 local boards. These activities centre on community services and public spaces to improve community wellbeing and create a sense of belonging

We embrace Māori participation in council decision-making and foster strong partnerships with Māori through co-governance of land and resources. Events like Matariki highlight Māori culture and traditions, offering a chance to honour loved ones, express gratitude, and come together as a community.

We consider the impacts of climate change through, for example, creating and implementing the plans to replace and renew coastal assets, such as progressing the Ōrewa seawall project.

We delivered 173 environmental projects across the local boards this year. This included funding towards pest plant and animal control, stream restoration, climate action and construction waste minimisation.

Our localised low carbon programmes support sustainable initiatives such as low carbon activators, EcoNeighbourhoods, bike hubs and Sustainable Schools programmes.

Related Auckland Plan Outcomes

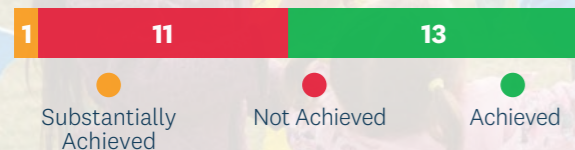


“Hei pononga mā te iwi”

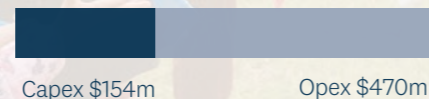
To be a servant for the people

How we did against our performance measure targets?

Total 25



Our investment



95%

Percentage of customers satisfied with the quality of library service delivery
(Target 87%)



27%

The percentage of local programmes, grants and activities that respond to Māori aspirations
(Target 26%)



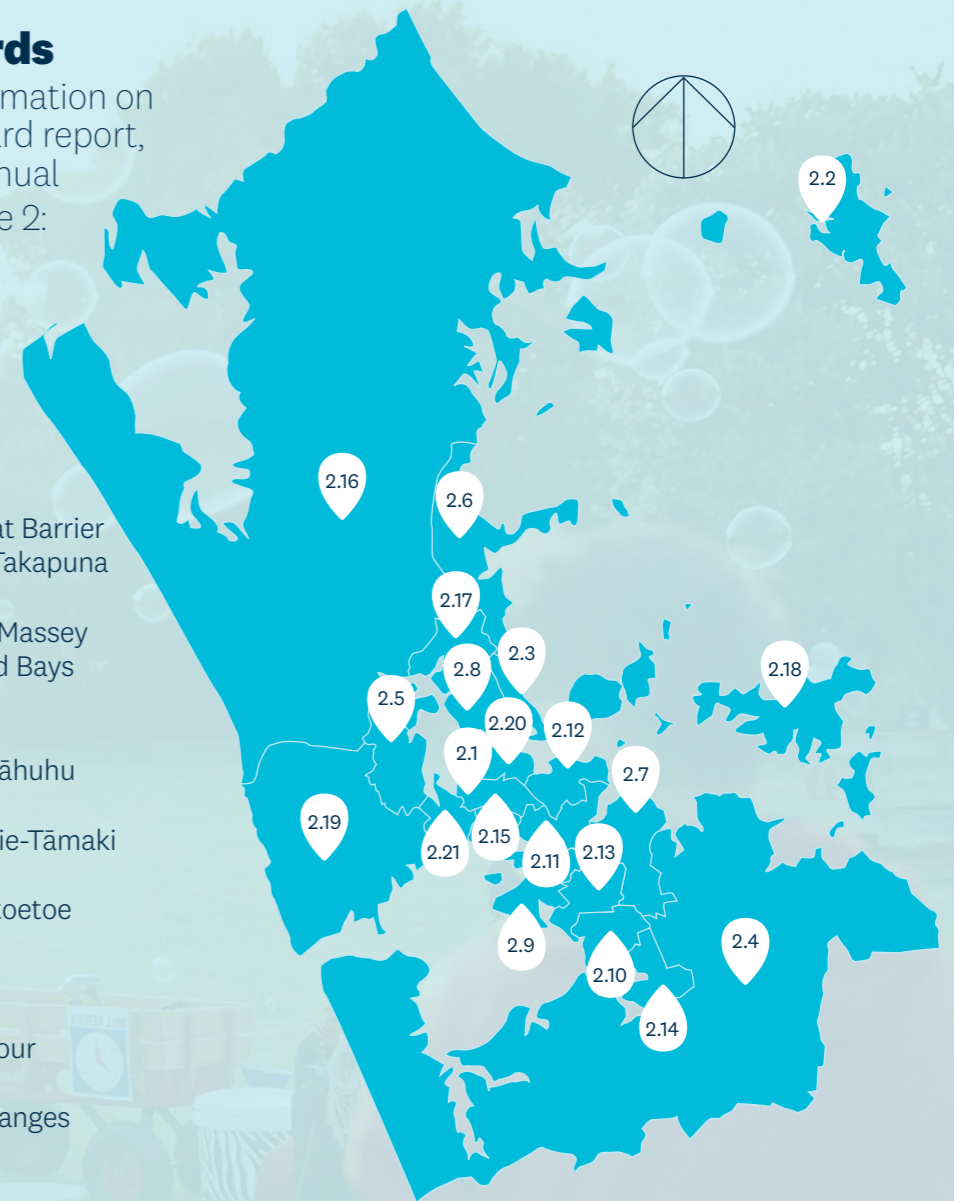
28%

Percentage of Aucklanders that feel their local town centre is safe - night time
(Target 44%)

Local boards

For more information on each local board report, please see Annual Report Volume 2:

- 2.1 Albert-Eden
- 2.2 Aotea / Great Barrier
- 2.3 Devonport-Takapuna
- 2.4 Franklin
- 2.5 Henderson-Massey
- 2.6 Hibiscus and Bays
- 2.7 Howick
- 2.8 Kaipātiki
- 2.9 Māngere-Ōtāhuhu
- 2.10 Manurewa
- 2.11 Maungakiekie-Tāmaki
- 2.12 Ōrākei
- 2.13 Ōtara-Papatoetoe
- 2.14 Papakura
- 2.15 Puketāpapa
- 2.16 Rodney
- 2.17 Upper Harbour
- 2.18 Waiheke
- 2.19 Waitākere Ranges
- 2.20 Waitemātā
- 2.21 Whau



Ngā Ratonga i Raro i te Mana o te Kaunihera Council controlled services

Eke Panuku Development Auckland Limited

Eke Panuku delivers urban regeneration across the city. It creates vibrant, liveable places with high-quality housing, thriving businesses and well-designed town centres with good transport connections.

In March 2024, Eke Panuku completed the Papa ki Awataha Jessie Tonar Scout Reserve upgrade. This has transformed overgrown grass and bush into an attractive green space for the rapidly growing Northcote community to use and enjoy.

The local community looks after the greenway during the monthly restoration days. These include stream monitoring, pest identification and removal.

Tātaki Auckland Unlimited (TAU)

Refers to the two substantive council-controlled organisations, Tātaki Auckland Unlimited Limited (TAUL) and Tātaki Auckland Unlimited Trust (TAUT). TAU is New Zealand’s largest enabler of cultural,

entertainment, sporting and wildlife experiences, and the largest regional economic development agency in the country.

TAUL continued to invest, support and deliver major events across Auckland to generate economic, social, profile and sustainability benefits for the region. This included co-hosting the FIFA Women’s World Cup 2023 between July 2023, and August 2023 and Moana Auckland – New Zealand’s Ocean Festival.

TAUT continued to provide and develop art, culture, heritage, leisure, sport and entertainment venues throughout Auckland. This included the Laneway festival at Western Springs Stadium and sold-out rugby games at Go Media Stadium.



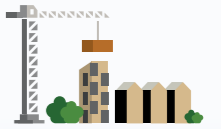
\$142.8m

The contribution to regional GDP from major events and business events attracted or supported
(Target \$71m)



2,088,013

The number of people who are issued tickets to attend Auckland Live, Auckland Zoo, Auckland Art Gallery, NZ Maritime Museum and Auckland Stadiums venues and events
(Target 2.08m)



135

Net new dwellings (housing units)
(Target 350)

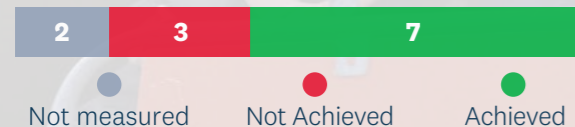
“Hei oranga mō te iwi”
To provide wellbeing for the people

Related Auckland Plan Outcomes

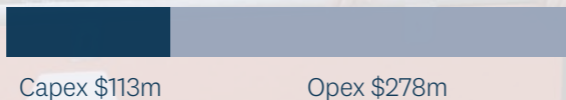


How we did against our performance measure targets?

Total 12



Our investment





5

Financial overview



Summary statement of comprehensive revenue and expenditure

For the year ended 30 June 2024

\$Million	Group			Auckland Council		
	Actual 2024	Budget 2024	Actual 2023	Actual 2024	Budget 2024	Actual 2023
Revenue						
Rates	2,523	2,524	2,280	2,534	2,536	2,290
Fees and user charges	1,678	1,647	1,472	364	312	337
Grants and subsidies	1,265	1,179	1,176	151	80	171
Development and financial contributions	222	268	240	222	268	240
Other revenue	764	759	871	370	345	300
Vested assets	698	456	616	222	125	173
Finance revenue from financial assets at amortised cost	36	7	15	28	35	37
Finance revenue from financial assets at fair value through surplus or deficit	4	1	3	187	151	129
Total revenue excluding other gains	7,190	6,841	6,673	4,078	3,852	3,677
Expenditure						
Employee benefits expense	1,195	1,146	1,121	662	662	609
Depreciation and amortisation	1,375	1,293	1,268	342	353	328
Grants, contributions and sponsorship	200	170	187	1,260	1,292	1,167
Other operating expenses	3,145	2,392	2,225	1,656	881	809
Finance costs	562	536	523	554	527	505
Total expenditure excluding other losses	6,477	5,537	5,324	4,474	3,715	3,418
Operating surplus before gains and losses	713	1,304	1,349	(396)	137	259
Net other gains and losses	(44)	(26)	(163)	23	(27)	(197)
Share of net deficit in associates and joint ventures	(5)	(7)	(114)	(10)	(9)	(118)
Surplus/(deficit) before income tax	664	1,271	1,072	(383)	101	(56)
Income tax expense	80	101	62	-	-	-
Surplus/(deficit) after income tax	584	1,170	1,010	(383)	101	(56)
Other comprehensive revenue/(expenditure)						
Net (loss)/gain on revaluation of property, plant and equipment	(265)	3,590	198	(438)	422	(915)
Impairment losses on revalued property, plant and equipment	-	-	(29)	-	-	(19)
Tax on revaluation of property, plant and equipment	1	(293)	(258)	-	-	-
Movement in cash flow hedge reserve	-	-	(1)	-	-	-
Fair value movement on revaluation of financial assets held at fair value through other comprehensive revenue and expenditure	(247)	-	357	(234)	-	363
Total other comprehensive revenue/(expenditure)	(511)	3,297	267	(672)	422	(571)
Total comprehensive revenue/(expenditure)	73	4,467	1,277	(1,055)	523	(627)

Summary statement of financial position

As at 30 June 2024

\$Million	Group			Auckland Council		
	Actual 2024	Budget 2024	Actual 2023	Actual 2024	Budget 2024	Actual 2023
Current assets						
Non-current assets held-for-sale	176	136	989	52	136	988
Other current assets	1,573	873	1,063	1,102	710	627
Total current assets	1,749	1,009	2,052	1,154	846	1,615
Non-current assets						
Property, plant and equipment	67,697	71,865	66,076	20,433	21,999	20,440
Investment in subsidiaries	-	-	-	20,019	19,957	20,008
Investment in associates and joint ventures	1,803	1,928	1,490	1,799	1,921	1,487
Other non-current assets	3,145	2,938	3,335	6,877	6,416	6,463
Total non-current assets	72,645	76,731	70,901	49,128	50,293	48,398
Total assets	74,394	77,740	72,953	50,282	51,139	50,013
Current liabilities						
Current borrowings	1,371	1,041	2,403	1,369	1,068	2,402
Other current liabilities	1,812	1,510	1,419	1,695	1,431	1,260
Total current liabilities	3,183	2,551	3,822	3,064	2,499	3,662
Non-current liabilities						
Non-current borrowings	11,546	10,862	10,054	11,374	10,666	9,882
Other non-current liabilities	4,041	3,715	3,526	1,437	1,024	1,007
Total non-current liabilities	15,587	14,577	13,580	12,811	11,690	10,889
Total liabilities	18,770	17,128	17,402	15,875	14,189	14,551
Net assets	55,624	60,612	55,551	34,407	36,950	35,462
Equity						
Total equity	55,624	60,612	55,551	34,407	36,950	35,462

Summary statement of changes in equity

For the year ended 30 June 2024

\$Million	Group			Auckland Council		
	Actual 2024	Budget 2024	Actual 2023	Actual 2024	Budget 2024	Actual 2023
Opening equity as at 1 July	55,551	56,145	54,274	35,462	36,427	36,089
Total comprehensive revenue/(expenditure)	73	4,467	1,277	(1,055)	523	(627)
Closing equity as at 30 June	55,624	60,612	55,551	34,407	36,950	35,462
Components of equity						
Contributed equity	26,693	26,693	26,693	26,539	26,539	26,539
Accumulated funds	7,564	8,372	6,803	155	1,081	382
Reserves	21,367	25,547	22,055	7,713	9,330	8,541
Total equity	55,624	60,612	55,551	34,407	36,950	35,462

Summary statement of cash flows

For the year ended 30 June 2024

\$Million	Group			Auckland Council		
	Actual 2024	Budget 2024	Actual 2023	Actual 2024	Budget 2024	Actual 2023
Net cash inflow from operating activities	2,062	2,205	1,812	462	585	425
Net cash outflow from investing activities	(2,159)	(2,056)	(2,753)	(633)	(435)	(1,629)
Net cash inflow from financing activities	633	(149)	795	632	(150)	1,083
Net increase/(decrease) in cash and cash equivalents and bank overdraft	536	-	(146)	461	-	(121)
Opening cash and cash equivalents and bank overdraft	80	100	226	45	80	166
Closing cash and cash equivalents and bank overdraft	616	100	80	506	80	45

Notes to the summary Basis of reporting

Auckland Council has designated itself and the Auckland Council Group (the group) as public benefit entities and applies New Zealand Tier 1 Public Benefit Entity Accounting Standards (PBE Accounting Standards). These standards are based on International Public Sector Accounting Standards, with amendments for the New Zealand environment. The full financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice, PBE Accounting Standards and other applicable financial reporting standards, as appropriate for public benefit entities. The summary financial statements comply with Public Benefit Entity Financial Reporting Standard 43: Summary

Financial Statements. The information presented is in New Zealand dollars, which is the functional currency of each of the Group's entities, rounded to the nearest million dollars (\$million) unless otherwise stated.

The summary financial statements and associated disclosures have been extracted from the full annual report. However, the summary financial statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements. The Annual Report 2023/2024 and Summary Annual Report 2023/2024 were authorised for issue by the group governing body on 26 September 2024. The Annual Report 2023/2024 can be found on the Auckland Council website and in Auckland Council libraries.

Budget information

The budget figures presented in the financial statements of the group and Auckland Council are those included in the Annual Budget 2023/2024 and are consistent with the accounting policies used to prepare the financial statements.

Provision for Risk Category 3 property buy-outs and Risk Category 2P properties

Following the 2023 severe weather events in Auckland and Cyclone Gabrielle, a funding agreement is in place with the central government for the cost-sharing of region's recovery. Central government will contribute up to \$877 million.

The New Zealand government's risk categorisation framework has been used to categorise homes affected by the weather events and residential properties that may be considered high risk in future events. According to the framework and the funding agreement, the group

- administer the programme for the Risk Category 3 property buy-outs and will take ownership of them. Risk Category 3 properties hold intolerable risk to life and future severe weather event risk cannot be sufficiently reduced.
- provide grants to Category 2P property owners. These are properties where there is an intolerable risk to life from extreme weather events and property-level mitigations can reduce the risk to a tolerable level.
- fund infrastructure improvements for Category 2C properties. These are properties that need community level measures to manage future severe weather event risk such as repairing and enhancing flood protection schemes.
- further assess Category 2A properties to identify if they fall within Category 2C or 2P.
- deliver transport recovery works to reinstate parts of the transport network directly impacted by the storm events.

The central government funding will be provided when the council raises a payment request after actual costs are incurred.

The council estimated there will be 900 Risk Category 3 property buy-outs, of which the council has bought back 127 properties and paid \$132 million for settlement as at 30 June 2024.

The council recognised a \$523 million provision to cover the remaining costs of purchasing Risk Category 3 properties net of the fair value of land and a \$30 million provision for the Risk Category 2P mitigation projects in as at 30 June 2024 (2023: \$nil). The provision is based on the best estimate of the present value of the expenditure needed to settle

the obligations to property owners. The estimates are determined based on the judgements and assumptions made by management and independent actuaries. Uncertainty around amount and timing due to these assumptions may result in actual outcomes that are significantly different from the estimate in the future.

Other material matters Water services reform

The water services legislation (namely the Water Services Entities Act 2022, the Water Services Legislation Act 2023 and the Water Services Economic Efficiency and Consumer Protection Act 2023), was repealed on 17 February 2024. As a result, the water services reform assets and operations as disclosed in the 30 June 2023 financial statements will no longer be transferred to Entity A. The Government has recently enacted the Local Government (Water Services Preliminary Arrangements) Act 2024. The legislation provides for a new model for Auckland, where the council is prohibited from providing financial support to Watercare from 1 July 2025. Under the new model Watercare can borrow more money in its own name for long-term investment in water infrastructure. Watercare remains within the Auckland Council group and continues to be fully consolidated.

Auckland regional fuel tax (RFT) updates

The government cancelled one of the council's funding sources, the RFT ending the scheme four years early on 30 June 2024. This resulted in a \$600 million reduction in expected future RFT funding. Consequently, a number of future projects, funded by both RFT and other funding sources, had to be reprioritised, re-scoped, or deferred through the long-term plan development.

Auckland Future Fund

Auckland Council's Long-term Plan 2024-2034 confirmed the establishment of an Auckland Future Fund to improve the financial resilience of the council. The Auckland Future Fund will be supervised by the directors of Auckland Future Fund Trustee Limited (AFF directors) with advice from a professional investment manager who will operate under a clear set of investment objectives and policies. This long-term plan enables the transfer of all the council's remaining shares in Auckland International Airport Limited (AIAL) into the fund and enables the AFF directors to sell the shares and diversify the funds.

Subsequent event

There are no material events occurring subsequent to balance date.

Independent Auditor's Report

To the readers of Auckland Council and Group's summary of the annual report for the year ended 30 June 2024

The summary of the annual report was derived from the annual report of the Auckland Council and Group for the year ended 30 June 2024.

The summary of the annual report comprises the following information of the Auckland Council and Group on pages 32 to 49 and pages 52 to 55:

- the summary statement of financial position as at 30 June 2024;
- the summary statement of comprehensive revenue and expenditure, summary statement of changes in equity and summary statement of cash flows for the year ended 30 June 2024;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary service performance information, referred to as "performance by groups of activities".

Opinion

In my opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS-43: *Summary Financial Statements*.

Summary of the annual report

The summary of the annual report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The full annual report and my audit report thereon

I expressed an unmodified audit opinion on the information I audited in the full annual report for the year ended 30 June 2024 in my auditor's report dated 26 September 2024.

That report also includes communication of key audit matters. Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the audited information of the Auckland Council and Group for the current period.

Additionally, that report includes an emphasis of matter paragraph drawing attention to the following matter in the full annual report:

Inherent uncertainties in the measurement of greenhouse gas emissions

The Council has chosen to include measures of greenhouse gas (GHG) emissions in its performance

information. In considering the public interest in climate change related information, I drew attention to the disclosures on page 89 to 90, and 52 to 53 of the full annual report that outline the uncertainty in the reported GHG emissions. Quantifying GHG emissions is subject to inherent uncertainties because the scientific knowledge and methodologies to determine the emissions factors and processes used to calculate or estimate quantities of GHG sources are still evolving, as are GHG reporting and assurance standards.

Council's responsibility for the summary of the annual report

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS-43: *Summary Financial Statements*.

Auditor's responsibility

My responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43: *Summary Financial Statements*.

My opinion on the summary of the annual report is based on my procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the *Professional and Ethical Standards* and the *International Standards on Auditing (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board.

In addition to reporting on the summary and full annual reports, my staff and appointed auditors and their staff have carried out a range of other assurance engagements, which are compatible with independence requirements. Other than this reporting and these engagements, and in exercising my functions and powers under the Public Audit Act 2001, I have no relationship with, or interests in, Auckland Council or its subsidiaries and controlled entities.



Andrew McConnell
Deputy Controller and Auditor-General
Wellington, New Zealand
26 September 2024

Me pēhea te whakapā mai ki te kaunihera How to contact the council

Online

aucklandcouncil.govt.nz/contactus

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Post

Auckland Council, Private Bag 92300, Auckland 1142

Locations that offer council services

Aotea / Great Barrier Island

75 Hector Sanderson Road, Claris, Great Barrier Island

City Centre Library

44-46 Lorne Street, CBD

Helensville

49 Commercial Road, Helensville

Waitākere Central Library (Henderson)

3 Ratanui Street, Henderson

Kumeū Library

296 Main Road (SH16), Kumeū

Manukau Library

3 Osterley Way, Manukau

Ōrewa Library

12 Moana Avenue, Orewa

Papakura Sir Edmund Hillary Library

1/209 Great South Road, Papakura

Pukekohe Library, Franklin

The Centre, 12 Massey Avenue, Pukekohe

Takapuna Library

9 The Strand, Takapuna

Te Manawa

11 Kohuhu Lane, Westgate

Waiheke Library

131-133 Oceanview Road, Oneroa, Waiheke Island

Warkworth Library

2 Baxter Street, Warkworth

For opening hours and a list of services available at each service centre, visit <https://www.aucklandcouncil.govt.nz/report-problem/visit-us/Pages/default.aspx>



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