

# Auckland Council Group

## **Budget Book**

July 2021








*This document provides a high-level summary of the Group's 10-year Budget 2021-2031*

# 10-year Budget 2021-2031 snapshot

A **\$32 billion** package of capital investment that will enable continued delivery of key services and strong investment in new and renewed assets as well as helping stimulate the economic recovery of Auckland.

### Key issues to address in the 10-year Budget include:

- A climate action package that contributes to the reduction of greenhouse gas emissions and adapting to the impact of climate change.
- Focusing our infrastructure support for housing and growth to a few key areas.
- Changing the way we deliver community services to better meet the needs of our diverse and changing communities.
- Continuing to make progress with protecting and enhancing our natural environment and improving water quality.

			10-YEAR BUDGET 2018-2028	10-YEAR BUDGET 2021-2031
	<b>Transport</b>	▲	\$11.97b	\$12.65b
	<b>Water, wastewater and stormwater</b>	▲	\$7.08b	\$11.14b
	<b>Parks and community</b>	▲	\$3.70b	\$4.56b
	<b>City centre and local development</b>	▼	\$1.28b	\$1.17b
	<b>Economic and cultural development</b>	▲	\$0.40b	\$0.55b
	<b>Environmental management and regulation</b>	▲	\$0.15b	\$0.18b
	<b>Council support</b>	▼	\$1.63b	\$1.57b
<b>TOTAL INVESTMENT (\$ BILLION)</b>			<b>\$26.20b</b>	<b>\$31.80b</b>

### OUR STRATEGIC LENSES...

  
**Recovery**  
 Focus on supporting communities and stimulating jobs and economic recovery

  
**Climate Change**  
 Focus on considering climate impacts in everything we do

  
**Māori Outcomes**  
 Focus on opportunities to achieve better outcomes for Māori

  
**Development**  
 Focus on supporting growth in a few key areas

### OUR FUNDING LEVERS...

  
**\$70 million asset recycling target per year**

  
**\$90 million of ongoing savings**

  
**Increased council borrowing in the short term**

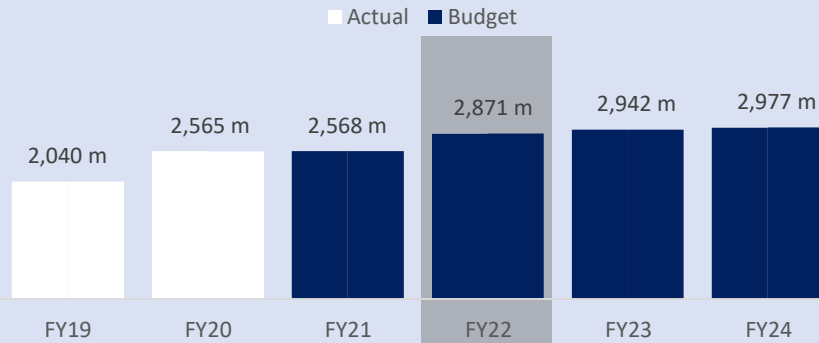
  
**A one-off 5 per cent increase in average general rates**

# Group settings for 10-year Budget



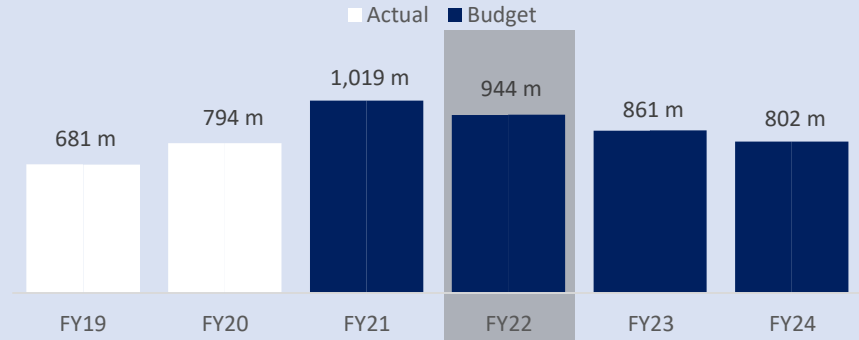
## Capital investment

(includes City Rail Link investment)



## Net direct expenditure

(excludes rates, depreciation, interest, and accounting adjustments)

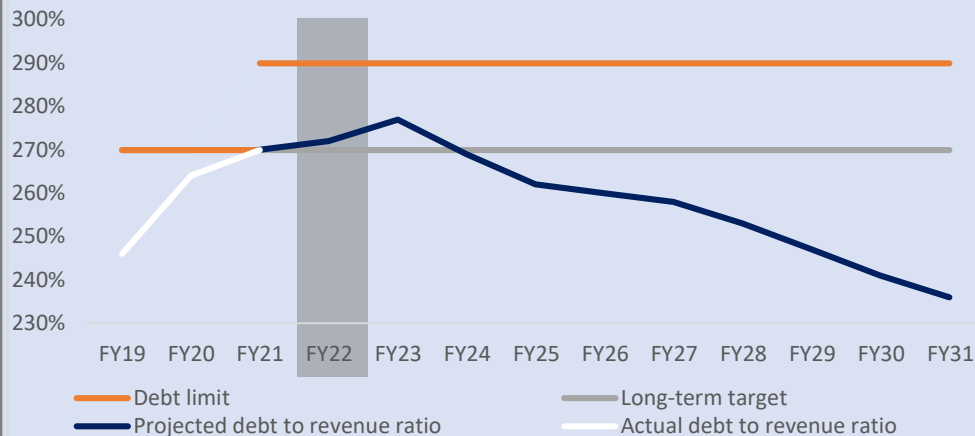


The net direct expenditure decreases in the first three years of the LTP mainly due to revenue recovery from COVID-19 impacts in the FY21 Emergency Budget.



## Prudent debt management


### Debt to revenue ratio



## Group key focus

- Delivery of the 10-year Budget investment programme and the supporting capital funding streams
- Maintaining current services and achieving council's savings target of \$90 million per annum
- Returning to our long-term debt to revenue target of 270%
- Achieving the asset recycling target

# Group capital investment

 <b>Capital investment trend</b>							
(\$ millions)		FY20	FY21	FY22	FY23	FY24	10-year
	Notes	Actual	Budget	Budget	Budget	Budget	Total
<b>Capital investment</b>	<b>A</b>	<b>2,565</b>	<b>2,568</b>	<b>2,871</b>	<b>2,942</b>	<b>2,977</b>	<b>31,806</b>
Auckland Council <sup>1</sup>		548	453	565	572	540	7,437
Auckland Transport		862	757	820	994	1,186	11,373
Auckland Unlimited (AU) <sup>2</sup>		79	51	93	47	51	554
Eke Panuku <sup>1</sup>		128	100	91	89	98	777
Ports of Auckland (POAL)		100	74	67	70	85	741
Watercare		590	738	746	715	773	9,653
City Rail link investment		<b>258</b>	<b>395</b>	<b>490</b>	<b>456</b>	<b>244</b>	<b>1,272</b>
<b>Capital funding sources</b>							
Development contribution revenue	<b>B</b>	156	137	248	265	269	2,715
Capital grants and subsidies	<b>C</b>	438	454	474	529	649	6,025
Asset sales <sup>3</sup>		108	390	132	106	174	897
Change in net debt		1,170	910	911	1,038	558	5,509
Operating funding		688	678	1,106	1,003	1,328	16,659

1. Panuku-managed assets and expenditure owned by Auckland Council is added to Panuku financials. Refer to Eke Panuku section for more details.  
2. Auckland Unlimited includes capital expenditure relating to Auckland Film Studios.  
3. Asset sales include \$70 million asset recycling target per year.

## **Key commentary**

A: Group capital investment has increased by \$900m in the first three LTP years. This maintains the pipeline of work planned, despite the impact of COVID-19.

Key changes include:

- Auckland Council's accelerated investment into stormwater and community projects.
- Auckland Transport's capital programme is aligned with the Regional Land Transport Plan to support the development and improvement to public transport and road networks and meet the demand of growth in Auckland.
- AU's FY22 increase is primarily due to a \$35m increase for Auckland Film Studios supported by a \$30m government grant. Additional capital expenditure was also approved for venue renewals in this LTP.
- Watercare's increase in FY21 reflects the additional costs to increase water supply capacity from the Waikato river and new water treatment plants in Pukekohe and Papakura in response to the drought situation. Capital expenditure planned for the next 10 years has also increased significantly to meet the investment demand identified from Watercare's bottom-up Asset Management Plan (AMP) review.

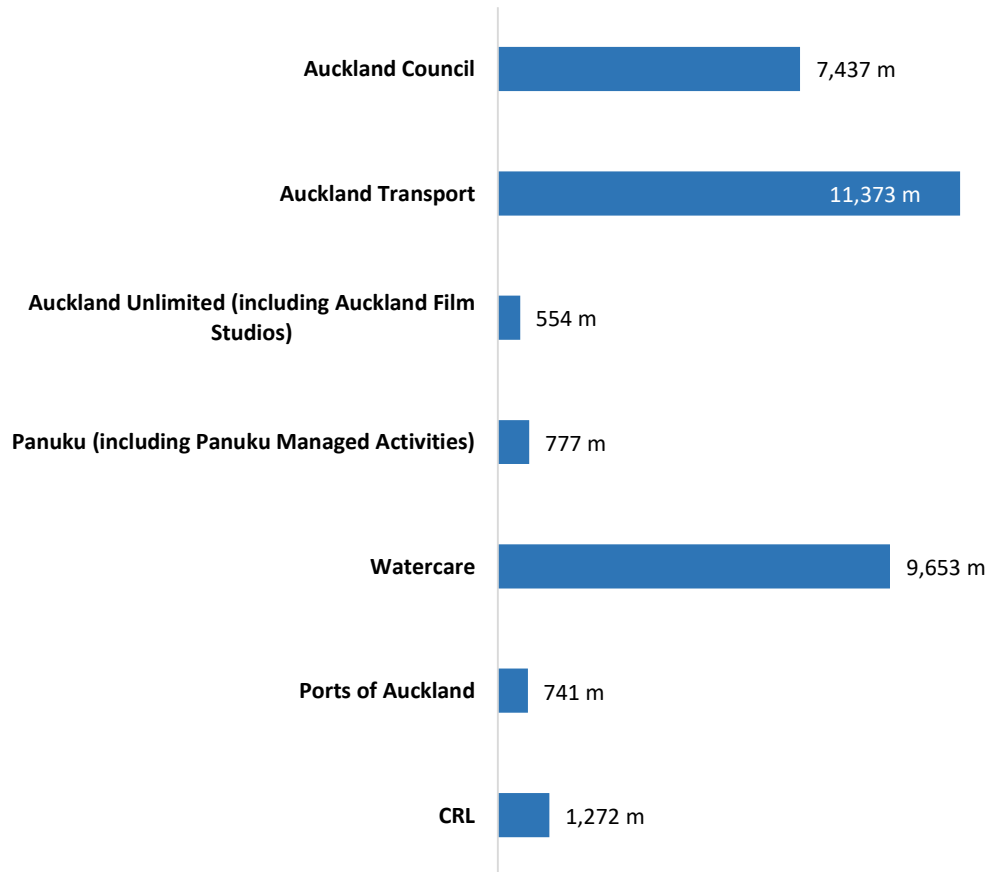
B: Development contribution revenue has increased to reflect the anticipated growth-related infrastructure and increasing volumes of new property developments.

C: Capital grants and subsidies include central government transport funding agreed through the Auckland Transport Alignment Project (ATAP) as well as "shovel ready" government funding.

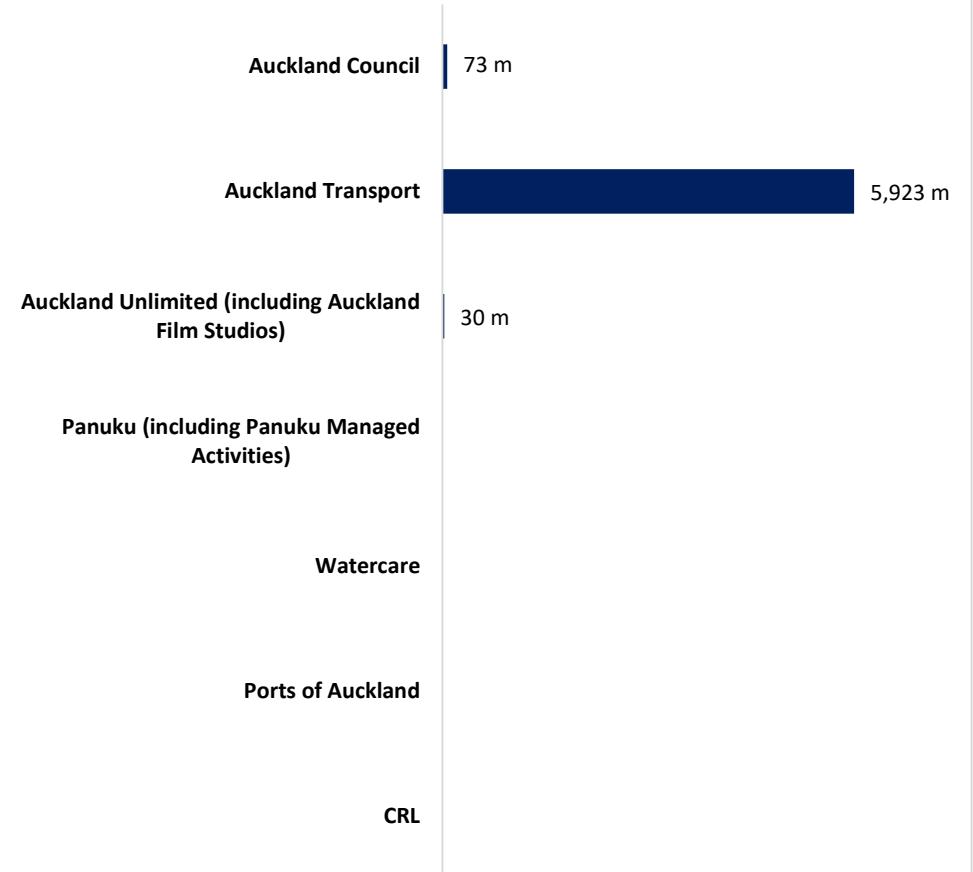
# Auckland Council Group capital investment & grants and subsidies

• Following from the previous page, the charts below provide a breakdown of the capital investment and capital grants and subsidies of the key entities within Auckland Council Group for the 10-year Budget 2021-2031.

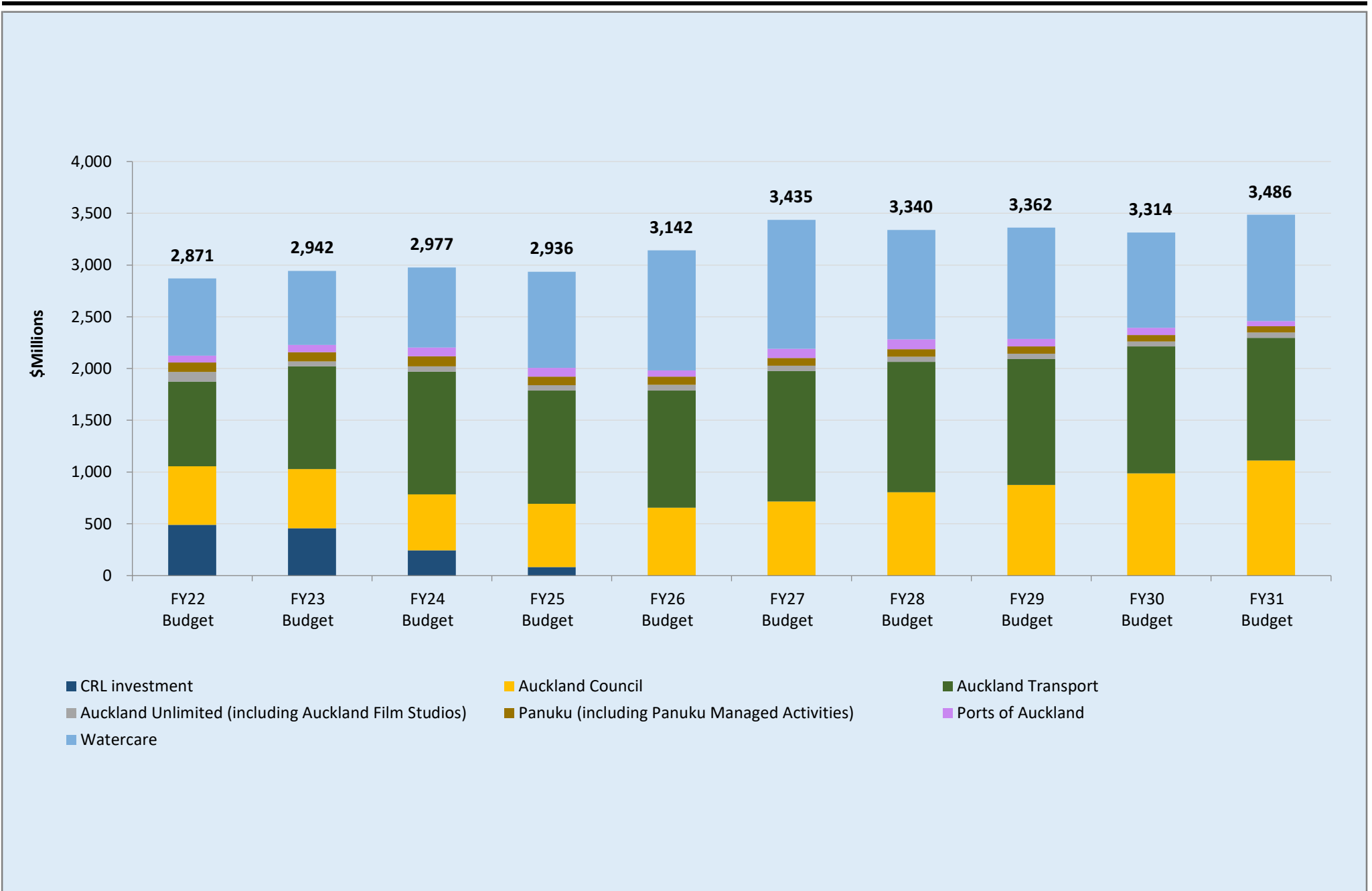
## Capital investment (10-year total)



## Capital grants and subsidies (10-year total)

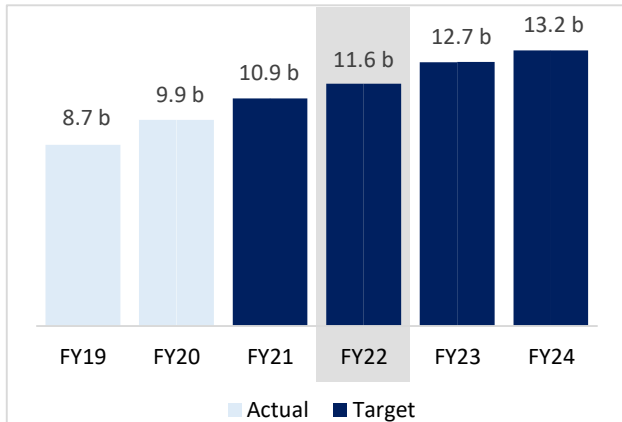


# Group 10-year capital investment

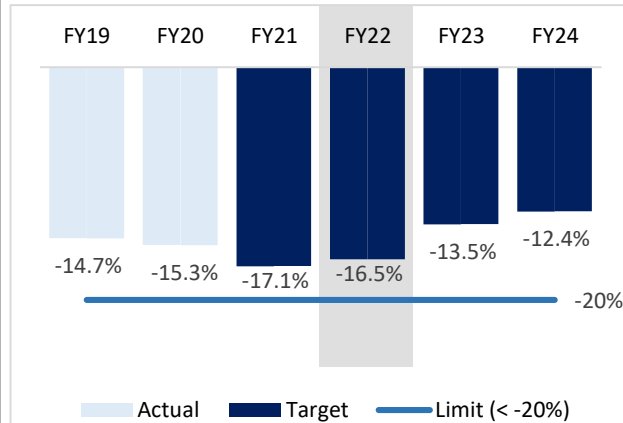


# Group balance sheet management

## Net debt



## After capital deficit ratio



\*Figures above are 5-year rolling average

## Key commentary

Net borrowings is expected to increase by around \$1 billion (6%) from FY21 to FY22. This increase is to fund the Group's \$2.9 billion capital investment (including \$0.5 billion for CRL).

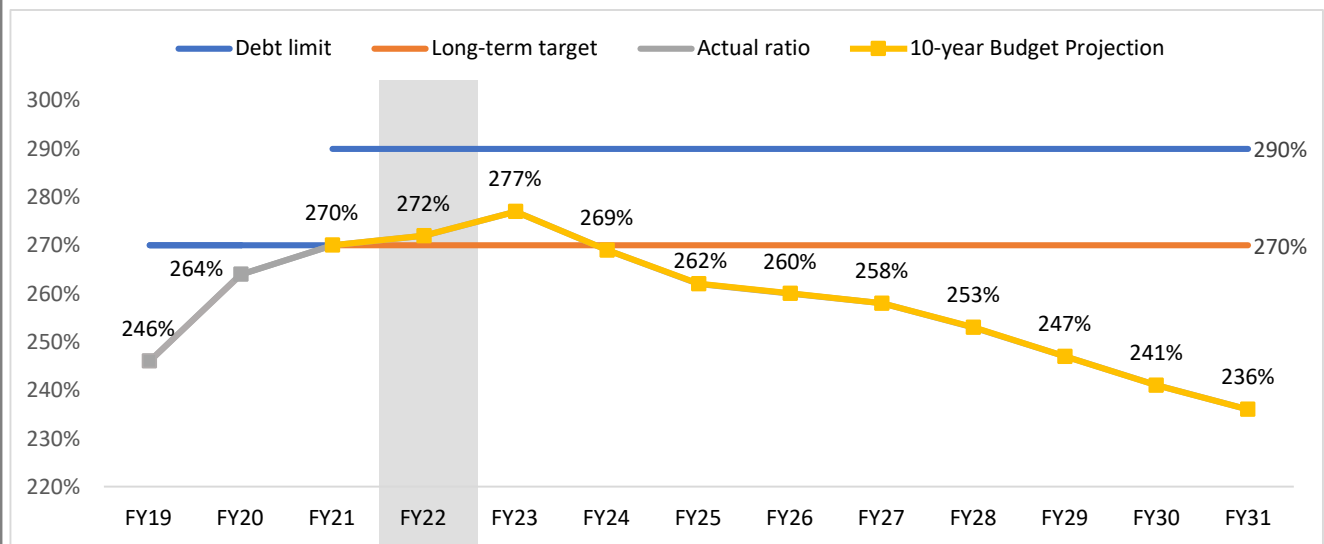
Auckland Council (the council) has consistently maintained its AA credit rating from S&P Global Ratings and Aa2 credit rating from Moody's Investor Service, both on a "Stable" outlook. The council's credit rating is one of the highest in the country.

The projected gross debt to adjusted revenue ratio is higher than previously forecast in the first three years of the LTP. This is due to maintaining a high capital investment programme despite COVID-19 impacts on the group's revenue streams. The council will temporarily depart from its normal long-term target debt to revenue ratio, before gradually reducing to below 270%.

As part of the LTP process the council updated its Treasury Management Policy and limits within it following detailed analysis and consultation with the rating agencies. The debt to revenue limit has now been increased to 290%. The Council also introduced a new balance after capital account deficit ratio with a limit of not lower than -20%. The ratio measures the cash operating surplus less net capital outflows.

Auckland Council protects itself from rises in interest rates by using hedging instrument (swaps) to fix interest rates. To a large extent, this locks in the council's future borrowing cost from unforeseen changes in interest rates, particularly in the short term.

## Gross debt to adjusted revenue



# Group operating performance



## Operating performance trend

(\$ millions)	Notes	FY20	FY21	FY22	FY23	FY24	10-year
		Actual	Budget	Budget	Budget	Budget	Total
<b>Net direct expenditure</b>	<b>A</b>	<b>794</b>	<b>1,019</b>	<b>944</b>	<b>861</b>	<b>802</b>	<b>7,390</b>
<b>Direct revenue</b>	<b>B</b>	<b>2,032</b>	<b>1,922</b>	<b>2,219</b>	<b>2,364</b>	<b>2,538</b>	<b>29,305</b>
Fees and user charges		1,316	1,219	1,468	1,603	1,781	21,133
Operating grants and subsidies		382	411	406	402	382	4,052
Other direct revenue		334	292	345	359	375	4,120
<b>Direct expenditure</b>	<b>C</b>	<b>2,826</b>	<b>2,941</b>	<b>3,163</b>	<b>3,225</b>	<b>3,340</b>	<b>36,695</b>
Employee benefits		997	959	1,021	1,038	1,063	11,230
Grants, contributions & sponsorship		148	159	170	166	173	1,788
Other direct expenditure		1,681	1,823	1,971	2,021	2,105	23,678
<b>Other key operating lines</b>							
General rates	<b>D</b>	1,653	1,744	1,869	1,972	2,083	24,069
Targeted rates	<b>D</b>	224	232	249	276	298	2,899
Vested assets		494	410	450	454	459	4,739
Finance revenue		10	7	3	3	3	23
Regional fuel tax revenue		144	143	150	150	150	1,500
Non-direct revenue		16	-	-	24	45	531
Depreciation and amortisation		963	1,051	1,063	1,105	1,157	13,601
Finance costs		444	454	447	478	511	5,445
Non-direct expenditure		174	-	-	-	-	-



## Key commentary

A: Net direct expenditure is \$75 million lower in FY22 from FY21. This is primarily due to more favourable growth and economic LTP assumptions from the Emergency Budget, with direct revenue projected to recover from the COVID-19 impacts.

B: The direct revenue uplift is mainly attributed to increases in water, wastewater and Infrastructure Growth charges from Watercare, improved patronage against COVID-19 disruptions for Auckland Transport and Auckland Unlimited, and Regulatory consenting revenue.

C: Direct expenditure for FY22 is expected to increase to support higher staff resourcing requirements from new LTP initiatives including the climate action investment package. Other key cost increase drivers are inflationary increase to staff and other operating costs, expenditure to deliver committed obligations, and planned level of services in public transport and water supply to support the growing needs of Auckland.

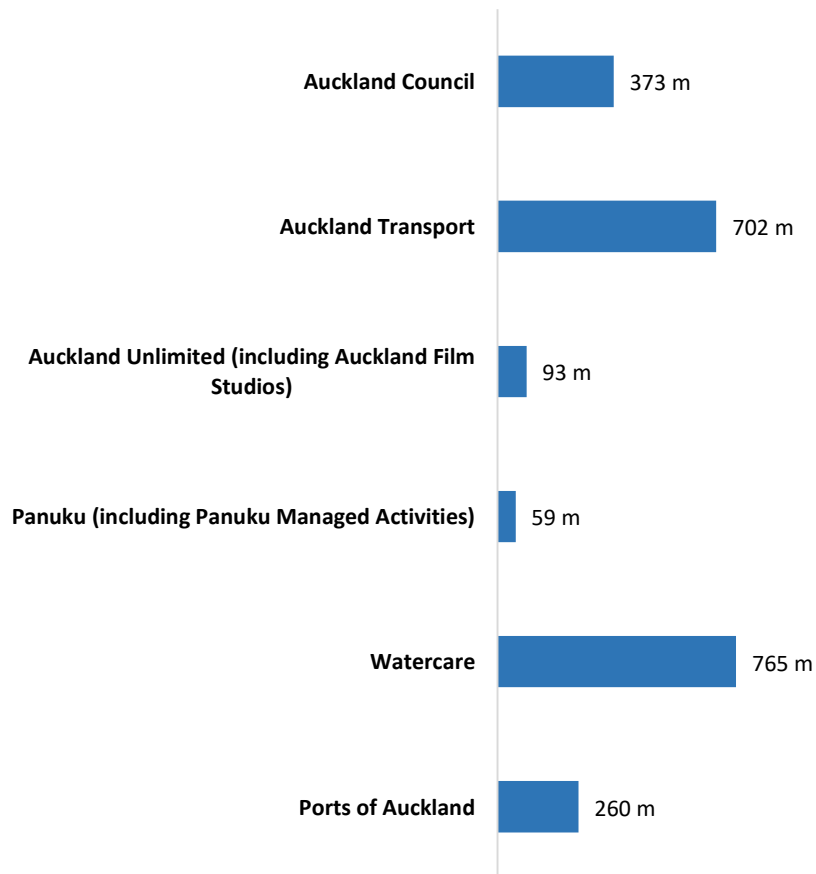
D: The total rates increase in FY22 is projected to be \$141 million. The increase reflects a one-off 5% average general rates increase, reverting to the long-term annual average general rates increase of 3.5% from FY23 and subsequent years, as well as growth in the number of rating units. The additional Water Quality targeted rates funding supports improving water quality to areas including the Eastern Isthmus and Manukau Harbour catchments.



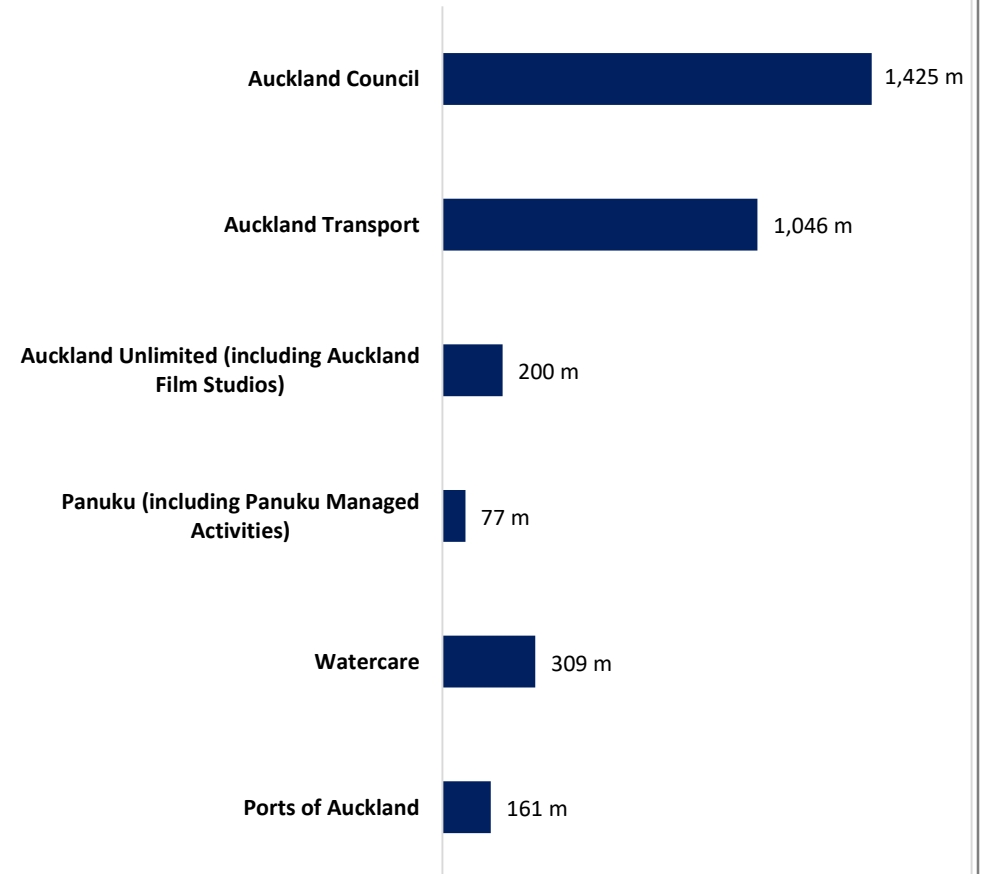
# Auckland Council Group key entities

- Following from the previous page, the charts below provide a breakdown of the direct revenue and expenditure of the key entities within Auckland Council Group.
- Net direct expenditure refers to operating revenue less costs from day-to-day operations and excludes accounting and finance factors such as depreciation, interest, vested assets and rates income.
- The figures below excludes intercompany eliminations.

**FY22 Direct Revenue Budget**



**FY22 Direct Expenditure Budget**



# Auckland Council Group

## Strategic Focus Areas

# Group strategic focus area - Māori Outcomes

## Key programme of works for 2021/2022

### More information provided in following sections:

#### Top deliverables

1. Provide economic development opportunities for Māori growth in business and enterprise through the Amotai programme by increasing the number of Māori businesses registered with Amotai by 80 and aiming to see those registered with Amotai grow in size and turnover by 40%
2. Ensure Te Reo Māori is seen, heard, spoken and learned throughout council activity by implementing the Te Reo Action Plan and delivering the Te kete Rukuruku programme and Te Matatini 2022 event.
3. Support five marae to be sustainable cultural hubs for Māori and the wider community, and enable the development of Papakāinga & Māori Housing by allocating grant funding from the Community Infrastructure Fund.
4. Work with mana whenua and mataawaka to identify areas that are of value to them and enable opportunities for leadership and influence. This will be done by delivering the work programme of the Tāmaki Makaurau Mana Whenua Forum, and building capacity of mana whenua through relationship building and Capacity Grants.

#### Key programme of works

1. Grow Māori entrepreneurship through smarter use of procurement and supply chains by supporting the Amotai supplier diversity initiative
2. Deliver Te Reo programmes: a) Te Kete Rukuruku dual names for parks and places and resurface the stories of Tāmaki Makaurau in a range of innovative formats and via 150 bi-lingual signs in parks; (b) support delivery of Te Matatini Herenga Waka, Herenga Tangata 2022 - Tāmaki Makaurau
3. Deliver the Cultural Initiatives Fund to: a) provide opportunity for mana whenua and mataawaka marae to apply for financial assistance to support maintenance and renewals, governance, and consent-related costs or financial assistance to support business cases, feasibility and master planning; (b) Support the development of Papakāinga & Māori Housing.
4. Support mana whenua and mataawaka marae infrastructure maintenance and renewals through the Marae Infrastructure Programme
5. Support effective Māori Participation by: a) Tāmaki Makaurau Mana Whenua Forum – Providing a means by which Auckland Council can engage with mana whenua entities of Tāmaki Makaurau collectively on region-shaping issues. This enables mana whenua capacity to contribute to decision-making processes by partnering with the Council and to progress, with Council support, Kaupapa that is important to mana whenua through the Forum's strategic plan and annual plan. (b) Enabling individual mana whenua capacity to build relationships with council and contribute to the decision-making process.

## Strategic context

The Kia ora Tāmaki Makaurau (council group's Māori outcomes performance measurement framework) 10 strategic priorities are:

1. Marae development
2. Kaitiakitanga (particularly water)
3. Te Reo Māori (particularly te reo names)
4. Māori Business, Tourism & Employment
5. Realising Rangatahi potential
6. Māori Identity and Culture
7. Whānau and Tamariki Wellbeing
8. Māori Housing & Papakāinga
9. Effective Māori participation
10. Empowered Organisation (internal)

The framework aligns with the Auckland Plan commitments to Māori outcomes, and the 10-year Budget 2021-2031.

# Group strategic focus area - Climate action projects

## Key programme of works for 2021/2022

More information provided in following sections:

### Top deliverables

1. Stop adding diesel buses to our fleet from July 2021 and work with central government to transition 50 per cent of the bus fleet to zero emissions (electric or hydrogen powered) by 2030.
2. Grow our Ngāhere - expand the capacity of our community nurseries, plant 200 hectares of native forest in our regional parks and 11,000 more street trees.
3. Expand our resource recovery network to divert thousands of tonnes more waste from landfill.
4. Engage Aucklanders in community action and lifestyle changes to reduce emissions and become more resilient to the impacts of climate change, including enabling Māori-led responses to climate change by partnering with rangatahi, marae and kura.
5. Deliver coastal management plans for the Auckland region to support us to adapt to climate impacts.
6. Establish a Climate Innovation Hub and improve monitoring of sustainable procurement key performance indicators.

### Key programme of works

1. Low carbon transport initiatives, including transitioning to a zero emissions bus fleet project, making progress towards a zero emissions area in the Queen Street Valley and regional interventions for low emissions streets.
2. Growing our Ngāhere - expand our urban and rural forests through support for community nurseries and increased tree planting.
3. Expand our resource recovery network by establishing more community recycling centres and resource recovery.
4. Engage Aucklanders in reducing emissions and becoming more resilient to climate impacts, including initiatives to increase Māori resilience and leadership in response to climate action
5. Coastal management planning and improved management of natural hazards that will be worsened by climate change.
6. Reduce Auckland Council's own organisational emissions by 50 per cent by 2030, through initiatives such as making buildings more energy efficient and installing solar panels.

## Strategic context

Tāmaki Makaurau (Auckland) is in a climate emergency. We have less than a decade to make major changes to avoid the worst impacts of climate change.

Our region is already experiencing the impacts of a changing climate. Over the last decade, Auckland felt the impacts of extreme weather events, and is still feeling the impacts of the 2020 drought. These are expected to increase in frequency and severity.

Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan outlines the priority areas and actions required to transition our region towards a net-zero, climate resilient future.

To accelerate our climate action, Auckland Council approved a climate investment package of \$152 million in the 10-year Budget 2021-2031. This will enable us to significantly increase our delivery in some key areas that Auckland Council can directly influence.

# Other key investments

## Ports of Auckland

Ports of Auckland (POAL) has three major master plan projects underway, including:

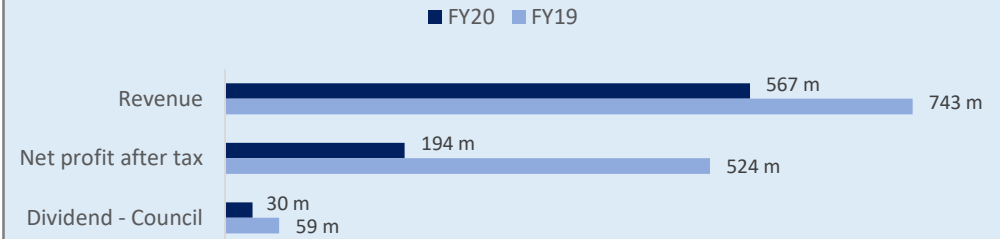
- container terminal automation
- construction of a new car handling building
- deepening of Auckland’s shipping channel.

Auckland Council has a 100% shareholding in Ports of Auckland Limited. Operating revenue is projected to grow by 13% in 2021/2022.

## Auckland Airport

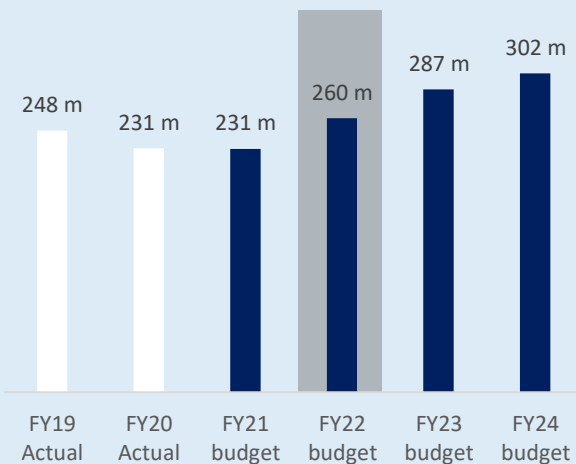
Auckland Council owns approximately 18% of Auckland International Airport Limited (AIAL). This represented a market value of \$2.1 billion as at 31 March 2020. The council has not received any dividends from the airport in the current year and received \$30 million in the prior year.

### AIAL key financials

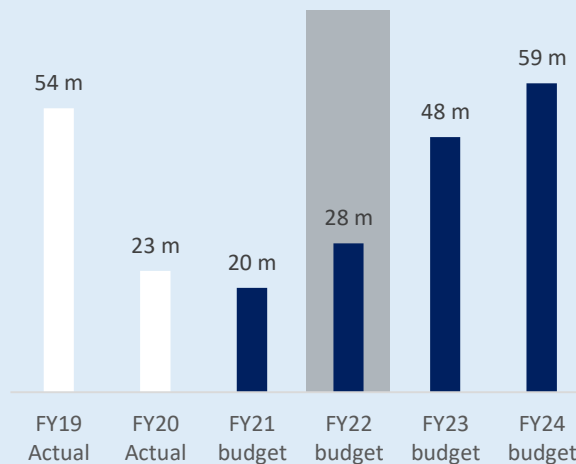


### POAL financial projections

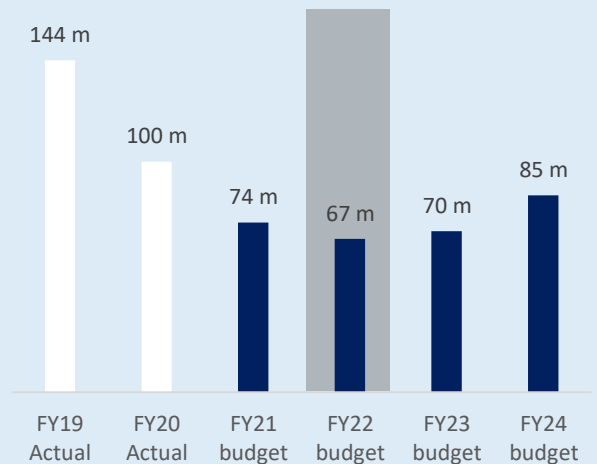
#### Operating revenue



#### Net profit after tax



#### Capex



# Auckland Council Group

## **Budget Book**

*This document provides a high-level summary of the Group's 10-year Budget 2021-2031 capital investment programmes and projects*



## Auckland Council Group capital investment list for 10-year Budget 2021-2031

Programme/Project (\$m)	2021/22 budget	2022/23 budget	2023/24 budget	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	10-year total
Auckland Transport	820	994	1,186	1,093	1,133	1,260	1,259	1,217	1,225	1,186	11,373
City Rail link investment (AC share)	490	456	244	82	-	-	-	-	-	-	1,272
<b>Transport</b>	<b>1,310</b>	<b>1,450</b>	<b>1,430</b>	<b>1,175</b>	<b>1,133</b>	<b>1,260</b>	<b>1,259</b>	<b>1,217</b>	<b>1,225</b>	<b>1,186</b>	<b>12,644</b>
Watercare	746	715	773	930	1,160	1,245	1,058	1,077	921	1,028	9,653
Stormwater	130	132	138	137	139	141	152	161	170	182	1,484
<b>Water supply, wastewater and stormwater</b>	<b>876</b>	<b>847</b>	<b>911</b>	<b>1,067</b>	<b>1,300</b>	<b>1,386</b>	<b>1,211</b>	<b>1,238</b>	<b>1,091</b>	<b>1,209</b>	<b>11,137</b>
<b>Parks and community</b>	<b>253</b>	<b>271</b>	<b>274</b>	<b>339</b>	<b>400</b>	<b>452</b>	<b>527</b>	<b>582</b>	<b>682</b>	<b>781</b>	<b>4,561</b>
Eke Panuku Development Auckland	91	89	98	83	79	74	72	71	61	60	777
Development Programme Office	45	63	51	49	37	28	29	27	27	33	388
<b>City Centre and Local Development</b>	<b>135</b>	<b>152</b>	<b>149</b>	<b>131</b>	<b>116</b>	<b>102</b>	<b>101</b>	<b>97</b>	<b>88</b>	<b>94</b>	<b>1,165</b>
Waste Solutions	27	9	8	6	3	4	5	4	2	1	70
Environmental Services	12	6	5	3	0	0	0	0	-	-	27
Engineering & technical services	15	9	11	6	4	4	4	4	5	5	67
Regulatory Services	3	2	2	2	3	0	0	0	0	0	14
<b>Environmental Management and Regulation</b>	<b>57</b>	<b>26</b>	<b>26</b>	<b>17</b>	<b>10</b>	<b>9</b>	<b>10</b>	<b>9</b>	<b>8</b>	<b>6</b>	<b>177</b>
<b>Economic and Cultural Development</b>	<b>93</b>	<b>47</b>	<b>51</b>	<b>52</b>	<b>55</b>	<b>53</b>	<b>51</b>	<b>51</b>	<b>49</b>	<b>52</b>	<b>554</b>
Council corporate support	80	80	51	68	69	85	87	98	101	109	827
Ports of Auckland	67	70	85	84	60	89	95	72	70	50	741
<b>Council Support</b>	<b>147</b>	<b>150</b>	<b>136</b>	<b>153</b>	<b>128</b>	<b>173</b>	<b>182</b>	<b>169</b>	<b>171</b>	<b>159</b>	<b>1,567</b>
<b>Total Group</b>	<b>2,871</b>	<b>2,942</b>	<b>2,977</b>	<b>2,935</b>	<b>3,142</b>	<b>3,435</b>	<b>3,340</b>	<b>3,362</b>	<b>3,314</b>	<b>3,486</b>	<b>31,806</b>

Programme/Project (\$m)	2021/22 budget	2022/23 budget	2023/24 budget	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	10-year total
Safety Programme	60	60	60	60	72	72	68	68	68	68	657
<b>Road Safety</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>72</b>	<b>72</b>	<b>68</b>	<b>68</b>	<b>68</b>	<b>68</b>	<b>657</b>
Eastern busway	78	149	141	133	155	119	100	-	-	-	874
EMU Rolling Stock	5	-	-	-	-	-	-	-	-	-	5
Rosedale and Constellation Bus Stations	19	23	17	-	-	-	-	-	-	-	59
City Centre Bus Improvements	3	10	46	-	-	29	30	13	-	-	132
Connected Communities - Phase 1	24	33	39	37	57	83	95	98	68	50	583
PT Safety, Security and Amenity and other capital Improvements	24	22	15	12	12	20	20	20	20	17	183
Airport to Botany RTN via Manukau and Airport Access Improvements	6	6	12	6	7	7	7	-	-	-	50
Matiatia Park and Ride	0	1	1	16	8	-	-	-	-	-	26
Northwest SH16 Interim Bus Improvements	20	26	39	-	-	-	-	-	-	-	85
CRL Day One - Rolling Stock and Stabling	15	54	115	163	51	-	-	-	-	-	398
One Network ITS System Integration	35	35	35	38	37	39	49	32	28	26	353
Network Performance (Optimisation PBC AT)	9	9	9	9	9	18	18	19	19	19	138
Intelligent Transport Systems	5	5	5	7	7	5	5	5	4	4	52
Level Crossing	5	20	50	30	70	45	-	33	33	33	320
Downtown bus improvements (Quay Park, Customs St and Wynyard)	-	-	-	-	-	4	54	54	54	54	220
Other	45	53	41	35	33	91	46	37	59	51	490
<b>Public transport</b>	<b>293</b>	<b>444</b>	<b>565</b>	<b>486</b>	<b>446</b>	<b>459</b>	<b>423</b>	<b>311</b>	<b>284</b>	<b>254</b>	<b>3,966</b>
Marae and Papakainga (Turnouts) safety programme	1	1	1	1	1	2	2	2	2	2	13
Unsealed Road Improvements	6	6	6	4	3	3	3	3	3	3	40
Lake Road/Esmonde Road Improvements	-	2	7	11	28	-	-	-	-	-	48
Lincoln Road Corridor Improvements	2	11	7	14	26	27	20	-	-	-	106
Glenvar Road/East Coast Road intersection and corridor improvements	3	14	21	19	-	-	-	-	-	-	57
Supporting Growth - Northwest	-	-	-	-	-	37	37	37	37	37	186
Supporting Growth - Brownfields High Priority Package	-	-	-	5	15	50	70	86	101	74	401
Supporting Growth - Warkworth	-	-	-	-	1	1	1	1	1	1	6
Supporting Growth - Drury and Paerata	-	-	-	-	-	-	-	81	81	81	243
Greenfield transport infrastructure fund	3	3	5	5	11	23	23	23	23	23	142
Local Board Initiatives	20	20	20	20	20	20	20	20	20	20	200
Minor Safety Improvements	10	8	8	10	10	12	12	10	10	10	100
Other	139	94	115	47	49	82	91	76	55	54	801
<b>Roads and footpaths</b>	<b>184</b>	<b>160</b>	<b>190</b>	<b>135</b>	<b>165</b>	<b>256</b>	<b>278</b>	<b>339</b>	<b>332</b>	<b>304</b>	<b>2,343</b>
Urban Cycleways Programme	40	64	34	-	-	-	-	-	-	-	139
Cycling Programme	4	6	8	31	31	31	30	28	28	30	226
Walking and Cycling Programme - Enhanced Proposal	-	-	-	-	-	-	-	-	30	50	80
Minor Cycling and Micromobility Capex (including pop up cycleways)	4	6	7	7	6	-	-	-	-	-	30
<b>Active transport</b>	<b>49</b>	<b>76</b>	<b>49</b>	<b>38</b>	<b>37</b>	<b>31</b>	<b>30</b>	<b>28</b>	<b>58</b>	<b>80</b>	<b>475</b>
Auckland Transport Renewals - addressing health and safety	35	35	37	37	36	36	36	36	36	35	358
Auckland Transport Renewals - critical assets	199	218	285	309	339	368	383	394	406	404	3,306
Auckland Transport Renewals - complementary renewals	-	-	-	28	38	37	41	41	41	40	267
<b>Renewals</b>	<b>234</b>	<b>253</b>	<b>322</b>	<b>375</b>	<b>413</b>	<b>441</b>	<b>459</b>	<b>471</b>	<b>483</b>	<b>479</b>	<b>3,931</b>
<b>Auckland Transport</b>	<b>820</b>	<b>994</b>	<b>1,186</b>	<b>1,093</b>	<b>1,133</b>	<b>1,260</b>	<b>1,259</b>	<b>1,217</b>	<b>1,225</b>	<b>1,186</b>	<b>11,373</b>
<b>City Rail link investment (AC share)</b>	<b>490</b>	<b>456</b>	<b>244</b>	<b>82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,272</b>
<b>Transport</b>	<b>1,310</b>	<b>1,450</b>	<b>1,430</b>	<b>1,175</b>	<b>1,133</b>	<b>1,260</b>	<b>1,259</b>	<b>1,217</b>	<b>1,225</b>	<b>1,186</b>	<b>12,644</b>





## Water supply, wastewater and stormwater

Programme/Project (\$m)	2021/22 budget	2022/23 budget	2023/24 budget	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	10-year total
Water Sources	28	0	5	7	45	18	12	7	2	2	127
Nihotupu Raw Watermain	-	-	-	3	5	89	-	-	-	-	97
Waitakere Supply Scheme	-	-	-	-	-	-	-	-	-	11	11
Water treatment	29	6	77	145	144	136	110	90	29	8	774
Local Water Network Renewals	34	14	23	55	40	70	73	111	143	159	723
North Harbour 2 Watermain	-	-	9	23	87	96	98	44	1	-	358
Orewa 3 Watermain	-	-	-	-	2	52	74	76	-	-	204
Huia 2 Watermain Replacement	-	-	-	-	-	-	-	47	-	-	47
Hunua 1 Watermain Replacement	8	-	-	32	37	37	-	-	-	-	114
Huia 1 and Nihotupu 1 Watermain Replacement	36	32	0	-	-	-	-	-	-	-	69
New Watermains - Transmission	-	-	2	2	15	13	-	-	-	-	32
Reservoir - North West Storage	-	-	-	-	-	-	-	6	12	60	78
Waikato 2 Watermain	2	-	-	-	-	-	-	8	131	125	266
Other water supply projects	106	59	100	152	175	149	96	104	120	136	1,197
<b>Water supply</b>	<b>243</b>	<b>112</b>	<b>218</b>	<b>419</b>	<b>550</b>	<b>660</b>	<b>463</b>	<b>494</b>	<b>439</b>	<b>500</b>	<b>4,097</b>
Wastewater treatment	102	101	152	180	171	213	270	226	148	164	1,726
Central Interceptor	240	281	144	77	29	28	-	-	-	-	799
Howick diversion	-	-	-	1	7	10	10	2	-	-	30
Local Sewer Network Renewals	8	7	9	11	14	16	17	18	11	32	142
Northern Interceptor	25	47	50	6	-	-	-	-	-	-	128
Southern Interceptor Augmentation	6	26	20	0	-	11	33	60	43	-	198
Tunnel Western Springs to Grey Lynn	0	0	45	32	-	-	-	-	-	-	77
Western Isthmus Programme	12	26	13	25	108	126	64	50	17	-	441
Newmarket Storage Tank	-	-	-	10	68	13	15	15	-	-	120
Eastern Isthmus Programme	-	-	-	-	-	-	31	31	37	38	137
Hibiscus Coast wastewater servicing	-	-	7	30	54	47	4	16	16	127	300
Otara catchment upgrades	10	15	1	-	-	-	-	-	-	2	27
North Shore trunk sewer and pump station upgrades	24	22	23	28	29	34	16	8	24	25	233
Pukekohe trunk sewer upgrades	2	15	12	3	14	13	27	21	-	-	106
Other wastewater projects	46	44	50	90	97	60	101	127	155	118	889
<b>Wastewater treatment</b>	<b>475</b>	<b>584</b>	<b>526</b>	<b>494</b>	<b>591</b>	<b>569</b>	<b>587</b>	<b>573</b>	<b>449</b>	<b>505</b>	<b>5,354</b>
<b>Corporate/ Shared services</b>	<b>28</b>	<b>19</b>	<b>29</b>	<b>17</b>	<b>19</b>	<b>16</b>	<b>9</b>	<b>10</b>	<b>33</b>	<b>23</b>	<b>202</b>
<b>Watercare</b>	<b>746</b>	<b>715</b>	<b>773</b>	<b>930</b>	<b>1,160</b>	<b>1,245</b>	<b>1,058</b>	<b>1,077</b>	<b>921</b>	<b>1,028</b>	<b>9,653</b>
Renewals	54	44	39	17	26	32	33	31	28	45	348
Growth	19	22	30	28	24	34	36	44	37	34	308
Flooding control	20	19	20	8	9	2	3	7	17	17	122
Environmental mitigation	2	2	2	-	-	-	1	2	9	4	21
Catchment & Asset Planning	12	12	12	19	21	21	21	20	20	20	178
Water quality improvement	23	33	35	65	59	53	59	58	60	62	507
<b>Stormwater</b>	<b>130</b>	<b>132</b>	<b>138</b>	<b>137</b>	<b>139</b>	<b>141</b>	<b>152</b>	<b>161</b>	<b>170</b>	<b>182</b>	<b>1,484</b>
<b>Water supply, wastewater and stormwater</b>	<b>876</b>	<b>847</b>	<b>911</b>	<b>1,067</b>	<b>1,300</b>	<b>1,386</b>	<b>1,211</b>	<b>1,238</b>	<b>1,091</b>	<b>1,209</b>	<b>11,137</b>



## Parks and community

Programme/Project (\$m)	2021/22 budget	2022/23 budget	2023/24 budget	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	10-year total
Renewals - Local	100	103	131	119	125	101	123	121	109	118	1,150
Renewals - Regional	16	12	13	7	9	10	11	10	11	11	111
Growth - Land Acquisition	34	37	21	23	50	62	108	146	205	207	892
Growth - Development	20	15	12	45	69	98	101	106	143	169	777
Regional Development	2	3	6	20	28	30	41	58	59	118	366
One Local Initiatives (OLI)	2	10	4	20	32	57	49	59	67	60	361
Libraries	12	15	17	22	22	23	23	24	25	26	210
Co-governance - maunga and parks	14	15	14	13	12	16	15	17	18	17	151
Locally Driven Initiatives (LDI)	4	4	4	14	14	26	30	13	20	23	151
Coastal Renewals & Slips	9	13	13	16	15	15	16	15	16	21	147
LTP Discrete Projects (incl. climate response sustainability)	8	19	18	21	12	6	2	4	3	4	98
LTP Specific Purpose Funds (incl. Te Whau pathway and social housing renewals)	27	19	10	9	1	-	-	-	-	-	66
Arts and culture	1	1	7	5	3	3	3	3	3	4	34
Other projects	4	4	4	4	5	2	2	2	2	2	31
Pools and leisure centre	1	1	2	2	2	2	2	2	2	2	16
<b>Parks and Community</b>	<b>253</b>	<b>271</b>	<b>274</b>	<b>339</b>	<b>400</b>	<b>452</b>	<b>527</b>	<b>582</b>	<b>682</b>	<b>781</b>	<b>4,561</b>



## City Centre and Local Development

Programme/Project (\$m)	2021/22 budget	2022/23 budget	2023/24 budget	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	10-year total
Renewals	23	15	15	16	9	4	5	3	10	12	114
Transform and unlock locations	41	58	53	56	37	46	33	13	9	5	352
Waterfront	17	14	26	10	22	21	31	47	40	28	256
Development	9	1	4	1	0	1	-	-	-	-	15
Onehunga Wharf	-	-	1	-	10	2	4	8	1	15	40
<b>Eke Panuku Development Auckland</b>	<b>91</b>	<b>89</b>	<b>98</b>	<b>83</b>	<b>79</b>	<b>74</b>	<b>72</b>	<b>71</b>	<b>61</b>	<b>60</b>	<b>777</b>
Victoria Street Linear Park	1	20	14	4	10	-	-	-	-	-	49
Downtown infrastructure development programme	15	-	-	-	-	-	-	-	-	6	21
City Centre Targeted Rate funded initiatives	23	23	33	43	25	25	26	27	27	28	279
Tamaki Transformation project	2	15	2	-	-	-	-	-	-	-	18
Town Centre Revitalisation	2	2	1	2	3	3	3	-	-	-	16
Other (including climate change response)	2	3	1	-	0	-	-	-	-	0	6
<b>Development Programme Office</b>	<b>45</b>	<b>63</b>	<b>51</b>	<b>49</b>	<b>37</b>	<b>28</b>	<b>29</b>	<b>27</b>	<b>27</b>	<b>33</b>	<b>388</b>
<b>City Centre and Local Development</b>	<b>135</b>	<b>152</b>	<b>149</b>	<b>131</b>	<b>116</b>	<b>102</b>	<b>101</b>	<b>97</b>	<b>88</b>	<b>94</b>	<b>1,165</b>



## Environmental Management and Regulation

Programme/Project (\$m)	2021/22 budget	2022/23 budget	2023/24 budget	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	10-year total
Waste service bins	2	1	1	1	1	1	1	1	1	1	8
Food scrap service bins	12	1	0	0	0	0	0	0	0	-	14
Refuse transfer centre & other	1	0	0	0	0	0	0	0	0	0	2
Climate change response (Zero Waste Auckland) / Shovel Ready Resource Recovery Network	12	7	7	5	2	3	4	3	1	-	45
<b>Waste Solutions</b>	<b>27</b>	<b>9</b>	<b>8</b>	<b>6</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>4</b>	<b>2</b>	<b>1</b>	<b>70</b>
Natural environment and climate change response programme	12	6	5	3	0	0	0	0	-	-	27
<b>Environmental Services</b>	<b>12</b>	<b>6</b>	<b>5</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>27</b>
Closed landfill and coastal landfill remediation	15	8	10	4	2	2	2	2	2	2	49
Response to natural and coastal hazards	-	1	1	2	2	2	2	2	3	3	18
<b>Engineering &amp; technical services</b>	<b>15</b>	<b>9</b>	<b>11</b>	<b>6</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>67</b>
<b>Regulatory</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14</b>
<b>Environmental Management and Regulation</b>	<b>57</b>	<b>26</b>	<b>26</b>	<b>17</b>	<b>10</b>	<b>9</b>	<b>10</b>	<b>9</b>	<b>8</b>	<b>6</b>	<b>177</b>



## Economic and Cultural Development *(Delivered by Auckland Unlimited)*

Programme/Project (\$m)	2021/22 budget	2022/23 budget	2023/24 budget	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	10-year total
<b>Auckland Zoo Renewals</b>	17	12	13	13	20	24	27	20	18	26	189
<b>Film Studios construction</b>	35	-	-	-	-	-	-	-	-	-	35
<b>Maritime museum</b>	1	1	3	3	5	2	2	1	1	2	21
RFA+	2	2	2	2	1	2	2	1	0	3	16
Property - Bruce Mason Centre	1	0	0	2	0	0	0	0	1	0	5
LIVE Tech Ops SX - Sounds	1	1	2	2	3	3	3	4	4	3	27
Viaduct Events Centre building	0	0	0	0	0	0	0	0	0	0	1
Auckland Live - Events Services renewals	1	1	1	1	3	1	1	1	1	1	9
<b>Auckland Live and Other facilities</b>	4	4	5	8	7	6	6	5	6	8	57
Stadiums Structural	1	2	2	-	-	-	-	-	-	-	4
Western Springs Stadium General renewals	1	1	3	4	1	0	1	1	1	1	15
North Harbour Stadium renewals	2	2	3	3	5	1	0	1	8	0	25
Mt Smart Stadium Renewals	6	5	3	4	3	1	2	4	5	0	35
<b>Auckland Stadiums</b>	10	11	11	11	8	2	3	6	15	2	79
<b>Auckland Art Gallery</b>	9	5	1	2	2	3	3	3	3	5	35
<b>Aotea Centre</b>	3	5	4	1	4	4	1	4	0	0	27
<b>The Civic</b>	1	0	3	4	1	1	0	2	0	1	14
<b>Corporate support projects</b>	4	4	4	5	4	6	3	3	3	5	40
<b>Visitor security</b>	4	4	6	4	5	5	5	5	2	2	44
<b>Other renewals</b>	5	1	1	1	1	1	1	1	0	0	11
<b>Economic and Cultural Development</b>	93	47	51	52	55	53	51	51	49	52	554



## Council Support

Programme/Project (\$m)	2021/22 budget	2022/23 budget	2023/24 budget	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget	2029/30 budget	2030/31 budget	10-year total
Corporate property	42	48	16	22	17	14	13	13	17	14	216
Information and communications technology	30	31	35	39	38	42	48	52	53	55	423
Other support areas	8	1	0	7	14	29	26	33	31	40	188
<b>Council corporate support</b>	<b>80</b>	<b>80</b>	<b>51</b>	<b>68</b>	<b>69</b>	<b>85</b>	<b>87</b>	<b>98</b>	<b>101</b>	<b>109</b>	<b>827</b>
<b>Ports of Auckland</b>	<b>67</b>	<b>70</b>	<b>85</b>	<b>84</b>	<b>60</b>	<b>89</b>	<b>95</b>	<b>72</b>	<b>70</b>	<b>50</b>	<b>741</b>
<b>Council Support</b>	<b>147</b>	<b>150</b>	<b>136</b>	<b>153</b>	<b>128</b>	<b>173</b>	<b>182</b>	<b>169</b>	<b>171</b>	<b>159</b>	<b>1,567</b>

# Auckland Council

## **Budget Book**

*This document provides a high-level summary of  
Auckland Council's 10-year Budget 2021-2031*

# Auckland Council at a glance

## Background

Auckland Council is the largest local government council in Australasia and is expected to serve over 1.9 million Aucklanders by 2031.

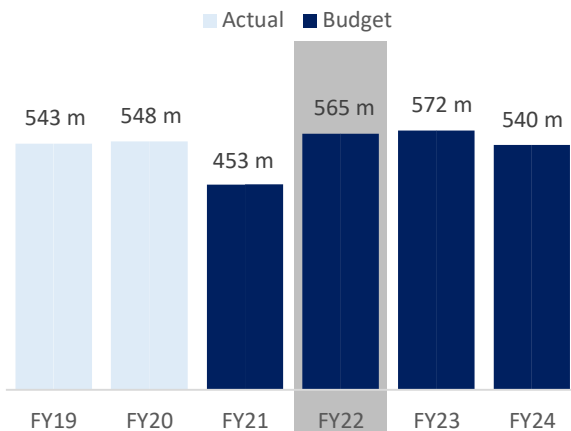
The council has two main decision-making parts – a governing body which is made up of the mayor and 20 councillors, and 21 local boards made up of 149 members. The governing body focuses on issues, decisions and strategies affecting the whole region while local boards represent their communities and make decisions on local issues. Members of the Independent Māori Statutory Board also sit on committees dealing with natural and physical resources.

## Key activities and services

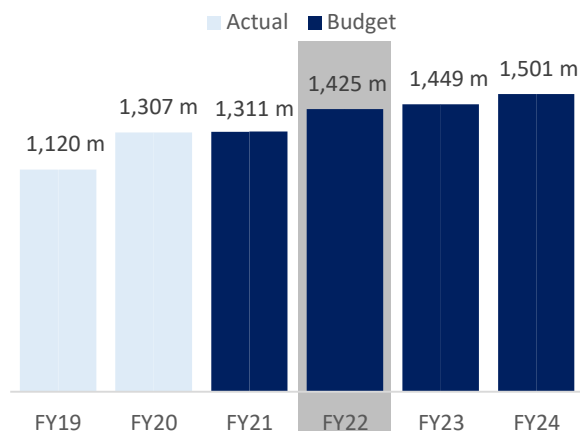
Auckland Council delivers a range of activities such as:

- effectively managing and developing parks and reserves across Auckland to meet community needs
- running public libraries, swimming pools and recreation centres
- granting building and resource consents, dog registrations and liquor licensing
- engaging Aucklanders to preserve, protect and care for the natural environment as our shared cultural heritage
- using best practice for refuse collections, and delivering improved waste services that are customer friendly
- delivering healthy waterways/harbours by managing stormwater effectively, and critical infrastructure and support for development

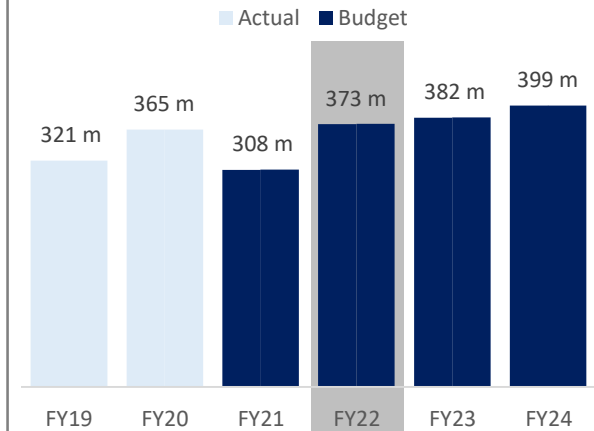
## Capital expenditure



## Direct expenditure



## Direct revenue





# Strategic focus areas for 10-year Budget 2021-2031

## Healthy Waters

### 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.

Healthy Waters is responsible for delivering, operating and maintaining stormwater projects. We reduce flood risk, support growth and maintain stream and coastal water values. We do this through renewals and upgrades to our existing stormwater network as well as building new infrastructure that meets Auckland's current and future needs. We also partner with communities and iwi to protect local waterways.

### Key programmes of work:

#### Water Quality Improvement programme

- Western Isthmus water quality improvement programme - to improve infrastructure to reduce wastewater overflows into Waitematā Harbour and reduce stormwater volumes into Manukau Harbour.
- Contaminant reduction - to reduce the amount of contaminants entering waterways
- Urban and rural stream rehabilitation - stream restoration for ecological health of streams
- Onsite wastewater systems - compliance programme to ensure regular inspection of private onsite wastewater systems
- Safe networks - elimination of sources of faecal contaminants at popular swimming spots
- Planning and management of stormwater infrastructure to minimise flooding and protect communities during adverse weather events, such as flood and drought
- Provision of stormwater infrastructure that keeps pace with the growth of Auckland
- Working in partnership with mana whenua to deliver te mauri o te wai through capital projects

## Environmental Services

### 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. Projects delivered in partnership with Māori will support them to exercise kaitiakitanga.

### Key programmes of work:

#### Natural Environment programme

- Pest Free Auckland initiative, and implementing the Regional Pest Management Plan 2020-2030, incorporating possum control, biosecurity measures, and control of pests and weeds
- Upgrade of tracks and infrastructure to protect kauri from further spread of kauri dieback disease
- Support for more than 600 community groups, iwi, households, landowners and schools engaging them to protect and restore their high ecological value areas
- Investment in marine biosecurity, including surveillance for marine pests
- Delivering biodiversity and biosecurity activities to protect ecological areas across the Hauraki Gulf Islands

## Waste Solutions

### Strategic context:

Auckland Council's Waste Management and Minimisation Plan sets an aspirational goal for Auckland to be zero waste by 2040. We will achieve this through caring for people and the environment, and turning waste into resources.

Waste Solutions manage the region's kerbside domestic refuse and recycling collections and we are introducing a new food scraps collection. We manage inorganic waste collections and are responsible for enforcement activities to reduce rates of illegal dumping and littering. We are facilitating delivery of a network of community recycling centres in partnership with communities. We actively work with businesses and the community to promote waste minimisation, focusing on construction and demolition waste, organic waste and plastics.

We also manage over 200 council owned closed landfills, investing in remedial works to the infrastructure to minimise the effects of leachate and gas discharges.

### Key programmes of work:

#### Waste Management and Minimisation Plan

- Refuse: Moving from the current range of legacy services to a consistent regional refuse service.
- Food waste: Implement a targeted rates funded weekly kerbside food scraps collection service to all households in urban areas from 2022/2023
- Continue rollout of an expanded Resource Recovery Network (Community Recycling Centres and Resource Recovery Parks)
- Address three priority commercial waste streams: Construction and demolition waste, organic waste and plastic waste
- Improve waste diversion from our own activities, broadening the focus to include the council and CCOs operational activities

#### Closed Landfills

- Undertake engineering work such as the completion of the Rawene slip remediation and upgrades of leachate systems
- Urgent landfill land stability works including those at coastal landfills

# Strategic focus areas for 10-year Budget 2021-2031

## Regulatory Services

### Strategic context:

Regulation underpins Auckland's successful development, manages environmental impacts, and helps Auckland be a safe place. We are an enabler for Auckland's economy through resource and building consents, and licensing of businesses.

Our mahi supports the building of a Tāmaki Makaurau we can all be proud of; we support development that meets legislative requirements and brings social, cultural, economic, and environmental outcomes to Auckland. We are focused on keeping Aucklanders and whānau safe through our consenting, licensing, and compliance functions.

### Key programmes of work:

- Delivering improved Customer Segmentation, leading to improved service design, with a first focus on delivering a Hospitality Service.
- Better Faster Consents initiative - Delivering Seamless Customer Journeys between asset owners, Council Controlled Organisations and Auckland Council.
- Cultural Values Assessment Review Project, which aims to uplift relationships between Council staff, mana whenua and applicants, by improving staff understandings of how mana whenua values should be considered in resource consent processes, and by reviewing and improving existing training, guidance, systems and processes.
- Implementation of upcoming changes to the Resource Management Act.
- Delivering a Fit for Purpose Building Consents system, by assessing opportunities for a standardised national system for processing building consents.

## Customer and Community Services

### Strategic context:

Customer and Community Services investment, both regional and local, contributes to community wellbeing and a sense of belonging by increasing participation in events, programmes and activities, across all our community and recreational spaces. These services are provided through programmes, facilities and spaces that are owned or managed by the council, contracted third parties and through community group partnerships. Investment in community also occurs through grants, leases and partnerships.

Customer services manages all interactions with our customers - by phone, in person and e-mail.

### Key programmes of work:

- Continued roll-out of integrated community facilities, such as the Takaanini integrated community hub which was opened in April 2021, including a new multi-use community facility in Avondale and commencing design work for a new community facility in Flat Bush
- Increasing engagement and familiarity to our online services by improving and integrating online access
- Implementation of Karanga Atu! Karanga Mai! to respond to Māori aspirations and improving our relationships with mana whenua and mataawaka through supporting compliance of marae, investment for place-naming, and reducing barriers to accessing services.
- Parks and Community capital programme including investing in our existing parks and community facilities to keep them fit for service, purchasing land and developing existing parks to meet needs of growth, and increasing sports field capacity
- Earthquake strengthening for our highest priority buildings, e.g. Leys Institute
- Further investment in our Ngāhere, by planting more street trees and native forest on regional parks, to offset emissions
- Improving our capacity to partner effectively with others

# Auckland Council detailed financials



## Financial performance

(\$ millions)	Notes	FY 20	FY 21	FY 22	FY 23	FY 24	10-year
		Actual	Budget	Budget	Budget	Budget	Total
<b>Capital expenditure<sup>1</sup></b>	<b>A</b>	<b>548</b>	<b>453</b>	<b>565</b>	<b>572</b>	<b>540</b>	<b>7,437</b>
<b>Net direct expenditure</b>		<b>941</b>	<b>1,004</b>	<b>1,051</b>	<b>1,067</b>	<b>1,102</b>	<b>12,290</b>
<b>Direct revenue</b>	<b>B</b>	<b>365</b>	<b>308</b>	<b>373</b>	<b>382</b>	<b>399</b>	<b>4,212</b>
Fees and user charges		297	253	306	316	334	3,553
Operating grants and subsidies		15	15	21	16	15	131
Other direct revenue		53	40	47	50	50	528
<b>Direct expenditure</b>	<b>C</b>	<b>1,307</b>	<b>1,311</b>	<b>1,425</b>	<b>1,449</b>	<b>1,501</b>	<b>16,502</b>
Employee benefits	<b>D</b>	575	544	586	592	601	6,348
Grants, contributions & sponsorship		142	144	157	151	158	1,627
Other direct expenditure		591	624	682	706	742	8,527
<b>Other key operating lines</b>							
AC operating funding		402	518	510	500	498	5,348
AC capital funding		537	498	461	529	597	5,966
Vested assets		158	113	106	107	110	1,177
Capital subsidies & grants	<b>E</b>	43	49	28	17	10	73
Development contribution revenue		156	137	248	265	269	2,715
Depreciation		280	290	281	288	307	3,902
Net finance costs		306	305	297	314	336	3,413

1. Eke Panuku Managed Activities (PMA) consist of assets owned by Auckland Council but managed by Eke Panuku. All financials on this page exclude PMA.



## Key Commentary

**A:** The planned capital investment for FY22 is higher partly due to unspent budget for projects and programmes being carried forward from FY21. The timing of capital expenditure across Auckland Council divisions has also changed as a result of a capital investment reprioritisation exercise.

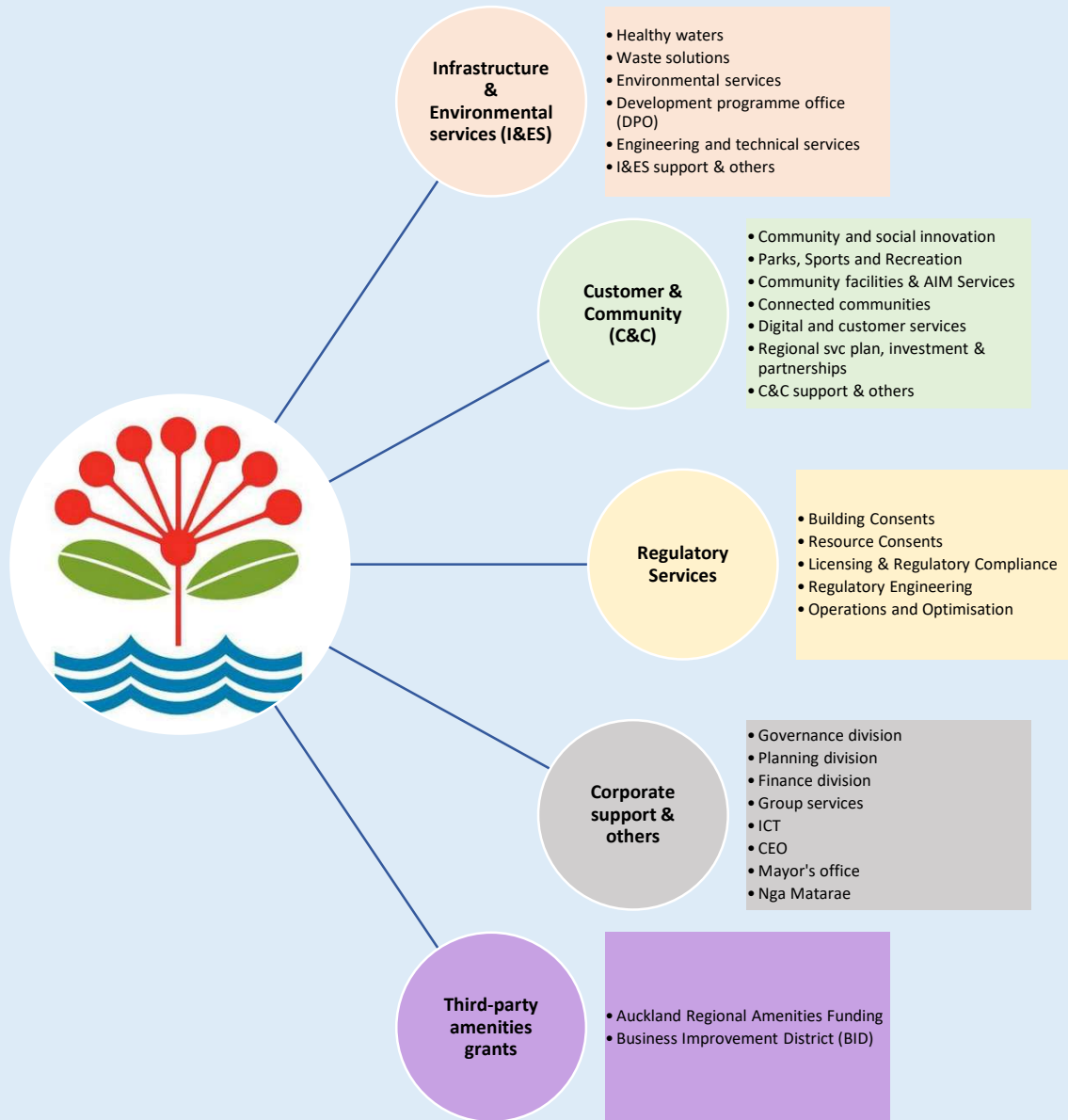
**B:** Based on more favourable growth and economic LTP assumptions from the FY21 Emergency Budget, direct revenue is projected to recover towards pre-COVID levels, particularly in Regulatory consenting revenue.

**C:** Direct expenditure has also increased partly due to costs directly associated with higher revenue. Other key drivers for the increase include budget carried-forward for unfinished FY21 projects and increased expenditure to support Auckland's growth. These items include the Climate action investment package, Electricity Network Resilience programme and National Landfill Levy increase.

**D:** Staff costs in FY22 are higher than the Emergency Budget partly due to the reinstatement of one-off FY21 cost reduction measures such as voluntary staff pay reductions and a 50% reduction to training budgets. Other key drivers include higher staff resourcing requirements from new LTP initiatives listed above.

**E:** Capital subsidies & grants includes carry-forwards of "shovel ready" revenue not received from the Crown in FY21 for Community Facilities and Infrastructure & Environmental Services.

# Auckland Council key directorate and department structure



The following pages provide a detailed breakdown of the key directorates within Auckland Council, followed by key departments within these directorates.

The following pages will show the current planned 10-year Budget 2021-2031 direct revenue and direct expenditure budget distribution

The pages are colour coded for easier reading:

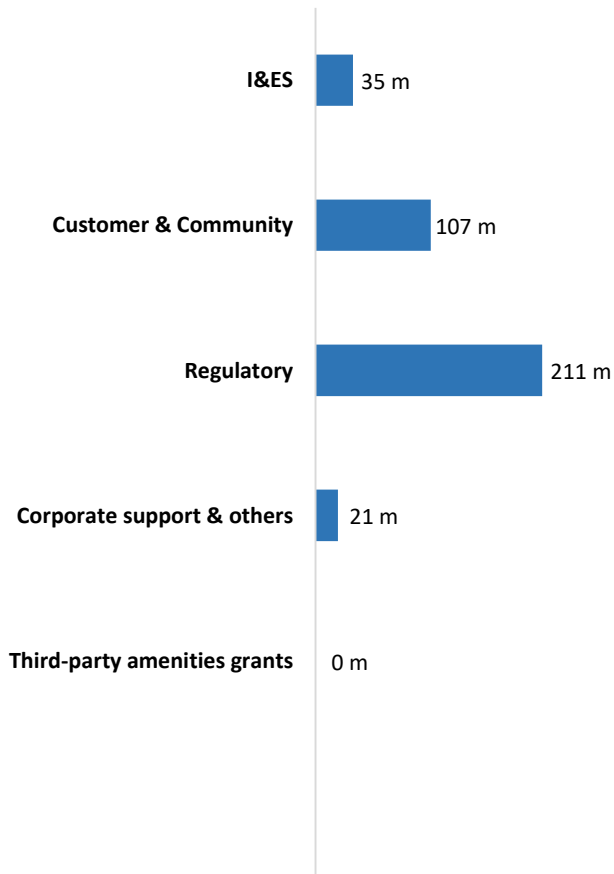
- Orange → Infrastructure & environmental services
- Green → Customer & Community
- Yellow → Regulatory Services
- Grey → Corporate support & others
- Purple → Third-party amenities grants

# Auckland Council key directorates/functions

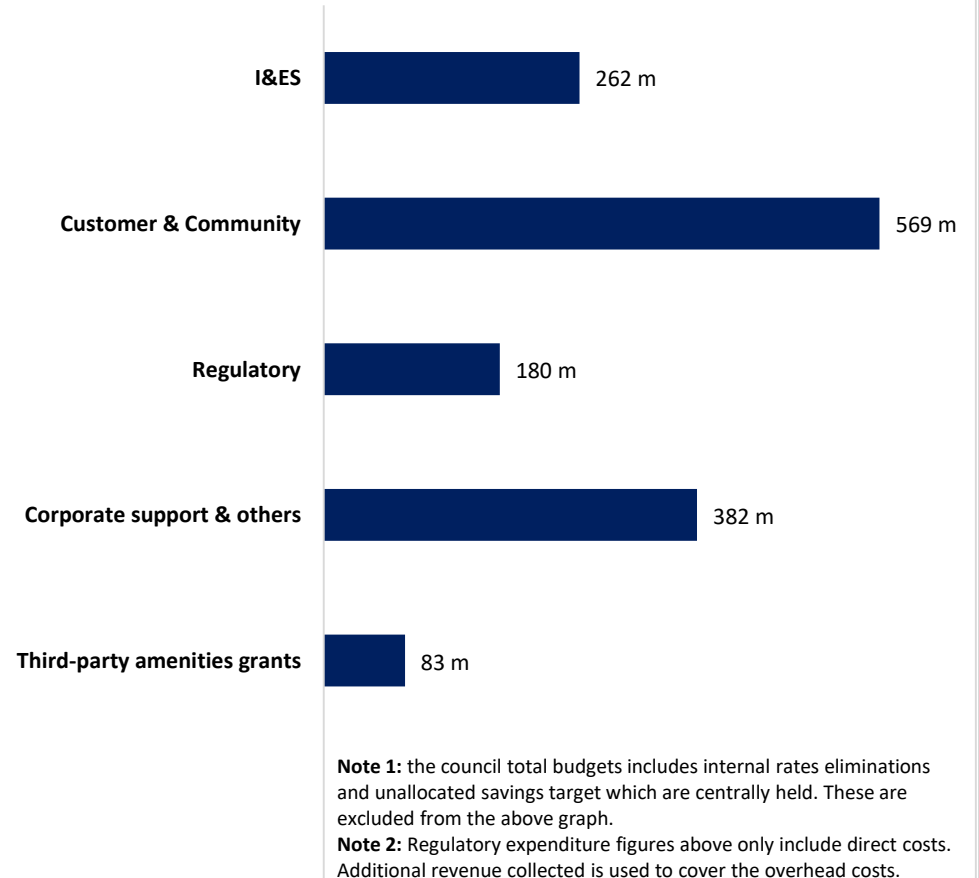
The following five sections cover the budgets for key directorates/functions of Auckland Council: Infrastructure and Environmental Services (I&ES), Customer and Community Services (C&C), Regulatory Services, Corporate Support & others, and Third-party amenities grants.

The first three sections cover I&ES, C&C, and Regulatory Services which focus on delivering a range of cost effective and valued front-line services on behalf of Auckland Council. The latter two sections (Corporate support and Third-party amenities grants) include functions such as planning and policy, support of elected members, governance and funding associated with third party organisations, and a range of corporate support functions. They co-operate to establish and provide a strong foundation for the front-line teams to convey and deliver valued services to Aucklanders.

### FY22 Direct Revenue Budget



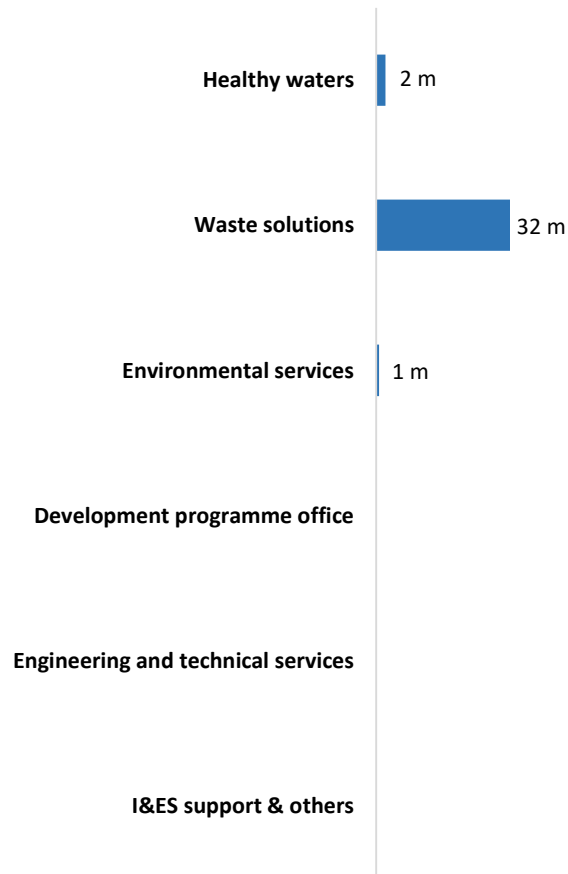
### FY22 Direct Expenditure Budget



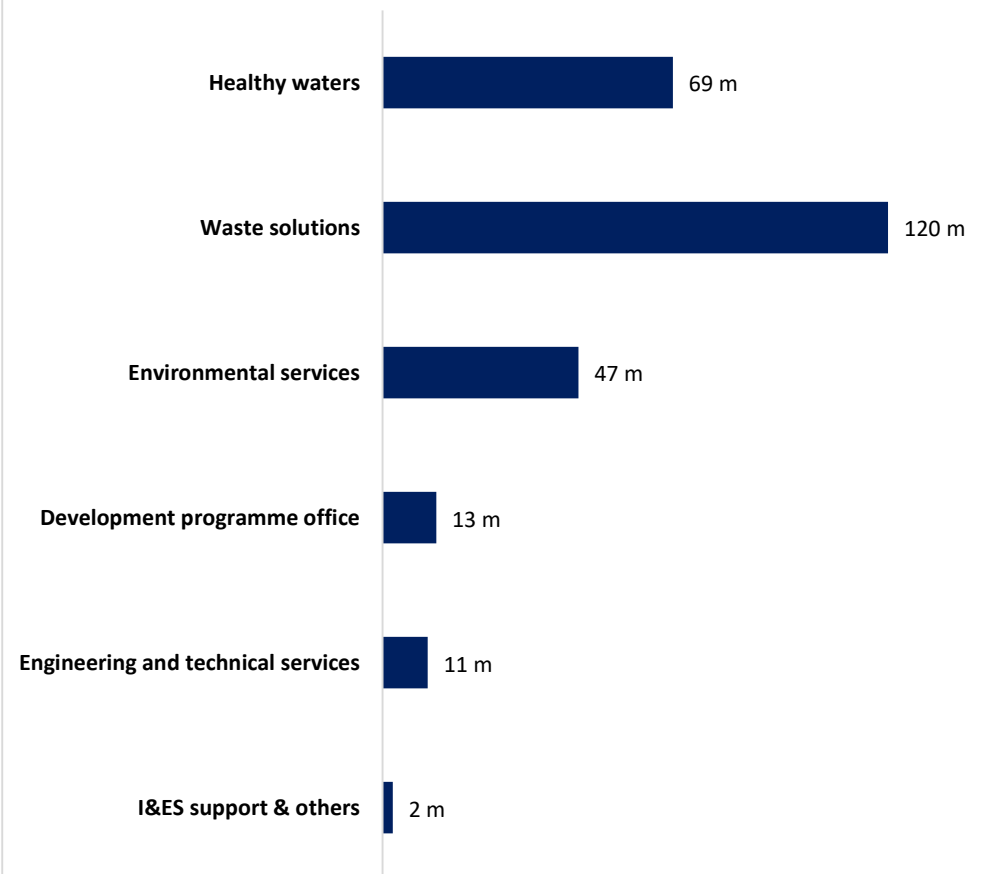
# Infrastructure & Environmental Services (I&ES) key departments

Infrastructure and Environmental Services (I&ES) includes the Development Programme Office, Environmental Services, Engineering and Technical Services, Healthy Waters, Waste Solutions and their support teams. It manages regional stormwater services to improve water quality, prevent flooding and support growth. They also deliver regional waste services and waste minimisation programmes to reduce waste to landfill. They deliver biodiversity and biosecurity activities to protect and enhance the wellbeing of the region's natural environment and low carbon and sustainable education programmes. They support the delivery of infrastructure to enable major developments in Auckland, coordinate development in the city centre and provide oversight of the successful delivery of infrastructure. The Engineering and Technical Services team also provide technical advice on coastal management contracts, infrastructure design and geotechnical issues and manage the closed landfills on council land. In delivering these programmes, they work alongside mana whenua and community partners to achieve environmental outcomes alongside improved Māori and community wellbeing and economic benefits.

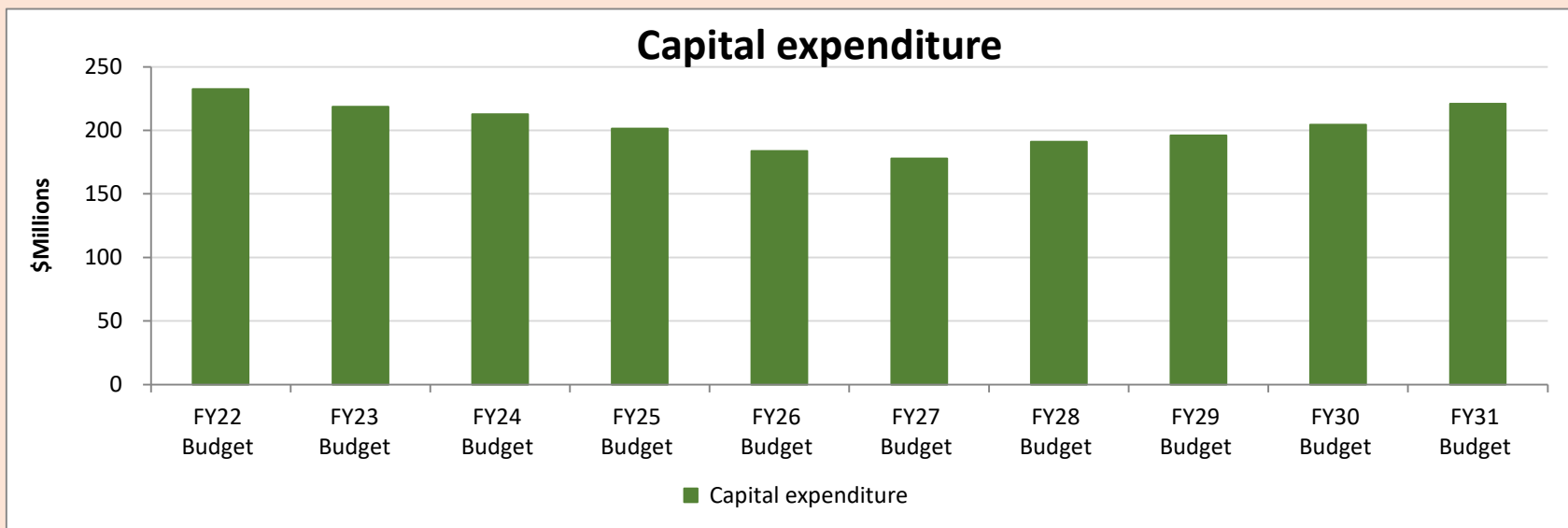
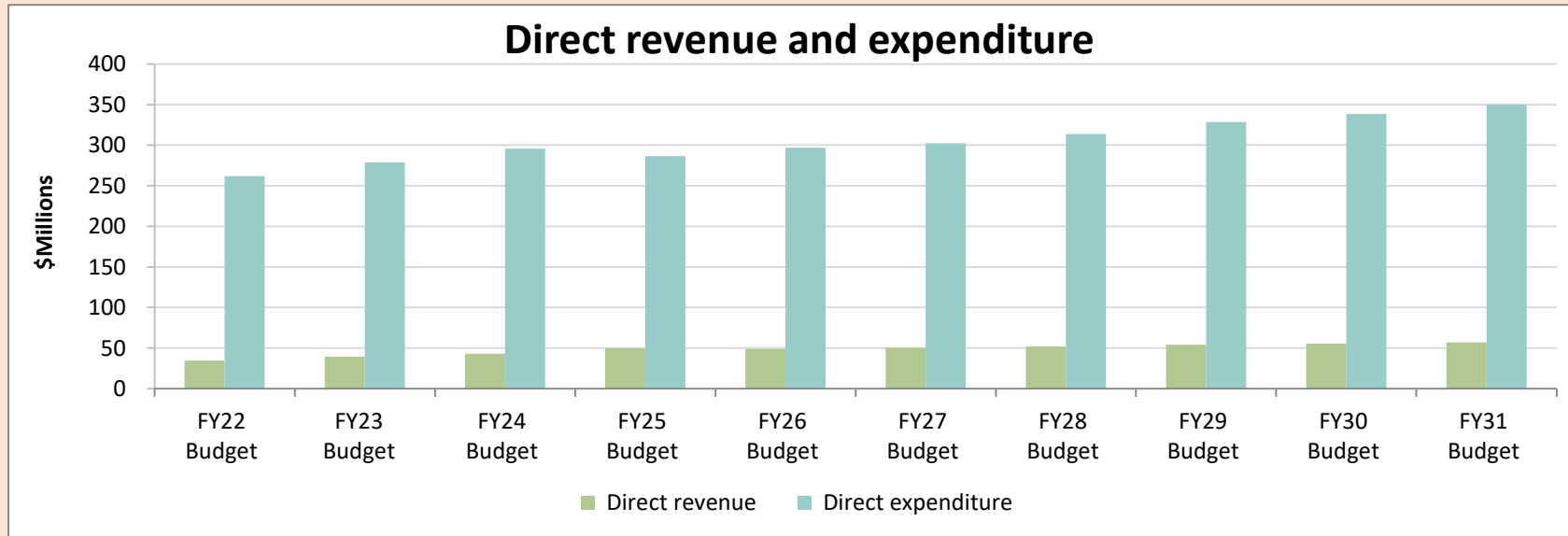
**FY22 Direct Revenue Budget**



**FY22 Direct Expenditure Budget**



# Infrastructure & Environmental Services projected 10-year financials

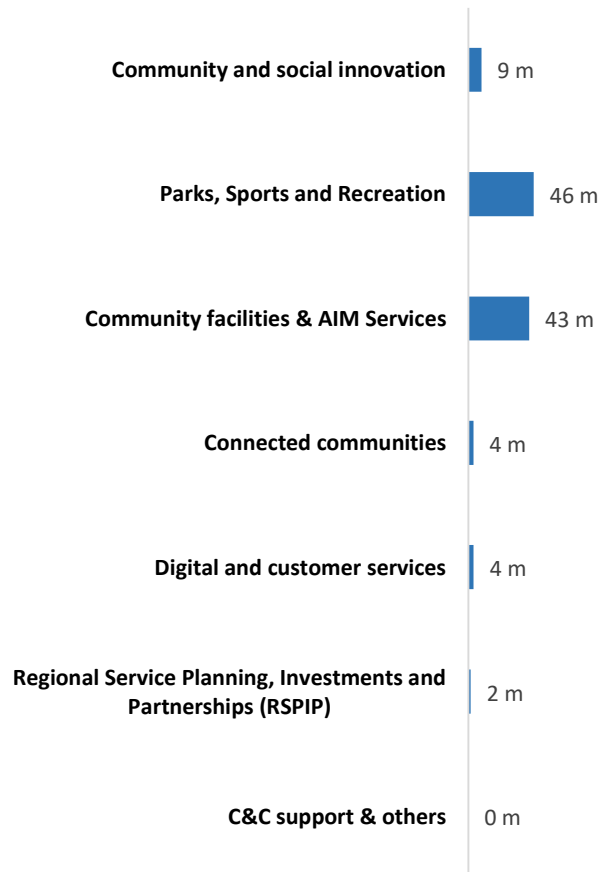


# Customer & Community Services (C&C) key departments

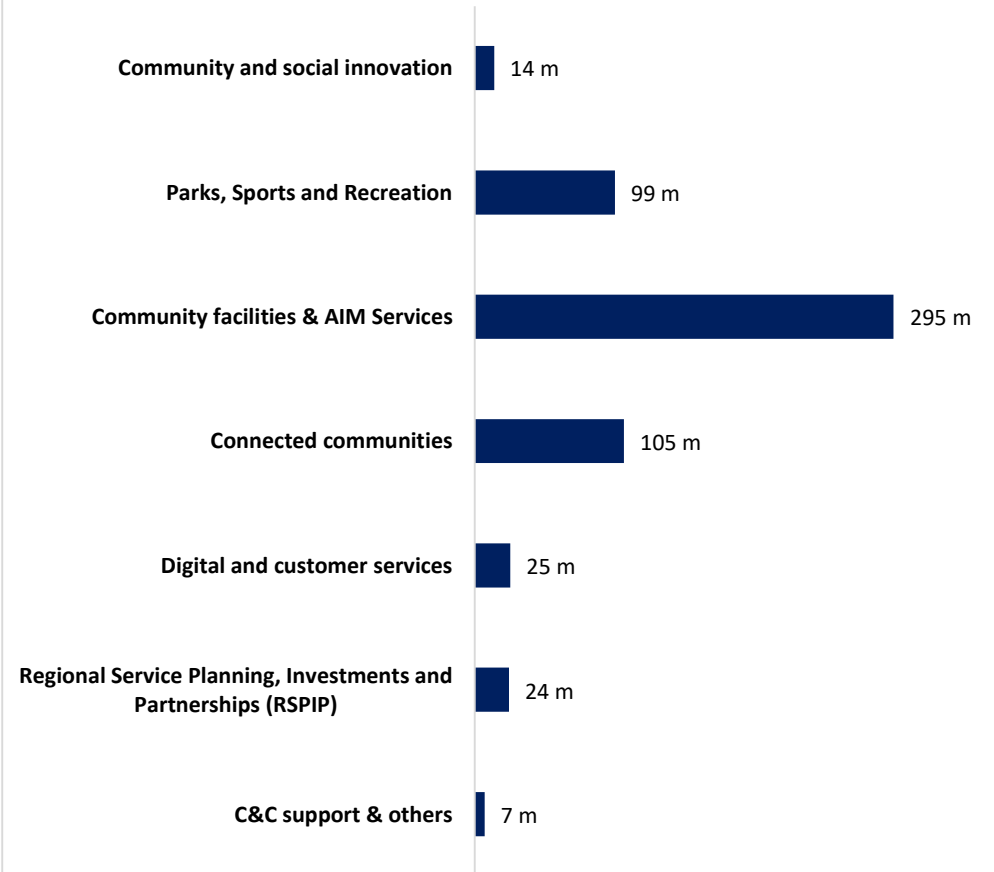
Customer and Community Services (C&C) is comprised of a number of key departments. They operate in a context of increasing customer demand, rapid population growth and diversity of lifestyle and are responsible for contributing towards Auckland's social and cultural life through the network of parks, active leisure facilities, libraries, community halls, centres and venues services, and art facilities. This is delivered through maintaining and building assets, providing services through programmes, grants and increased digital services, providing leased community spaces and venues for hire and providing permissions for use of council land.

C&C touches the lives of several hundreds of thousands of Aucklanders each and every day through the provision of these assets and services.

## FY22 Direct Revenue Budget

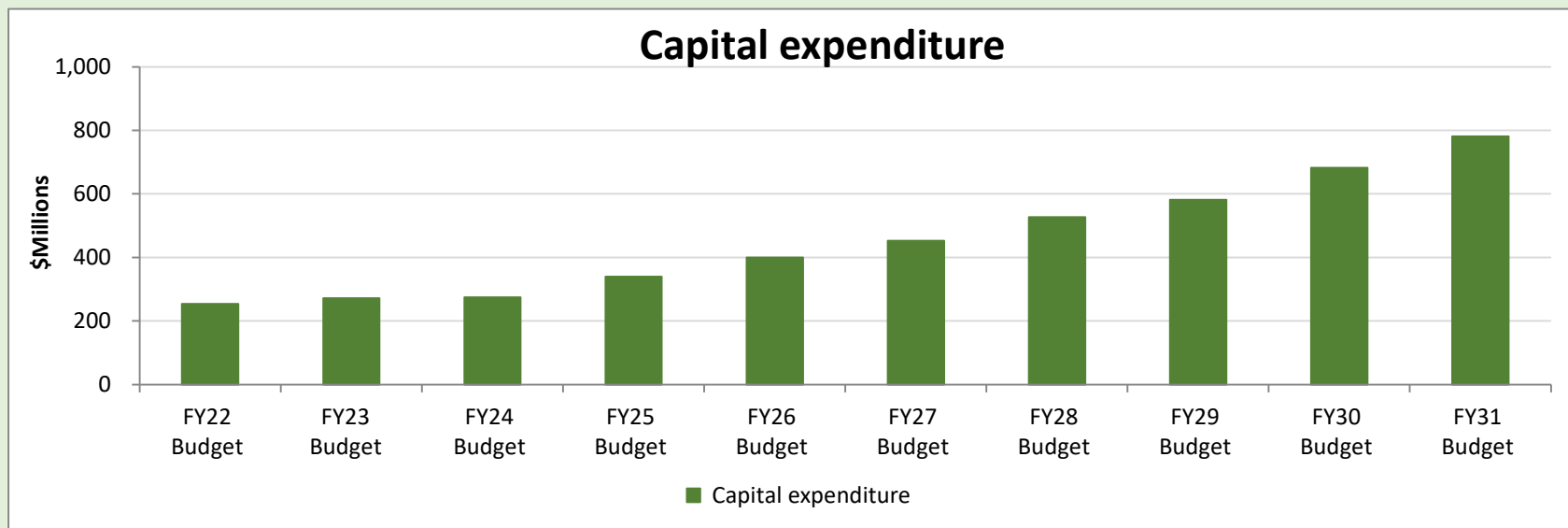
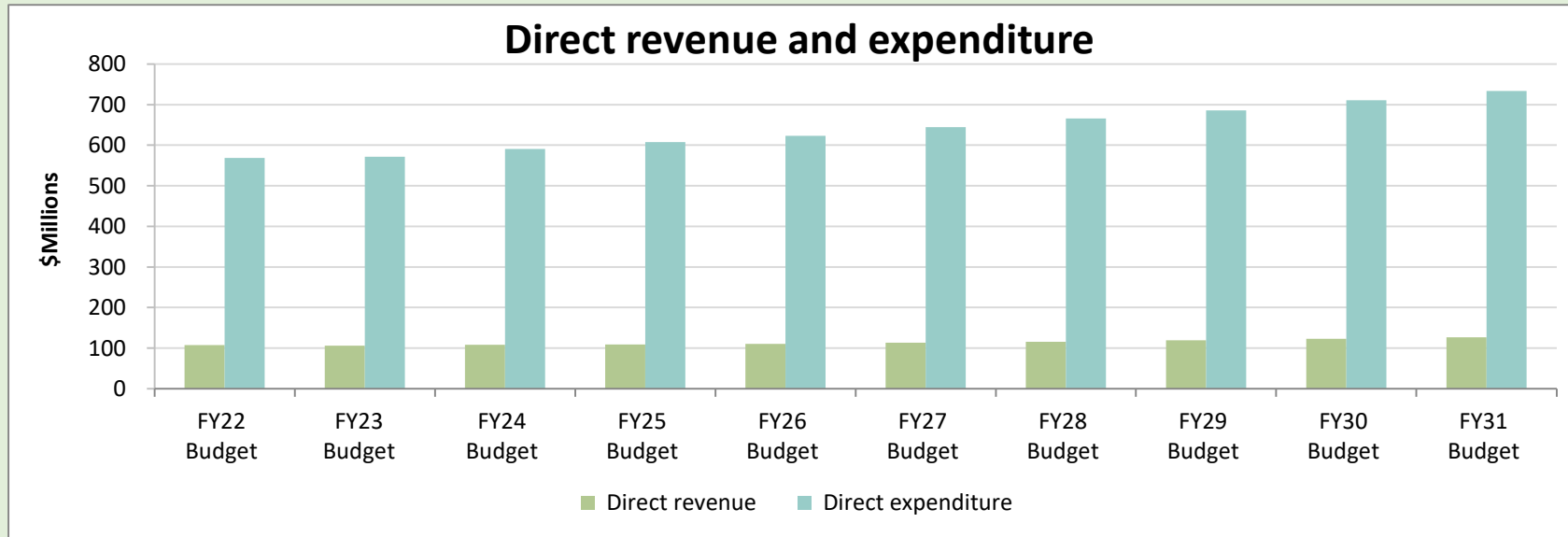


## FY22 Direct Expenditure Budget





# Customer & Community Services projected 10-year financials

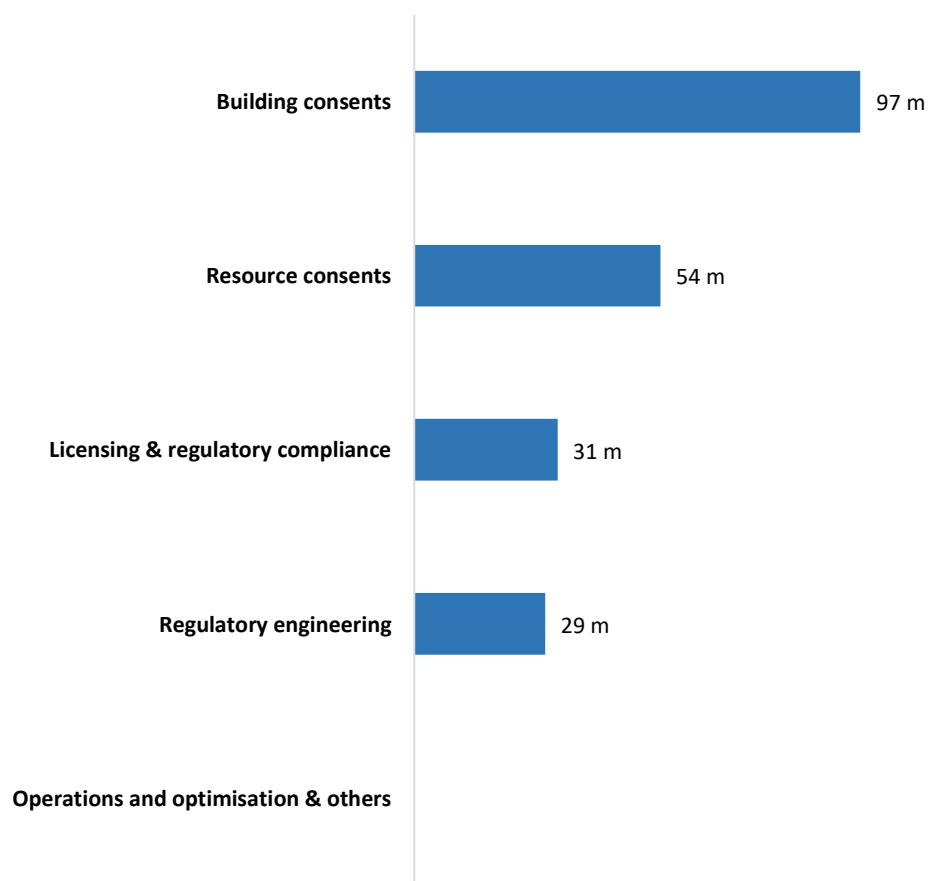


# Regulatory Services key departments

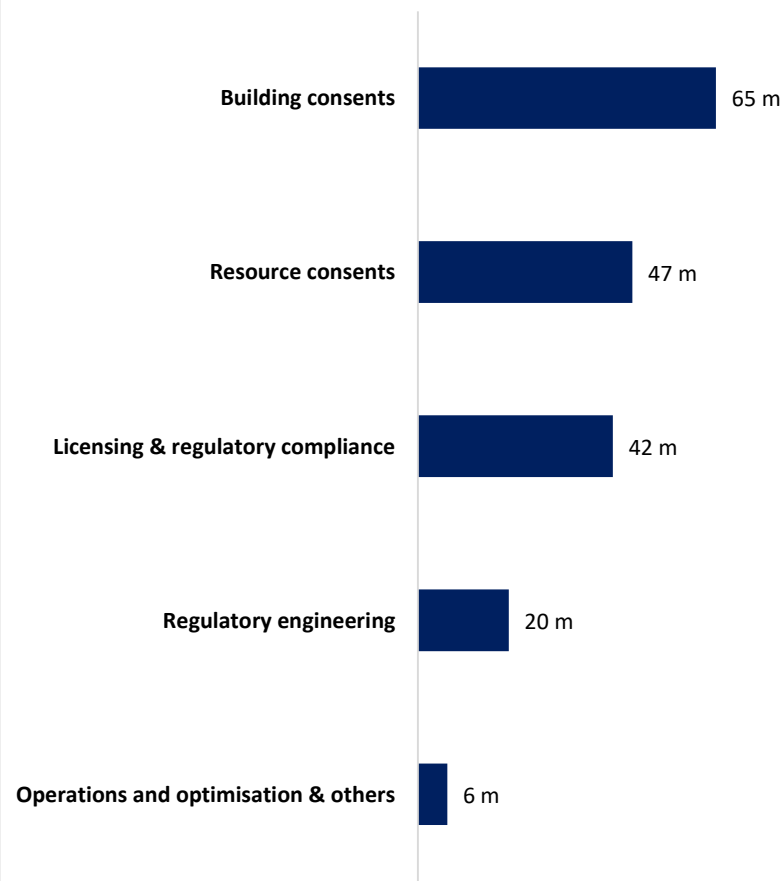
Regulatory Services consists of Building Consents, Resource Consents, Licensing and Regulatory Compliance, Regulatory Engineering, Operations and Optimisation. Together, the departments are focused on keeping Aucklanders and whānau safe and well through the consenting, licensing and compliance functions. Regulation underpins Auckland's successful development, manages environmental impacts, and helps Auckland be a safe place. They are an enabler for Auckland's economy through resource and building consents, and licensing of businesses.

Their mahi supports the building of a Tāmaki Makaurau we can all be proud of; they support development that meets legislative requirements and brings social, cultural, economic, and environmental outcomes to Auckland. They provide services for Aucklanders to enjoy a better standard of living by ensuring the preservation and protection of our built and natural environments.

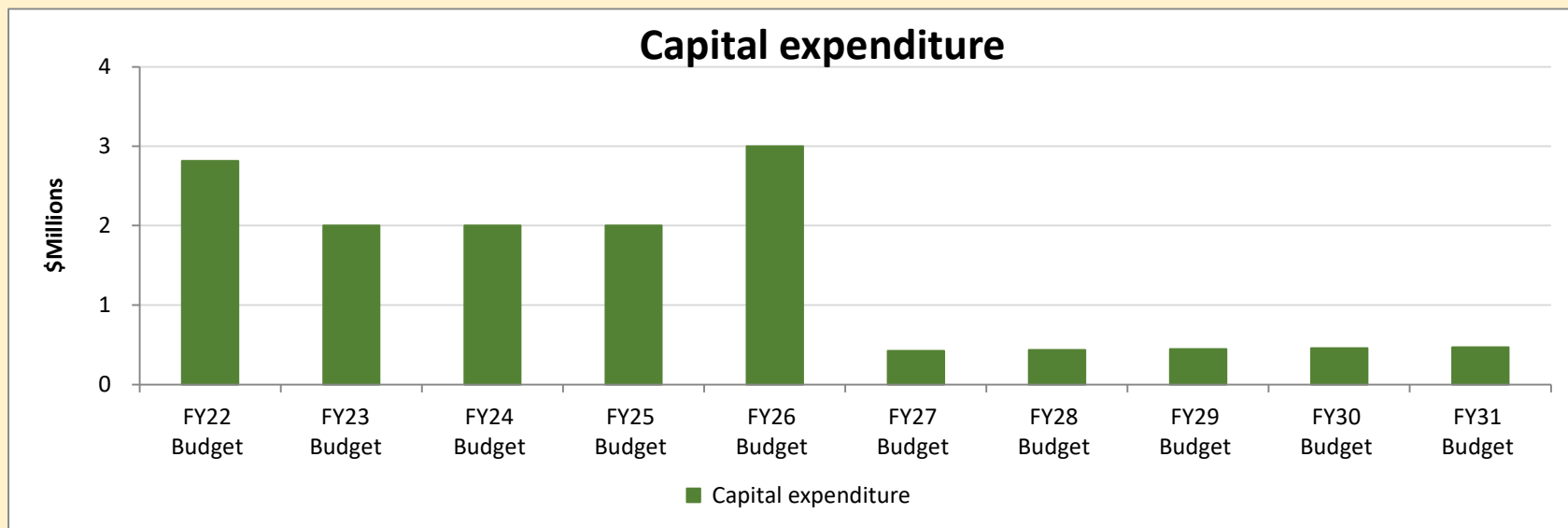
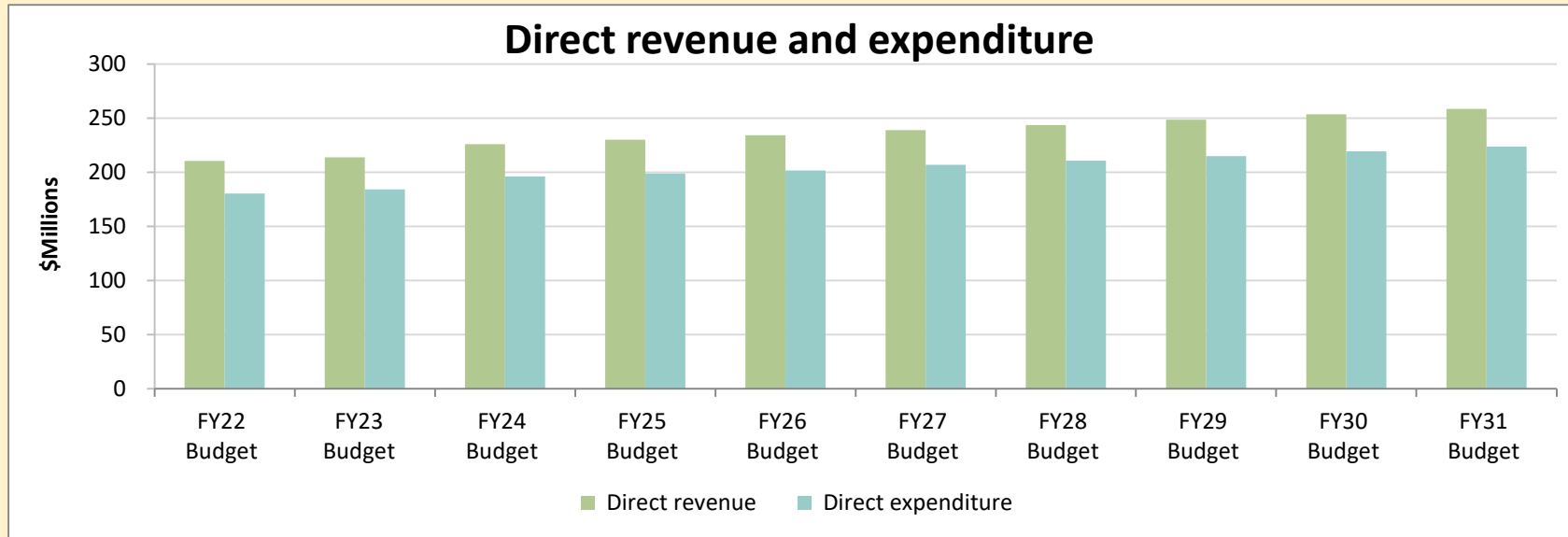
### FY22 Direct Revenue Budget



### FY22 Direct Expenditure Budget



# Regulatory Services projected 10-year financials



# Support & other key departments

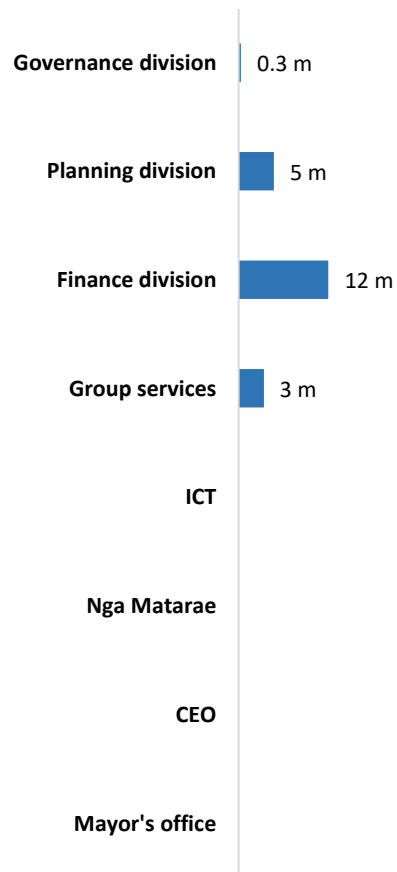
The council support functions are primarily those activities that are not directly providing services to the Auckland community. They include planning and policy, support of elected members, governance, and the wide range of corporate support functions.

The Planning Division is responsible for providing strategic and policy advice to elected members and operational delivery arms of council. It is responsible for ensuring the Auckland Unitary Plan responds to an ever-changing Auckland, and leading planning and place-making initiatives.

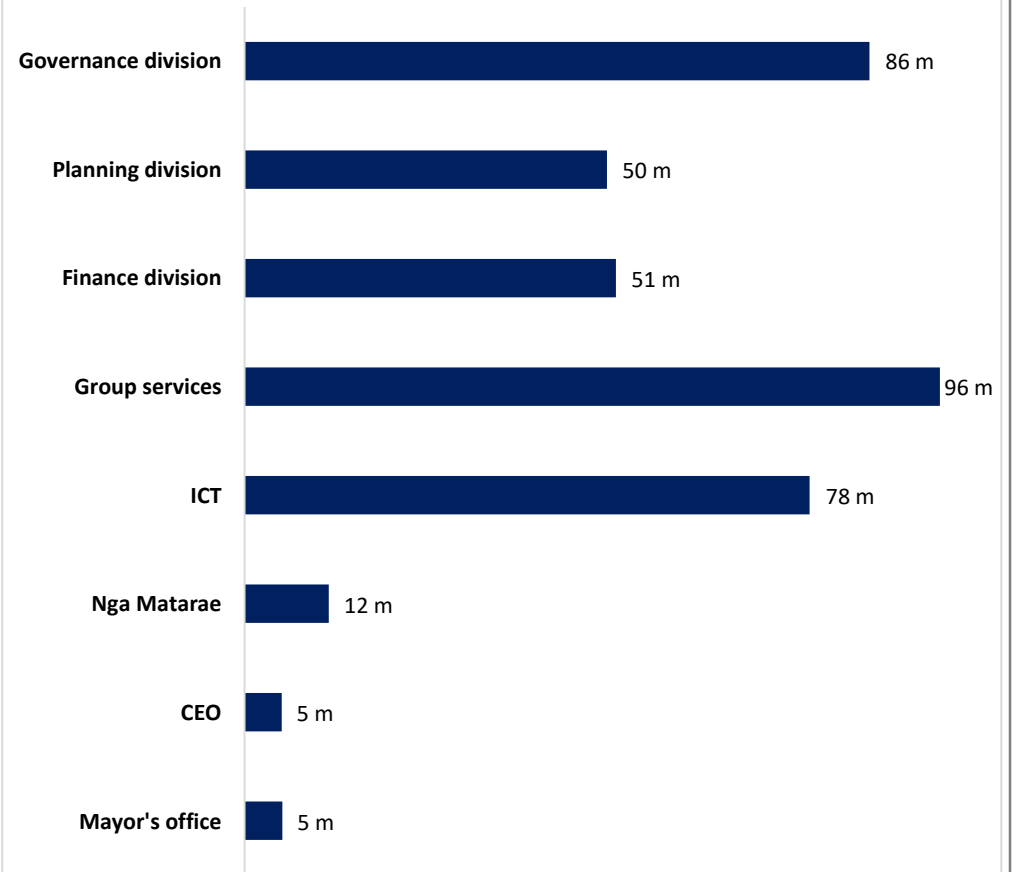
The Group Services division provides ICT, People and Culture, Communications, Corporate Property and other shared services across council and CCOs.

The Governance division supports approximately 170 elected members governing Auckland Council.

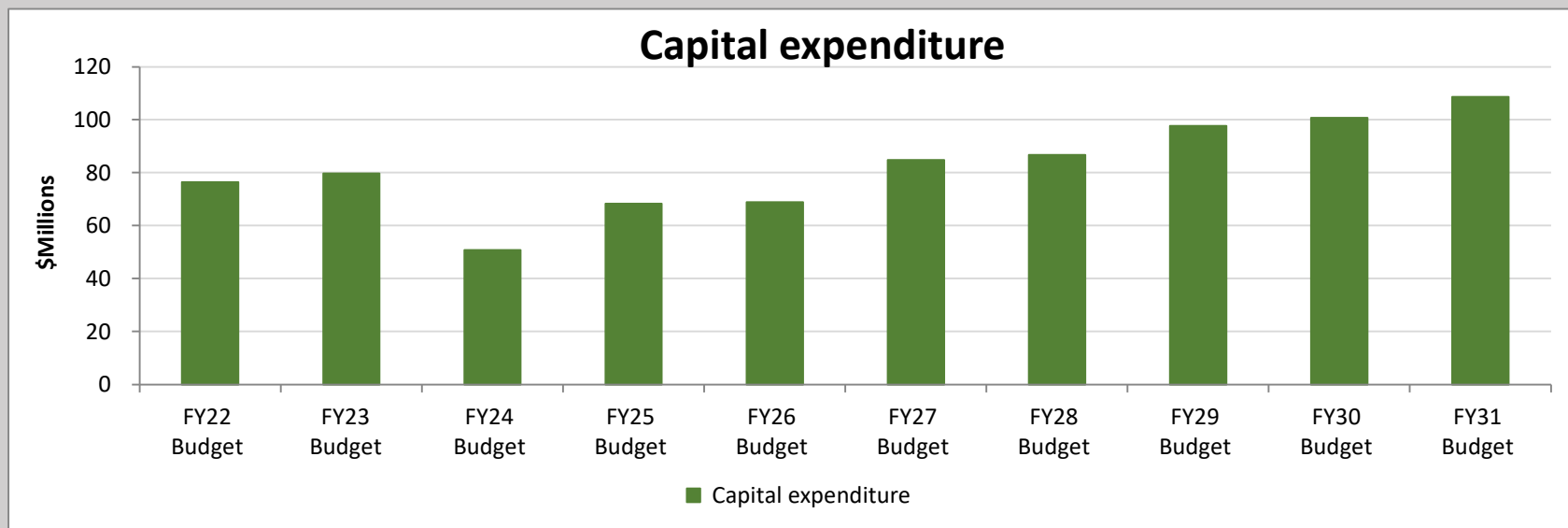
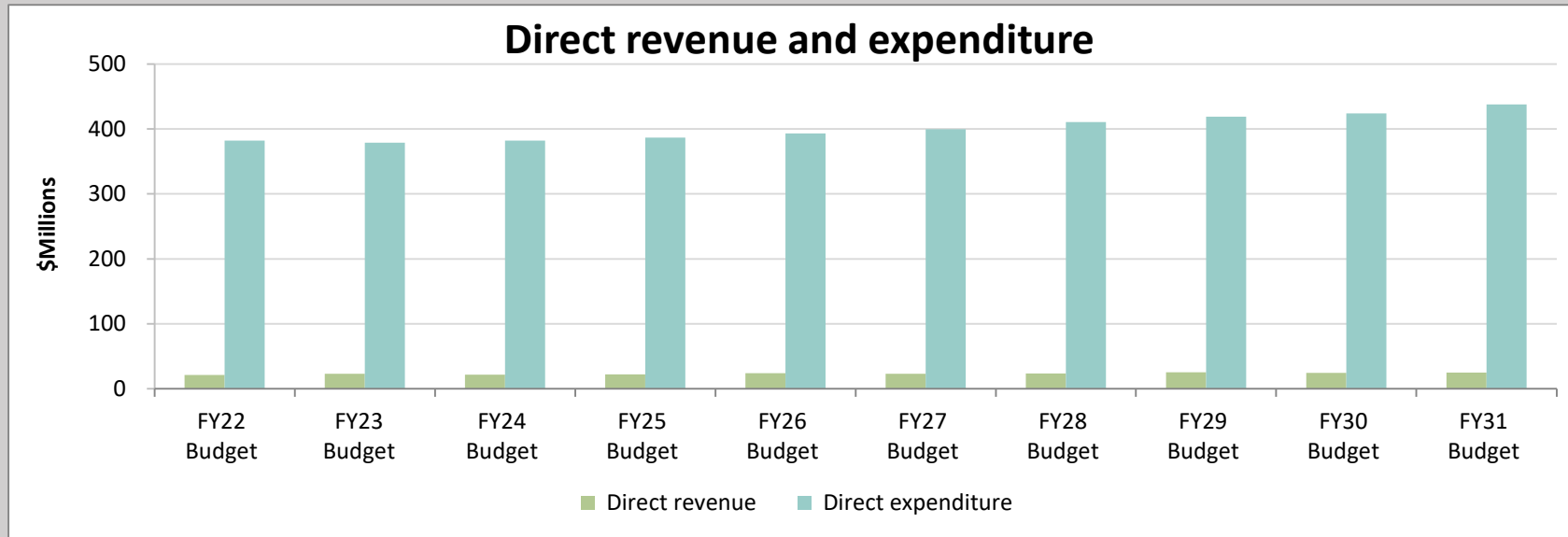
### FY22 Direct Revenue Budget



### FY22 Direct Expenditure Budget



# Support & other key departments projected 10-year financials



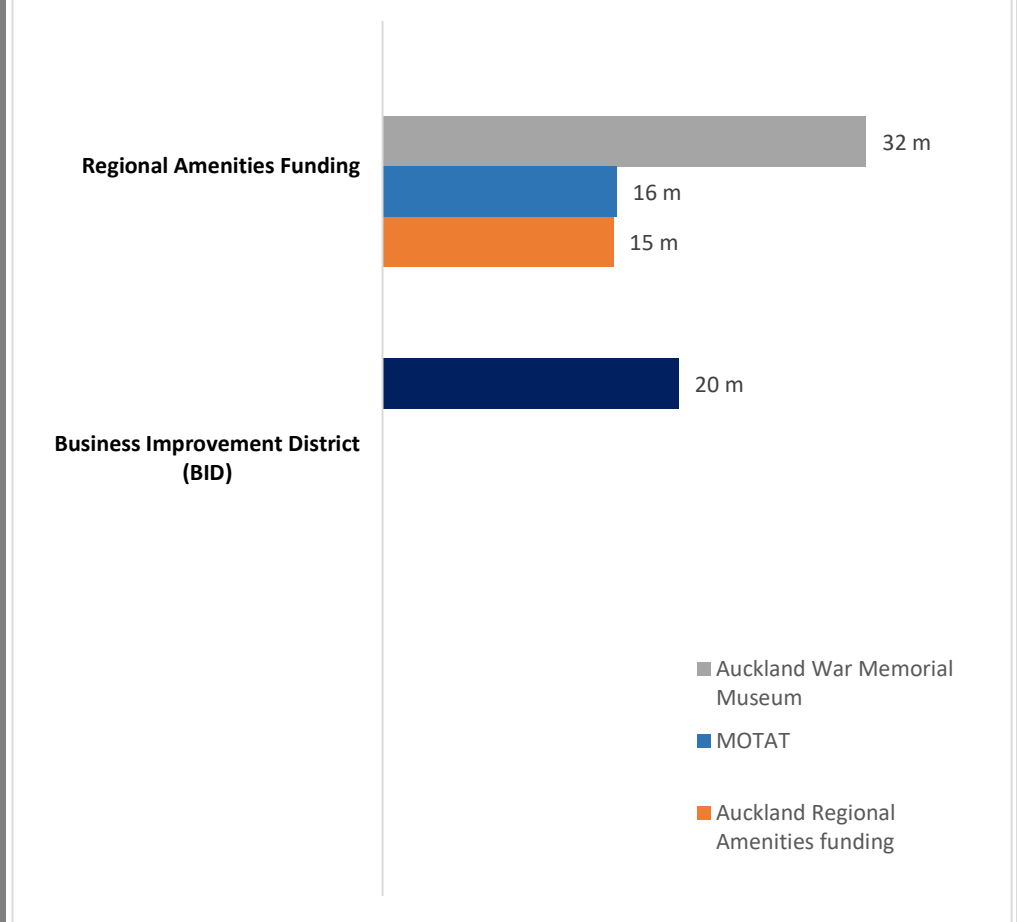
# Third-party amenities grants

Auckland Council contributes approximately 80 per cent of the annual funding of the Museum of Transport and Technology (MOTAT) and the Auckland War Memorial Museum. Through the Auckland Regional Amenities Funding Act it also contributes to the funding of ten other independent regional organisations. This supports those organisations in their delivery of services to Auckland residents resulting in cultural and community benefits. This section also includes grants made to Business Improvement Districts (BIDs) which are funded by targeted rates.

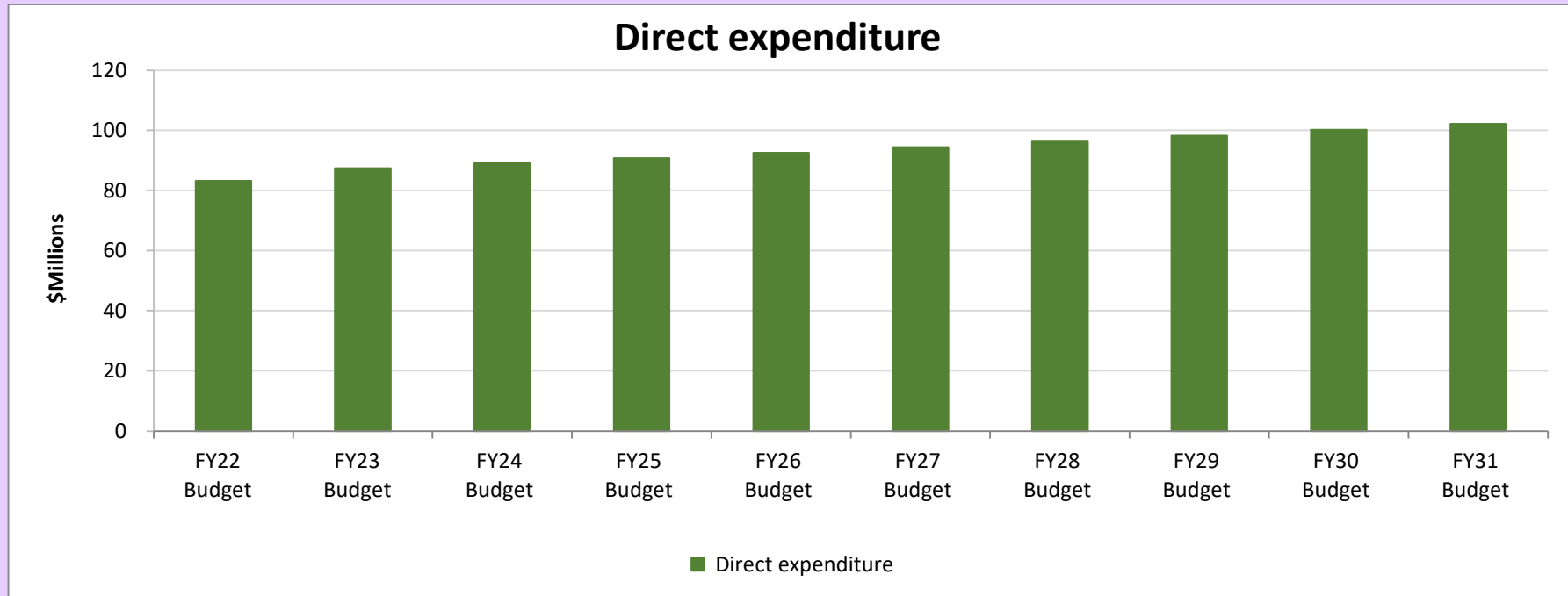
**FY22 Direct Revenue Budget**



**FY22 Direct Expenditure Budget**



# Third-party amenities grants projected 10-year financials



# Performance measures

Key performance measures	FY20 Actual	FY21 Target	FY22 Target	FY23 Target	FY24 Target
<b>Customer &amp; Community division performance measures</b>					
Percentage of Aucklanders that feel their local town centre is safe - day time	79%	80%	80%	80%	80%
Percentage of Aucklanders that feel their local town centre is safe - night time	39%	42%	44%	44%	44%
The percentage of Empowered Communities activities that are community led	71%	60%	71%	71%	71%
The percentage of Empowered Communities activities that build capacity and capability to assist local communities to achieve their goals	65%	55%	64%	64%	64%
The percentage of local community services, programmes and facilities that are community led	N/A	New measure	Set baseline	Maintain or improve	Maintain or improve
The percentage of arts, and culture programmes, grants and activities that are community led	92%	80%	80%	80%	80%
The percentage of art facilities, community centres and hire venues network that is community led	57%	57%	57%	57%	57%
The number of participants for local community services, programmes, and facilities	N/A	New measure	Set baseline	Maintain or improve	Maintain or improve
The percentage of customers satisfied with quality of local community services, programmes, and facilities	N/A	New measure	Set baseline	Maintain or improve	Maintain or improve



# Performance measures

Key performance measures	FY20	FY21	FY22	FY23	FY24
	Actual	Target	Target	Target	Target
The percentage of attendees satisfied with a nominated local community event	79%	72%	74%	74%	74%
Percentage of customers satisfied with the quality of library service delivery	96%	86%	87%	87%	87%
The number of internet sessions at libraries (unique sessions over public computing or public WIFI networks)	5.10M	7.55M	4.33M	4.21M	4.21M
The percentage of park visitors who are satisfied with the overall quality of sportsfields	80%	71%	77%	77%	77%
The percentage of users who are satisfied with the overall quality of local parks	75%	72%	74%	74%	74%
The number of attendees at Council-led community events	44,950	55,000	61,900	71,600	71,600
The number of participants in activities at art facilities, community centres and hire venues	5.46M	5.96M	6.01M	6.07M	6.13M
The number of visits to library facilities	8.48M	9.85M	8.55M	8.55M	8.55M
The customers' Net Promoter Score for Pools and Leisure Centres	34	30	34	34	34
The percentage of residents who visited a local park in the last 12 months	80%	82%	82%	82%	82%

# Performance measures

Key performance measures	FY20	FY21	FY22	FY23	FY24
	Actual	Target	Target	Target	Target
The percentage of local programmes, grants and activities that respond to Māori aspirations	24%	19%	26%	26%	26%
The percentage of regional programmes, grants and activities that respond to Māori aspirations	48.5%	17.2%	20%	22%	24%
The number of New Zealand native plants grown for revegetation programmes in the Botanic Gardens	69,532	60,000	60,000	60,000	60,000
The number of volunteer hours worked in regional parks each year	51,715	80,000	80,000	80,000	80,000
The number of library items checked out (including e-items)	13.5M	14.0M	16.4M	18.2M	18.4M
The number of website sessions for the Auckland Libraries website and library catalogue	5.03M	8.0M	5.8M	5.9M	5.9M
The number of active library members (members who have used their membership account at least once in the past 12 months)	403K	380K	395K	410K	425K
The percentage of residents participating in sport and recreation at least once per week	72%	72%	72%	72%	72%
The percentage of the public who have used a regional park in the last 12 months	66%	70%	72%	74%	76%
The percentage of regional park visitors satisfied with the overall quality of their visit	95%	96%	96%	96%	96%

# Performance measures

Key performance measures	FY20	FY21	FY22	FY23	FY24
	Actual	Target	Target	Target	Target
Percentage of tenants satisfied with the provision and management of "housing for older people"	91%	78%	78%	78%	79%
The percentage of Aucklanders who are prepared for an emergency	71%	65%	65%	65%	65%
The percentage of Aucklanders that have a good understanding of the types of emergencies that could occur in Auckland	83%	75%	75%	75%	75%
<b>Infrastructure &amp; environmental services division performance measures</b>					
Percentage of council controlled closed landfill discharge consents achieving category one or two compliance rating	100%	98%	98%	98%	98%
Percentage of customers satisfied with overall waste collection services	N/A	New measure	75%	75%	75%
The percentage of local low carbon or sustainability projects that have successfully contributed towards local board plan outcomes	N/A	New measure	70%	75%	80%
The percentage of local water quality or natural environment improvement projects that have successfully contributed towards local board plan outcomes	N/A	New measure	80%	85%	90%
The percentage of local waste minimisation projects that have successfully contributed towards local board plan outcomes	N/A	New measure	70%	75%	80%
The proportion of the region under community stewardship for natural environment outcomes	N/A	New measure	60%	65%	70%
The proportion of kauri areas, managed by Council, with site-based mitigation in place to reduce the spread of kauri dieback disease	N/A	New measure	97.7%	99.7%	99.7%

# Performance measures

Key performance measures	FY20	FY21	FY22	FY23	FY24
	Actual	Target	Target	Target	Target
The number of complaints received about the performance of the stormwater system per 1000 properties connected to Auckland Council's stormwater system	0.80 per 1000 properties	3 per 1000 properties	< 3 per 1000 properties	< 3 per 1000 properties	< 3 per 1000 properties
The percentage of response time during storms to close stormwater manholes within three hours	97%	90%	90%	90%	90%
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 (hours)	Not measured	2 hours	< 2 hours	< 2 hours	< 2 hours
Auckland Council stormwater compliance with resource consents for discharge from its stormwater system, measured by the number of a) abatement notices, b) infringement notices, c) enforcement orders, d) convictions, received in relation those resource consents	0	0	0	0	0
The number of flooding events that occur and the associated number of habitable floors affected per 1000 properties connected to Auckland Council's stormwater network	Not measured	1 per 1000 properties	< 1 per 1000 properties	< 1 per 1000 properties	< 1 per 1000 properties
The proportion of time that a reference set of beaches are suitable for contact recreation during the summer swimming season (1 November to 30 April)	82%	80%	81%	82%	83%
The percentage of local environmental programmes that have successfully contributed towards local board plan outcomes	74%	82%	75%	80%	85%
Kilometres of planned track upgrades, to reduce the risk of spread of kauri dieback, completed and open to the public	N/A	New measure	166.5km	195.7km	195.71km
Number of indigenous plants and animals regionally vulnerable to extinction under active management	N/A	New measure	94	96	98
The proportion of rural mainland Auckland under sustained management for possums	N/A	New measure	26%	27%	30%

# Performance measures

Key performance measures	FY20	FY21	FY22	FY23	FY24
	Actual	Target	Target	Target	Target
The proportion of priority native habitats on regional parks under sustained management for pest plants	N/A	New measure	45%	48%	51%
Number of species-led projects being delivered on Hauraki Gulf islands for the purpose of maintaining or achieving eradication of pest plants and pest animals	N/A	New measure	9	10	10
Number of native plants planted	N/A	New measure	735,000	740,000	545,000
Number of Aucklanders engaged in living low carbon lifestyles	48,816	30,000	65,500	66,500	68,500
The percentage of schools engaging in sustainability education programmes	61%	58%	60%	60%	60%
Greenhouse gas emissions Scope 1 & 2* (tonnes, % change vs baseline)	N/A	New measure	21,691 (-11%)	19,956 (-18%)	17,561 (-28%)
The total waste to landfill per year (kg per capita)	930kg	877kg	877kg	793kg	751kg
The quantity of domestic kerbside refuse per capita per annum	138kg	144kg	144kg	144kg	110kg
The total number of Resource Recovery Facilities	8	8	9	10	12
<i>*See LTP document for more detail</i>					

# Performance measures

Key performance measures	FY20 Actual	FY21 Target	FY22 Target	FY23 Target	FY24 Target
<b>Regulatory services division performance measures</b>					
The percentage of building consent applications processed within 20 statutory working days	82.1%	100%	100%	100%	100%
The percentage of customers satisfied with the overall quality of building consent service delivery	62.1%	65%	65%	67%	70%
The percentage of non-notified resource consent applications processed within 20 statutory days	71.2%	100%	100%	100%	100%
The percentage of customers satisfied with overall quality of resource consents service delivery	54.5%	65%	65%	67%	70%
The percentage of notified resource consent applications processed within statutory time frame	78%	100%	100%	100%	100%
Percentage of noise calls for service attended within 30 minutes for urban areas or 45 minutes for remote areas	New measure	N/A	Urban: 80% Remote: 80%	Urban: 80% Remote: 80%	Urban: 80% Remote: 80%
The percentage of compliance with Excessive Noise Direction within 72hours	New measure	N/A	80%	80%	80%
The percentage of cases of non-compliance for menacing dogs that reach compliance within 3 months	76%	90%	90%	90%	90%
The percentage of food premises that receive a D or E grade that are revisited within 20 or 10 working days	New measure	N/A	95%	95%	95%

# Performance measures

Key performance measures	FY20	FY21	FY22	FY23	FY24
	Actual	Target	Target	Target	Target
The percentage of high-risk alcohol premises that are visited annually.	New measure	N/A	100%	100%	100%
Percentage of licensees satisfied with the food and alcohol licensing service	New measure	N/A	85%	85%	85%
<b>Governance, planning and investment activities performance measures</b>					
The number of compliance notices issued by the Privacy Commissioner	N/A	New measure	0	0	0
The percentage of LGOIMA and Privacy Act decisions made and communicated within statutory timeframes	86%	95%	95%	95%	95%
The number of Māori organisations and trusts supported to progress Māori housing and papakāinga development	18	18	20	22	24
The percentage of Auckland Unitary plan changes and notices of requirement processed within statutory timeframes	N/A	New measure	100%	100%	100%
The percentage of adopted core strategies, policies and plans incorporating Māori outcomes or developed with Māori participation	100%	100%	100%	100%	100%
The percentage of Development Programme Office programmes that identify and engage with key stakeholders, Mana Whenua and Māori organisations	100%	95%	95%	95%	95%
The percentage of City Centre Targeted Rate programme delivered on time and within budget	83%	80%	80%	80%	80%

# Performance measures

Key performance measures	FY20	FY21	FY22	FY23	FY24
	Actual	Target	Target	Target	Target
The percentage of Business Associations meeting their Business Improvement District (BID) Partnership Programme obligations	100%	100%	100%	100%	100%
The annual growth in Auckland Council's dividend compared to the Customer Price Index growth	-71.3%	CPI growth plus 1.5%	CPI growth %	CPI growth %	CPI growth %
The number of mana whenua and mataawaka marae that received support	N/A	New measure	22	22	22
The percentage of Aucklanders who feel Council provides opportunities for them to have a say in shaping Auckland	41%	50%	50%	50%	50%
The percentage of Māori residents who believe that they have adequate opportunities to have their say in decision making	34%	50%	50%	50%	50%



# Auckland Transport

## **Budget Book**

*This document provides a high-level summary of  
Auckland Transport's 10-year Budget 2021-2031*

# Auckland Transport at a glance

## + Background

Auckland Transport (AT) is responsible for all of the region's transport services (excluding state highways) from roads and footpaths, to cycling, parking and public transport. While AT manages and controls the roads, Auckland Council owns them. AT's day-to-day activities keep Auckland's transport systems moving, including planning and funding of public transport, promoting alternative ways to get around and operating the local roading network.

## Key activities and services

### • Parking and Enforcement

AT manages on-street and off-street parking, including parking buildings and off-street car park sites, and also enforces parking, traffic and special vehicle lane restrictions.

### • Public Transport (PT)

AT provides bus, ferry and train services and supporting infrastructure as part of the Auckland public transport network. Other PT related activities include travel demand management, AT HOP card, AT Metro Customer & Market and AT Metro Development.

### • Roads and Footpaths

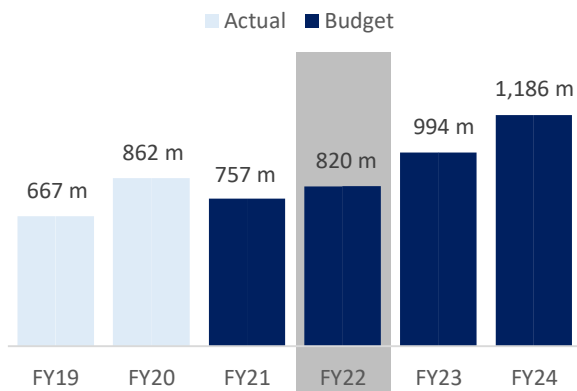
AT is responsible for managing Auckland's roads and footpaths.

### • Internal support

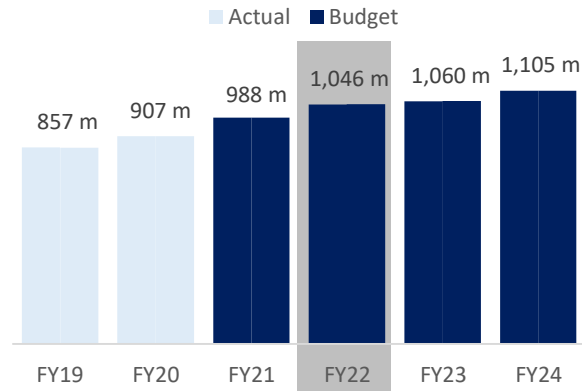
AT's internal support activity contains traditional corporate support activities as well as functions that span delivery of the projects and programmes that form core transport activities.

Refer to Business Segments section for more information on activities.

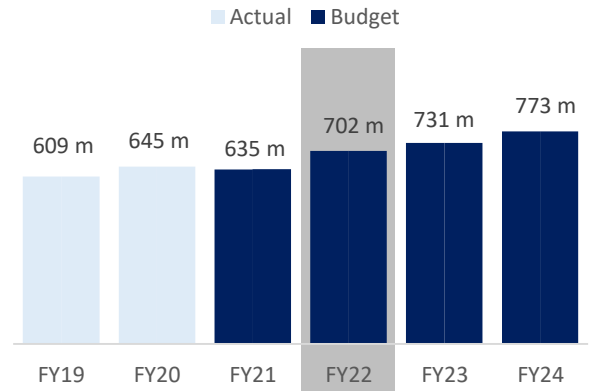
## Capital expenditure



## Direct expenditure



## Direct revenue



# Strategic focus areas for 10-year Budget 2021-2031

## Making Auckland's transport system safe

### Strategic context

Addressing the alarming and continued upward trend in deaths and serious injuries (DSI) across Auckland's road network through a comprehensive programme of safety improvements. Increased efforts are underway to focus on travel safety, creating a safe transport network free from death and injury. Improving the health, safety and wellbeing of our people, contractors and suppliers is of key importance.

### Key programmes:

- **A Vision Zero Strategy for Auckland** which targets all elements of road safety for all road users. The strategy has a goal of no deaths or serious injuries on our transport network by 2050
- **Safety improvements:**
  - Delivering safety improvements to high risk roads and intersections and implement a safe speeds programme
  - Delivering road safety behaviour change programmes in communities to support reductions in DSI
  - Continue to grow Travelwise school safety programmes and deliver initiatives that lower vehicle speeds around schools
  - Improving lighting and continuing the rollout of gates at rail stations to improve safety, security and reduce fare evasion.

## Providing an excellent customer experience for all services and customers

### Strategic context

Building customer confidence in the transport system by making it safe, accessible and convenient, at value for money. Increasing focus on customer needs and improving their experience of using the transport network and other services will assist in the aim for greater levels of customer satisfaction.

### Key programmes:

- **Embed customer centricity** in governance and organisation decision-making processes
- **Continuously evolve the AT digital experience** to provide quick and easy access to transport information and other AT services
- **Establish a Voice of the Customer programme** to inform strategic business decisions and the prioritisation of initiatives to improve the customer experience across all services
- **Improve the accessibility** and ease of use in engaging with customers, local boards and general public
- **Evolving assisted customer service channels** from providing reactive and primarily transactional services, to offering proactive interactions that add incremental value to customers.

## Providing better travel choices for Aucklanders

### Strategic context

With "Easy Journeys" as it's overarching purpose, AT provides travel options to Aucklanders while also promoting a move away from single-occupant private vehicles. Improved public transport options, and developing safer walking and cycling infrastructure will help in achieving this mode shift.

### Key programmes:

- **Improvements across the public transport network**, with new and/or improved services subject to funding availability
- Working to ensure a more rapid and flexible delivery of **safe cycling facilities**
  - Delivering **new and improved footpaths** across Auckland (subject to funding)
  - **Working with Council and Central Government agencies** to progress the implementation of the 10-year Budget 2021-2031, Regional Land Transport Plan (RLTP), Future Connect, and refresh of Auckland Transport Alignment Project (ATAP) second and third decades
  - **Investigation into and implementation of plans and strategies** designed to promote mode shift, while also recognising the importance of the movement of goods and services
  - Trialling and monitoring the **Community Connect PT Concession Card**.

# Strategic focus areas for 10-year Budget 2021-2031

## Better connecting people, places, goods and services

### Strategic context

The provision of effective transport connections, and a more integrated delivery of major projects will allow for the safe, effective and efficient movement of people and goods across the region.

### Key programmes:

- **Network capacity and performance improvements** across the network, including:
  - Working with Waka Kotahi to ensure an integrated approach for customers
  - Optimising traffic lights
  - Targeted freight movement improvements
  - Monitoring and evaluation of the trialling of dynamic lanes.
- Working with Council and Auckland Unlimited to **develop and deliver transport plans** to support and manage key impacts of major events over the next year
- Continuing to work with relevant partners to **manage incidents and planned events** on the AT network.

## Enabling and supporting Auckland's growth

### Strategic context

Providing new transport infrastructure, improving the Rapid Transport Network (RTN) that forms the backbone of the public transport network, will help in driving the Auckland region into the future. The optimisation of and improvements to existing infrastructure will also assist in this goal, supporting urban development and strategic development in a more cohesive manner.

### Key programmes:

- In **existing and future urban growth areas**, continuing to work with partners to progress investigation, business cases and route protection documentation for important future strategic transport corridors and infrastructure
- **Continue to collaborate with Eke Panuku and other relevant stakeholders** on agreed transport-led urban regeneration projects, ensuring alignment with AT work and investment programmes
- **Progressing the Connected Communities programme**, which aims to improve the safety, productivity and people carrying-capacity of the road network.

## Improving the resilience and sustainability of the transport system

### Strategic context

Repairing and renewing transport infrastructure and assets to an optimal standard, while reducing harm to the environment across construction, operation and maintenance of the network. Transport remains a significant contributor to Auckland's greenhouse gas footprint, with AT playing an important role in tackling this through the reduction in fuel use and associated carbon emissions, alongside other initiatives.

### Key programmes:

- **Renewing, maintaining and managing assets**, including seismic strengthening of bridges and walls, road resurfacing, footpath renewals, at better value for money
- **Embedding environmental best practice** within the work that AT does
- **Continuing to work on environmental initiatives and vehicle emissions reductions**, including identifying and prioritising the climate change risks to AT's assets, operations, staff and customers and developing adaption plans for high priority risks.

# Strategic focus areas for 10-year Budget 2021-2031

## Support the Council Group's contribution towards Māori wellbeing outcomes, expectations and aspirations of Māori under the Treaty of Waitangi

### Strategic context

AT is committed to increasing fluency of Te Reo, both internally and across the network, as part of efforts to reflect, promote and understand Māori culture, values and identity. Connecting customers to Māori culture will help enable Māori to experience relevant and welcoming public facilities and services. Enabling Mana Whenua and Māori to participate at all levels of AT's decision-making will further our duty in the development of strong, thriving and flourishing Māori communities.

### Key programmes:

- **Resourcing and maintaining engagement forums** with Mana Whenua at governance and operations levels for:
  - Engagement on plans and strategies and major transport infrastructure projects
  - Continuing a strong relationship with Mana Whenua.
- **Delivering a number of Te Reo Māori initiatives**, including signage and announcements on the PT network
- Implementing and tracking progress against the initiatives and programmes contained in AT's Board-endorsed **Māori Responsiveness Plan**
- **Incorporating Te Aranga Māori Design principles** into AT projects, contributing to the Māori outcome strategic priority areas of Māori identity and culture, effective participation, Te Reo Māori and economic development
- Incorporating Māori values such as mauri into stormwater management in transport projects, contributing to Māori outcomes and strategic priority areas of effective participation and kaitiakitanga.

## Collaborative partnering with our funders, partners, stakeholders and communities

### Strategic context

Effective engagement with communities and stakeholders will help in strengthening partnerships, with improved collaboration around the planning, funding and operational aspects of Auckland's transport system.

### Key programmes:

- Continue working with local boards to deliver transport-led **One Local Initiative projects**
- As part of the **Local Board Transport Capital Fund**, developing and delivering projects after working with local boards to prioritise and obtain agreement on objectives and needs
- **Delivering Community Safety Fund projects**, to provide improved safety for communities as identified by local boards.

## Our operating model is agile, financially sustainable and delivers economic benefits

### Strategic context

Safely delivering projects and programmes, in line with agreed expectations, and ensuring the achievement of value for money results across AT in relation to Regional Land Transport Plan outcomes. AT aims for operational effectiveness in terms of project and asset management, procurement, customer service enhancement, safety as well as financial and risk management.

### Key programmes:

- **Deliver operating cost efficiencies**, improved productivity and growing revenues
- Continuing to implement the AT Board-Waka Kotahi approved **Procurement Strategy**, and explore alternative models to deliver value for money, safety and sustainability outcomes
- Working with funding partners to **simplify and streamline** business casing, approval and funding processes to enable quicker delivery of capital programmes
- **Continuing to optimise renewals**, while working with Council and Eke Panuku around ways to recycle capital from City Centre parking assets – either by redevelopment or concession arrangements.

# Strategic focus areas for 10-year Budget 2021-2031

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## Enabling and enhancing our culture and capability


### Strategic context

Embedding a culture of constructive leadership, AT aspires towards a thriving and inclusive high-performing work environment, with a sustainable workforce that attracts, grows and retains diverse talent.

### Key programmes:

- Enabling AT to become an **active leader in Vision Zero** and health and safety implementation
- **Continuing to develop AT's outcomes framework** and associated reporting in an agile manner to assist with ongoing performance management
- Continuing to implement the three-year **Culture and Transformation Strategy** and programme of work to respond to ongoing impacts of COVID-19, with a focus on customer, culture, capability and cost.

# Auckland Transport detailed financials

 <b>Financial performance</b>							
(\$ millions)	Notes	FY 20	FY 21	FY 22	FY 23	FY 24	10-year
		Actual	Budget	Budget	Budget	Budget	Total
<b>Capital expenditure</b>	<b>A</b>	<b>862</b>	<b>757</b>	<b>820</b>	<b>994</b>	<b>1,186</b>	<b>11,373</b>
<b>Net direct expenditure</b>		<b>261</b>	<b>353</b>	<b>344</b>	<b>328</b>	<b>332</b>	<b>3,639</b>
<b>Direct revenue</b>	<b>B</b>	<b>645</b>	<b>636</b>	<b>702</b>	<b>731</b>	<b>773</b>	<b>8,609</b>
Fees and user charges		245	210	270	297	348	4,066
Operating grants and subsidies		351	386	368	370	358	3,851
Other direct revenue		50	40	64	65	67	693
<b>Direct expenditure</b>	<b>C</b>	<b>907</b>	<b>988</b>	<b>1,046</b>	<b>1,060</b>	<b>1,105</b>	<b>12,248</b>
Employee benefits		136	138	156	161	168	1,728
Grants, contributions & sponsorship		-	-	-	-	-	-
Other direct expenditure		771	850	889	899	937	10,520
<b>Other key operating lines</b>							
AC operating funding		291	389	380	364	368	4,001
AC capital funding		466	417	404	482	546	5,450
Vested assets		271	275	275	275	275	2,750
Capital subsidies & grants		396	340	416	512	640	5,923
Development contribution revenue		-	-	-	-	-	-
Depreciation		351	418	426	449	470	5,195
Net finance costs		30	29	29	28	28	265

## **Key Commentary**

**A:** The lower capital expenditure in FY21 was due to the impacts of COVID-19 and reflects the slowdown in investment in response to the significant revenue impact on the council group from the pandemic. Auckland Transport's capital programme is aligned with the Regional Land Transport Plan (RLTP) to support the development and improvement to public transport and road networks and meet the demand of growth in Auckland.

**B:** The increase in revenue is driven by higher projected fees and user charges, reflecting a gradual recovery in public transport (PT) services patronage level and additional PT services intended to be provided in the LTP.

**C:** The operating costs increase from FY22 onwards is due mainly to the provision of additional PT services planned in the LTP and inflationary increase to staff and other operating costs in general.

# Auckland Transport key business segments

## Public transport and travel demand management:

**Bus:** AT provides bus services and supporting infrastructure as part of the Auckland public transport network. The focus of this activity is:

- the provision of bus passenger services which are procured from commercial operators rather than directly delivered by AT
- the maintenance and operation of bus network facilities (bus stops and bus stations) which are owned by AT.

**Ferry:** AT provides ferry services and supporting infrastructure as part of the Auckland public transport network. The focus of this activity is:

- the provision of ferry passenger services which are procured from commercial operators rather than directly delivered by AT
- the maintenance and operation of the ferry network, terminals and wharves.

**Rail:** AT provides train services and supporting infrastructure as part of the Auckland public transport network. The focus of this activity is:

- the provision of train passenger services which are currently operated by Transdev under a commercial operator agreement
- the maintenance and operation of the train network, stations and facilities
- Kiwi Rail own and maintain the rail network and AT pays them an access fee for the right to operate its services on the tracks.

## Other PT services:

- Travel Demand Management: projects designed to increase PT patronage and therefore increase the benefits from PT investments
- AT HOP: Processes transactions from the Auckland PT network, including trip, top up, and operator settlements. AT HOP Operations supports the system
- AT Metro Customer & Market: Primarily focused on customer and market experience and engagement to acquire new and retain existing customers
- AT Metro Development: Undertakes the tactical planning and development of the Auckland PT system bridging strategy and operations. Focus areas include: ticketing and fares, industry structure and engagement, Metro network evolution and development, public engagement and advocacy and commercial management.

**Parking and enforcement:** AT manages on-street and off-street parking, including parking buildings and off-street car park sites, and also enforces parking, traffic and special vehicle lane restrictions.



# Auckland Transport key business segments (continued)

## Roads and Footpaths:

AT is responsible for managing Auckland's roads and footpaths. This includes:

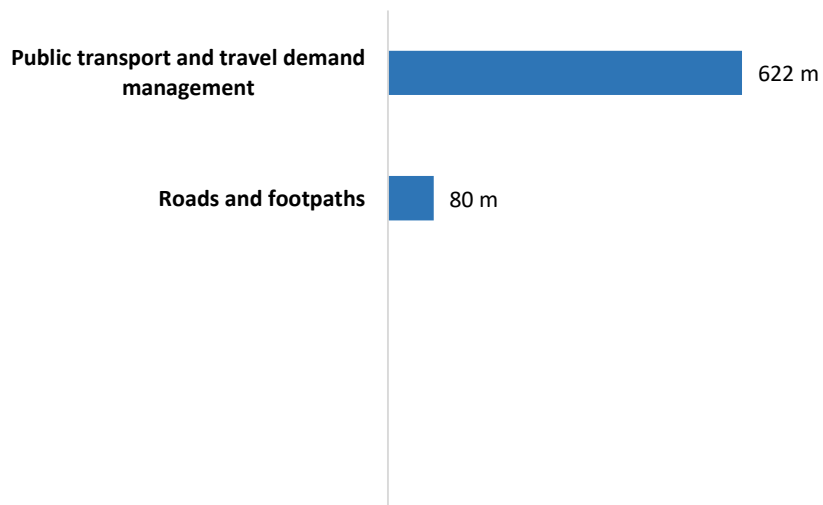
- managing, maintaining and improving the road network, footpaths and supporting infrastructure
- extending the roading network to support growth of Auckland
- ongoing development of the cycling network
- optimising traffic flows using signals, CCTV and new technologies.

## Internal Support:

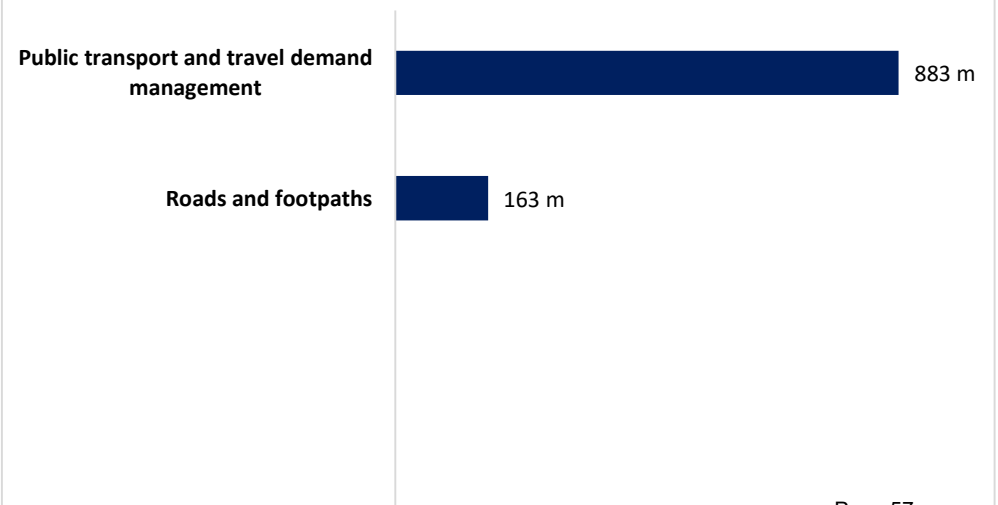
AT's internal support activity contains a number of functions and deliverables that sit outside what would be considered generic corporate support. It includes functions that span delivery of the projects and programmes that form core transport activities. The deliverables are wide and varied and cover:

- development of transport strategy
- delivery of the infrastructure capital programme including project management, design construction and property acquisitions
- supporting and developing digital platforms
- traditional corporate support functions such as finance, HR, procurement, communications and BT.

### FY22 Direct Revenue Budget



### FY22 Direct Expenditure Budget

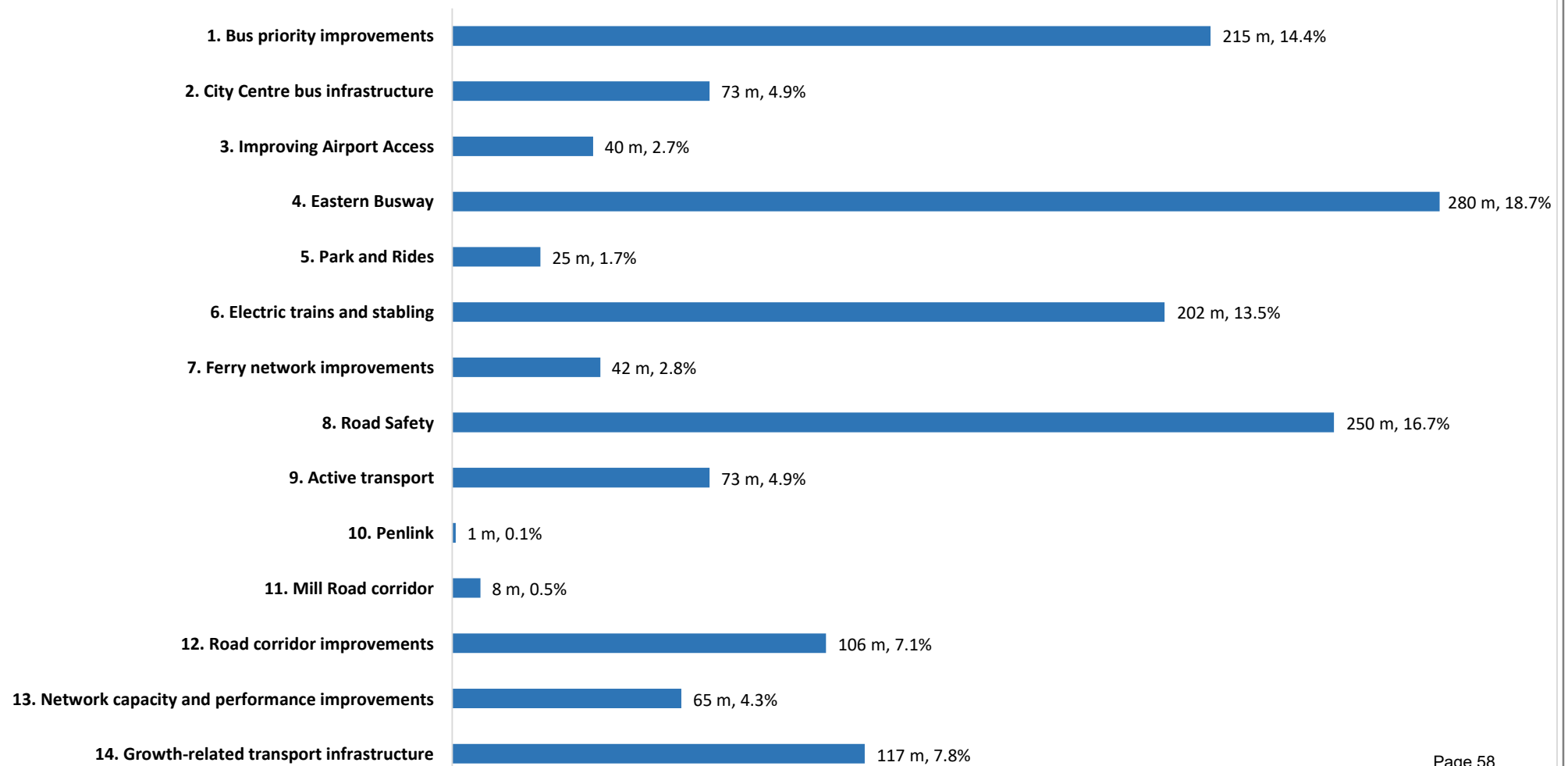


# Regional Fuel Tax (RFT)

The Regional Fuel Tax Scheme was established in 2018 as a key funding source to fund investment in Auckland’s transport network over the 10-year period 2018-2028. The tax collects 10 cents per litre (plus GST) and applies to sales of petrol and diesel by retailers within the boundaries of Auckland Council (excluding Aotea Great Barrier Island).

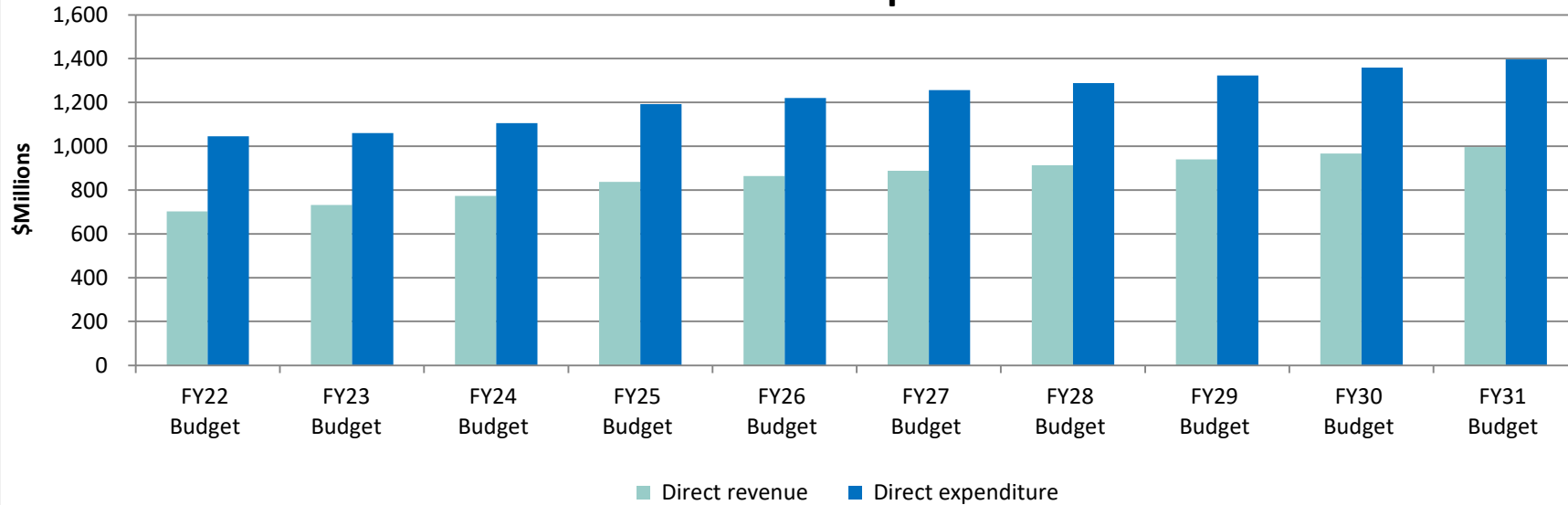
This funding, along with matching Waka Kotahi funding is enabling a significant ramping up of investment in transport in Auckland. The table below summarises the projects included in the overall programme and the direct contribution of the Regional Fuel Tax and additional investment that will be enabled by that direct contribution. These numbers are draft and subject to change post publication.

## 10-year total allocation of RFT to Regional Land Transport Plan projects

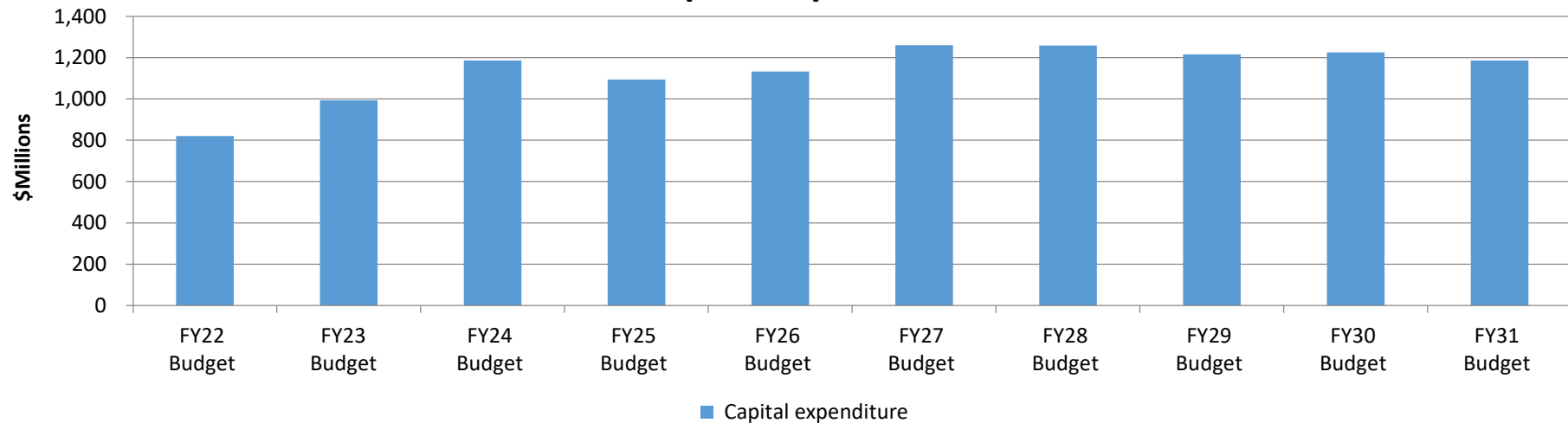


# Auckland Transport projected 10-year financials

## Direct revenue & expenditure



## Capital expenditure



# Performance measures

Key performance measures	FY20	FY21	FY22	FY23	FY24
	Actual	Target	Target	Target	Target
Percentage reduction of greenhouse gas emissions from Auckland Transport's assets (baseline 2018/19)	N/A	New measure	6%	9%	12%
Average AM peak period lane productivity across 32 monitored arterial routes	32,951	23,000	30,000	33,000	34,000
Proportion of level 1A and 1B freight network operating at Level of Service C or better during the inter-peak	94%	85%	90%	90%	90%
Percentage of key signalised intersections in urban centres where pedestrian delays are reduced during the interpeak period.	N/A	New measure	55%	60%	65%
Number of cycle movements past 26 selected count sites	3.669M	4.018M	3.671M	3.854M	4.047M
Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all sealed rural roads	94%	92%	88%	88%	88%
Road maintenance standards (ride quality) as measured by smooth travel exposure (STE) for all sealed urban roads	87%	81%	78%	78%	78%
Percentage of the sealed local road network that is resurfaced	6%	7%	6%	7%	7%
Percentage of footpaths in acceptable condition	98%	95%	95%	95%	95%
Proportion of road assets in acceptable condition	94%	95%	92%	92%	92%

# Performance measures

Key performance measures	FY20	FY21	FY22	FY23	FY24
	Actual	Target	Target	Target	Target
Percentage of customer service requests relating to roads and footpaths which receive a response within specific timeframes	86.4%	85%	85%	85%	85%
Total public transport boardings	82.3M	104.8M	82M	92M	107M
The percentage of public transport trips that are punctual	98%	96%	96%	96%	96%
The percentage of passengers satisfied with public transport services	July-March 90.5% April-June 86%	85%	85-87%	85-87%	85-87%
The percentage of the total public transport operating cost recovered through fares	33.70%	47-50%	30%-34%	32%-36%	36%-41%
The change from the previous financial year in the number of deaths and serious injuries on the local road network, expressed as a number	533	Reduce by at least 36	Increase by no more than 70	Reduce by at least 42	Reduce by at least 41

# Auckland Unlimited

## **Budget Book**

*This document provides a high-level summary of  
Auckland Unlimited's 10-year Budget 2021-2031*

# Auckland Unlimited at a glance

## Background

Auckland Unlimited (AU) lays a strong foundation for Auckland’s economic and cultural development; delivering a co-ordinated, region wide programme to maximise cultural, social and economic benefits for Auckland residents and visitors.

AU works with partners to grow Auckland’s innovation culture, support growing businesses and key industries; and attract foreign direct investment, international events and visitors from around the world. AU also delivers some of the region’s most beloved arts, cultural, conservation, sports and heritage experiences, with Aotea Centre, Civic Theatre, Auckland Art Gallery Toi o Tāmaki, Auckland Zoo, and New Zealand Maritime Museum Hui Te Ananui A Tangaroa in their portfolio.

## Key activities and services

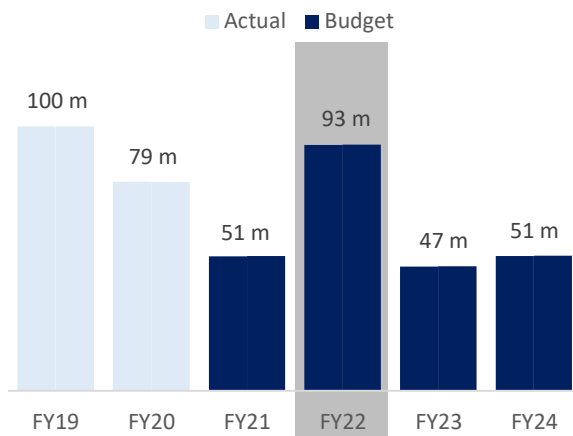
### Economic growth and visitor economy

AU's economic focus is in two areas. Firstly, its economic development activities including business support, business attraction and investment, local economic development, trade and industry development, skills employment and talent, innovation and entrepreneurship. The second area of focus is on the sustainable growth of the visitor economy, including destination marketing and management, major events, business events (meetings and conventions) and international student attraction and retention. The Accommodation provider targeted rate paid by owners of properties such as motels, hotels and Airbnb properties will be used to help part fund the costs of visitor attraction, major events and destination and marketing.

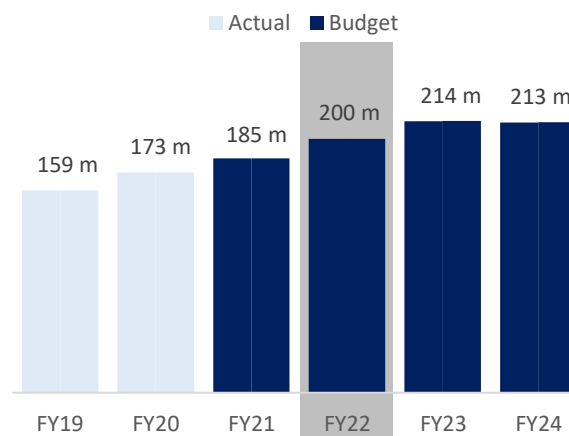
### Regional facilities

AU owns 10 landmark venues and stadiums, operates 4 landmark venues on behalf of Auckland Council and owns more than 16,000 artworks. AU creates exciting, creative and educational experiences for Aucklanders and visitors to our city as it develops and works with the arts, culture and heritage, wildlife conservation, leisure, sport, entertainment and corporate sectors. It offers a wide and unique range of services including art and maritime exhibitions, care of wildlife species, event programming and delivery across its venues.

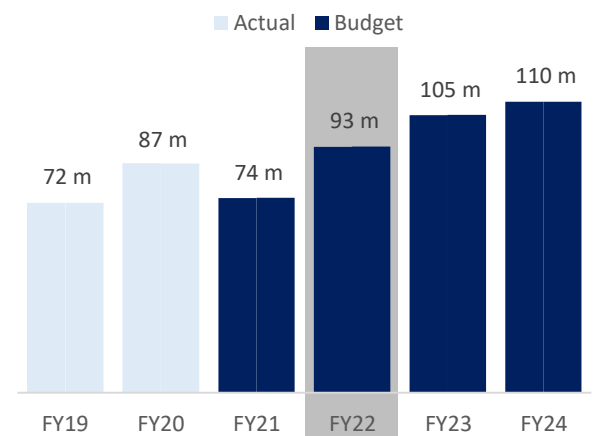
## Capital expenditure



## Direct expenditure



## Direct revenue



# Strategic focus areas for 10-year Budget 2021-2031

## Enhance Auckland as a culturally vibrant city for all

### Strategic context

AU's programmes, exhibitions and events cover the fields of the visual and performing arts, sports, and cultural and natural heritage, and are aimed at engaging and being accessible to as wide a community as possible. Programmes include:

- Exhibitions
- Major events
- Delivered festivals
- Performing arts events
- Natural heritage experiences
- Cultural heritage experiences
- Wildlife/environmental conservation
- Heritage conservation
- Visual arts conservation

## Expand economic opportunities for all Aucklanders

### Strategic context

AU supports Auckland businesses to innovate and thrive through partnering and delivering programmes and projects that enhance Auckland's innovation ecosystem, support business growth, and enhance skills and talent.

They focus on:

- Innovation ecosystem
- Business support
- Creative and cultural economy
- Hi-tech sector
- Destination sector
- Low carbon economy
- Māori economy
- Business events
- Skills and workforce
- Place-based initiatives

## Enhance Auckland's local, national and global reputation/appeal

### Strategic context

Telling a consistent story about what makes us unique will attract the investment, workers, students and visitors that will help our region grow in a way that enhances what we love about Tāmaki Makaurau Auckland. AU does this through:

- Brand Auckland
- Destination marketing
- Destination management
- Digital Auckland
- Invest Auckland
- World class facilities, exhibits and events
- Cultural economy

## An effective social, economic, cultural and environmental return on Auckland Unlimited's investments

### Strategic context

AU is the guardian for Auckland's largest range of cultural and economic places, facilities and collections and ensure that these provide an effective return for Aucklanders and visitors now and into the future. AU does this through driving:

- Stadiums strategy
- Cultural infrastructure
- Capital programmes and operations
- Aotea precinct
- Auckland Zoo
- Stadiums
- Auckland Art Gallery
- NZ Maritime Museum
- Film Studios
- Grid AKL

## Increase capital invested into Auckland for economic and cultural outcomes

### Strategic context

AU attracts investment into Auckland that creates high quality employment and seek investment solutions for Auckland that enhance social, cultural, economic and environmental outcomes for the city. AU does this through:

- Investment attraction
- Screen Auckland
- Business attraction
- Convention attraction
- Government investment
- Investment solutions for the region



# Auckland Unlimited detailed financials



## Financial performance

(\$ millions)	Notes	FY 20	FY 21	FY 22	FY 23	FY 24	10-year
		Actual	Budget	Budget	Budget	Budget	Total
<b>Capital expenditure</b>	<b>A</b>	<b>79</b>	<b>50</b>	<b>93</b>	<b>47</b>	<b>51</b>	<b>554</b>
<b>Net direct expenditure</b>		<b>87</b>	<b>114</b>	<b>106</b>	<b>110</b>	<b>103</b>	<b>1,067</b>
<b>Direct revenue</b>	<b>B</b>	<b>87</b>	<b>68</b>	<b>93</b>	<b>105</b>	<b>110</b>	<b>1,133</b>
Fees and user charges		35	24	39	51	62	662
Operating grants and subsidies		13	16	17	17	9	70
Other direct revenue		39	29	37	37	39	401
<b>Direct expenditure</b>	<b>C</b>	<b>173</b>	<b>182</b>	<b>200</b>	<b>214</b>	<b>213</b>	<b>2,200</b>
Employee benefits		74	75	81	82	81	841
Grants, contributions & sponsorship		9	13	13	14	14	150
Other direct expenditure		91	94	106	118	118	1,209
<b>Other key operating lines</b>							
AC operating funding		84	114	108	113	107	1,092
AC capital funding		76	50	57	47	51	516
External capital funding	<b>D</b>	-	-	30	-	-	30
Depreciation		38	39	46	47	48	468
Net finance revenue		0	0	0	0	0	1
Other non-operating expenditure		-	-	-	-	-	-



## Key Commentary

A: The material increase in FY22 is due to the inclusion of additional capital expenditure for Auckland Film Studios. More capital expenditure has been provided to AU in the LTP to address the renewal requirements across venues.

B: Increases from FY22 onwards reflect business recovery from a lower FY21 projection. This recovery reflects reducing COVID-19 disruptions, projected growth in visitation and reopening of international borders.

C: Increases in the first three years of the LTP reflects the additional operational funding approved to deliver committed obligations including the FIFA Women's World Cup Australia-New Zealand 2023 and resumption of visitor attraction spend funded by the Accommodation provider targeted rate.

D: Capital funding contribution from the central government for the planned expenditure in Auckland Film Studios.

# Auckland Unlimited key business segments

## Economic growth and visitor economy

AU's focus is in two areas. Firstly, its economic development activities including business support, business attraction and investment, local economic development, trade and industry development, skills employment and talent and innovation and entrepreneurship. The second area of focus is on the sustainable growth of the visitor economy, including destination marketing and management, major events, business events (meetings and conventions) and international student attraction and retention.

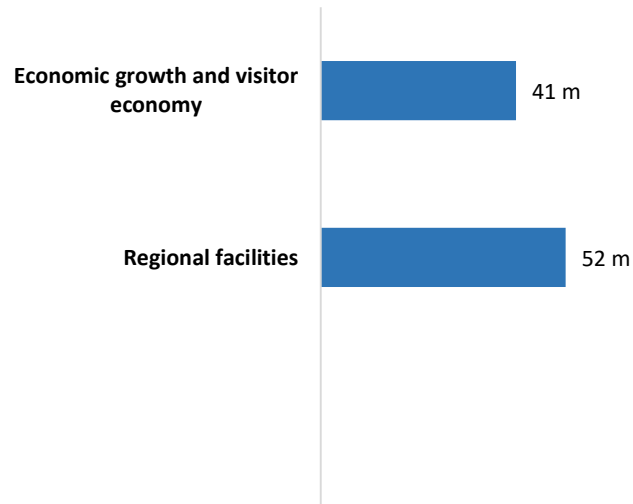
## Regional facilities

AU owns 10 landmark venues and stadiums, operates 4 landmark venues on behalf of Auckland Council and owns more than 16,000 artworks. AU creates exciting, creative and educative experiences for Aucklanders and visitors to our city as it develops and works with the arts, culture and heritage, wildlife conservation, leisure, sport, entertainment and corporate sectors. It offers a wide and unique range of services including art and maritime exhibitions, care of wildlife species, event programming and delivery across its venues.

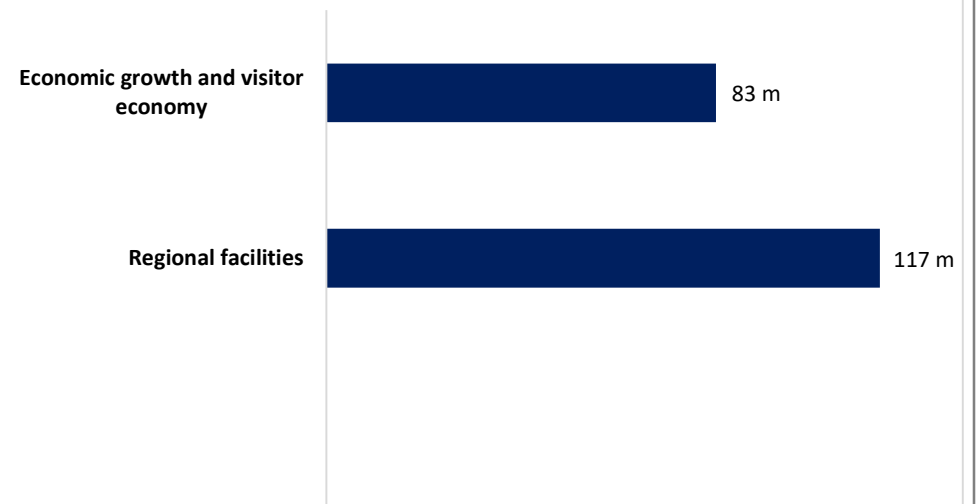
Venues owned by Auckland Unlimited are Aotea Centre, Auckland Art Gallery Toi o Tamaki, Auckland Zoo, Bruce Mason Centre, Civic Theatre, Mount Smart Stadium, North Harbour Stadium, New Zealand Maritime Museum, Western Springs Stadium and Viaduct Events Centre.

Venues Operated by Auckland Unlimited are Aotea Square, Auckland Town Hall, the Cloud and Shed 10.

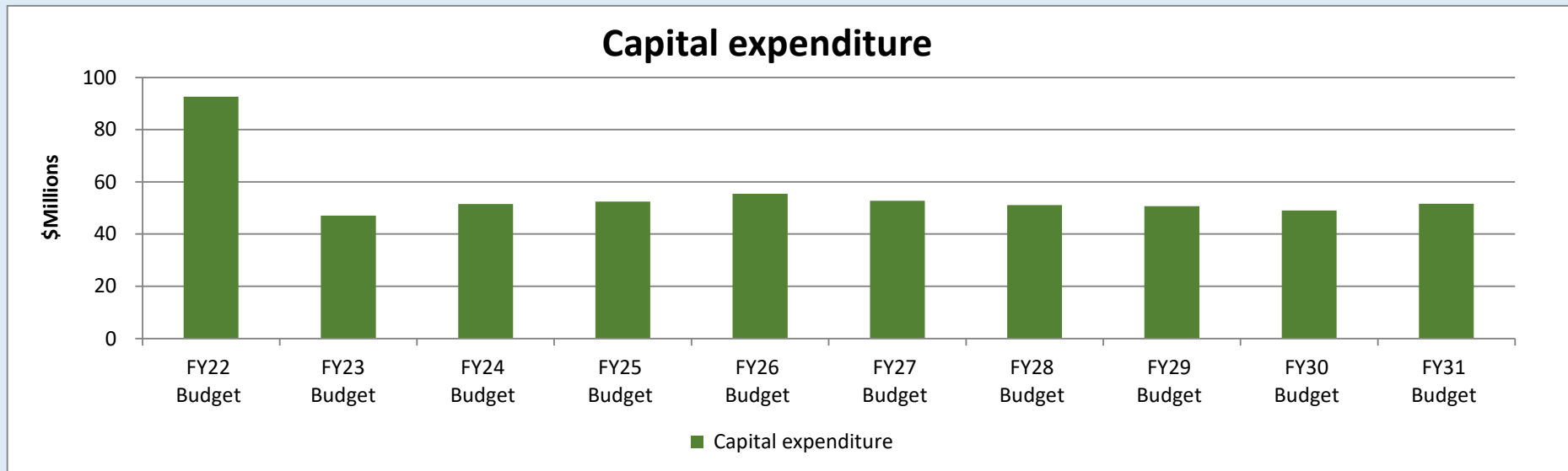
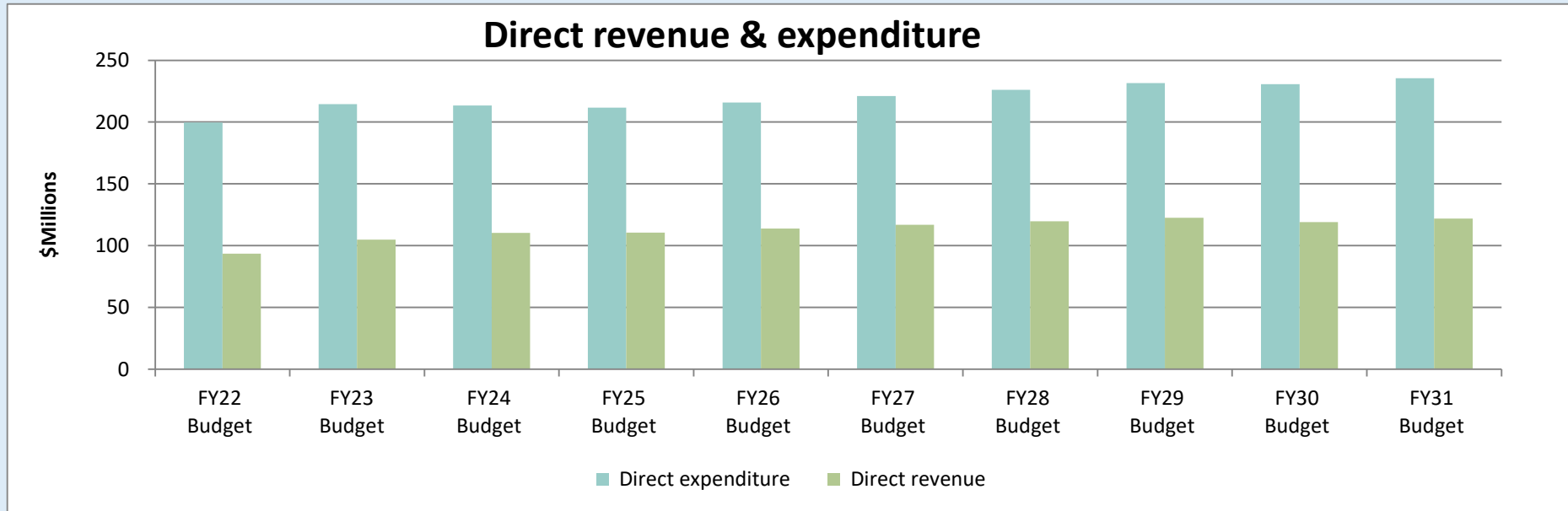
**FY22 Direct Revenue Budget**



**FY22 Direct Expenditure Budget**



# Auckland Unlimited projected 10-year financials



# Performance measures

Key performance measures	FY20 Actual	FY21 Target	FY22 Target	FY23 Target	FY24 Target
<b>Economic growth and visitor economy</b>					
The contribution to regional GDP from major events and business events attracted or supported	\$33.7M	\$25M*	\$34M	\$37M	\$71M
Number of businesses that have been through an Auckland Unlimited programme or benefited from an Auckland Unlimited intervention	4,315	3,000	3,000	3,000	3,000
Number of Māori businesses that have been through an Auckland Unlimited programme or benefitted from an Auckland Unlimited intervention	333	120	150	150	150
<b>Regional Facilities</b>					
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	N/A	New measure	1.44M	1.82M	2.08M
The net promoter score for Auckland Unlimited's audiences and participants	45	20	20	20	20
The percentage of operating expenses funded through non-rates revenues	52%	42%*	44%	53%	59%
The number of programmes contributing to the visibility and presence of Māori in Auckland, Tāmaki Makaurau	44	18	20	20	20
* Figures revised from the LTP during the Emergency Budget process to take account of the COVID impacts.					

# Eke Panuku Development Auckland

## **Budget Book**

*This document provides a high-level summary of Eke Panuku's 10-year Budget 2021-2031*

# Eke Panuku at a glance

## Background

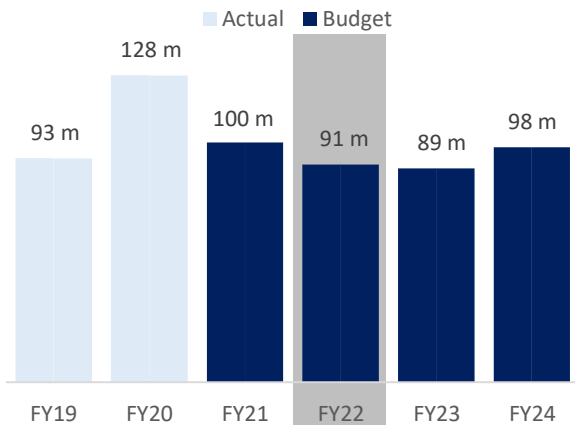
Eke Panuku delivers urban regeneration for Tāmaki Makaurau. They work across many neighbourhoods throughout the city – from large, long-term urban regeneration plans to small projects on specific sites – to meet the needs of the city’s long-term growth. Eke Panuku's three-pronged approach includes placemaking, investment in public amenities and developing council surplus and underused property to regenerate town centres. They also enable sustainable housing choices and commercial opportunities close to transport services.

Eke Panuku optimise returns for council while ensuring that its buildings contribute positively to their neighbourhoods. They also manage around \$2.4 billion of council land and buildings, lead development of the Wynyard Quarter and manage marina assets.

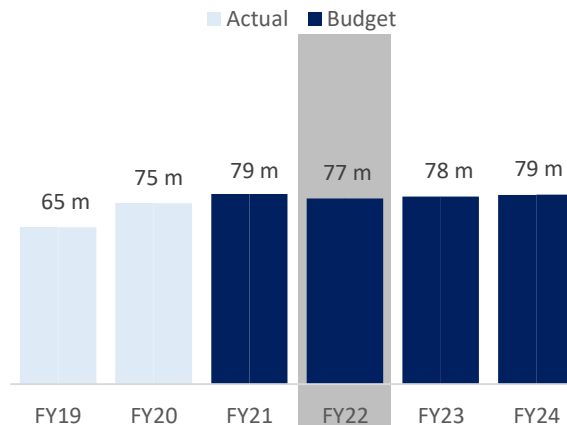
## Key activities and services

- **Urban regeneration**  
Lead the urban regeneration of town centres, creation of public space and facilitate housing development through Transform and Unlock programmes.
- **Waterfront marinas:**  
Eke Panuku manages three marinas on the Auckland waterfront: Westhaven, Viaduct and Silo.
- **Wynyard Quarter commercial property:**  
Eke Panuku manages these properties on council's behalf and optimises returns from the property portfolio of approximately 90 commercial properties on the Auckland Waterfront.
- **Wynyard Quarter public space:**  
Eke Panuku manages and maintains the public space around Wynyard Quarter and Queens Wharf.
- **Business interests:**  
Included in council’s non-service property portfolio are a number of ventures that council has an interest in.
- **Commercial property:**
  - property management including maximising occupancy, rent collection and debt management.
  - providing commercial property advice and management of disposals and acquisitions.
  - assisting in identifying rationalisation opportunities.

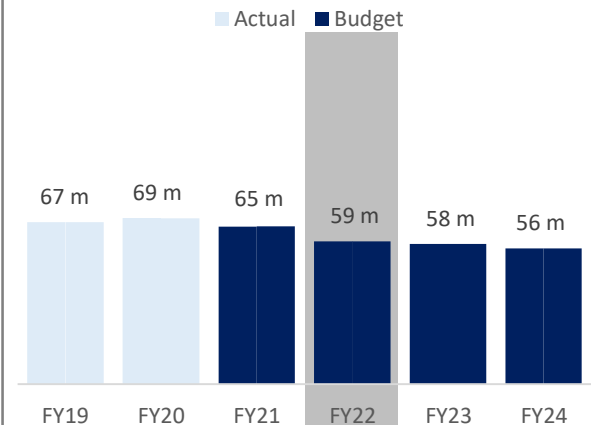
## Capital expenditure



## Direct expenditure



## Direct revenue



# Strategic focus areas for 2021-2031

## Waterfront development

### Strategic context

Eke Panuku is leading the realisation of the Waterfront Plan's five goals, being:

1. A blue-green Waterfront
2. A public Waterfront
3. A smart working Waterfront
4. A connected Waterfront
5. A liveable Waterfront

The work within Transform Waterfront sees Eke Panuku continue to build on the work completed by its predecessor and to progress and enable the desired outcomes within Wynyard Quarter and the surrounding Waterfront precincts.

### Key programmes

- **Waterfront** - manage and develop Wynyard Quarter on behalf of Council, including planning for Wynyard Point, ongoing development of Wynyard Quarter, managing marinas and developing a transitional use strategy to address interim use and activation of the America's Cup bases while retaining flexibility for future events.
- **Wynyard Quarter Residential and Commercial Development** - continued work with development partners Willis Bond, Precinct and Orams on commercial and residential developments.
- **Wynyard Quarter Public Space** - complete construction of Tiramarama Way that provides a link to new commercial and residential areas. Complete construction of the Silo Park extension. Progress the Auckland Harbour Bridge Park project, including the design for local board approval. Progress the Wynyard Point Masterplan encompassing new public space for the council Planning Committee and public consultation.

## Urban regeneration: Transform and Unlock Locations

### Strategic context

Eke Panuku plays a significant role in achieving the Homes and Places and Belonging and Participation outcomes in the Auckland Plan.

Eke Panuku will lead the redevelopment of town centres, the creation of public spaces for the future, and facilitate housing development; fundamental elements of comprehensive urban regeneration.

The priority location High Level Project Plans and associated masterplans provides a roadmap for redevelopment.

### Key programmes

- Transform Manukau
- Transform Onehunga
- Unlock Takapuna
- Unlock Avondale
- Unlock Haumaru
- Unlock Henderson
- Unlock Ormiston
- Unlock Panmure
- Unlock Papatoetoe
- Unlock Northcote
- Unlock Pukekohe
- Haumaru - develop homes for older people as part of the Haumaru Housing Limited partnership with the Selwyn Foundation and continue to market residual land areas to fund future Haumaru housing development. Commence development of the Godley Road, Green Bay properties.

Refer to Business segments section for more detail on current Transform and Unlock programmes.

## Other focus areas

### Strategic context

The key objectives are increasing access to the marina for Aucklanders and maintaining Westhaven as a premier marina. This includes redevelopment of the pile mooring area, building new piers and renewing existing ones to improve the profitability, quality, and public amenity of the marina. Also included under capital projects programme is the property and public space renewals programme across the property portfolio. This helps maintain existing levels of service for public assets such as in the Waterfront, Onehunga Wharf, Commercial properties and other, ensuring properties are in good condition for customers and generate rental return.

### Key programmes

- **Marinas** - Westhaven Pile Berth Redevelopment project - developing new public space, car parks, new berths, piers and moorings. This will be completed in stages resulting in increased marina revenue and amenities. Upgrade of the Westhaven seawall to protect property assets. Eke Panuku will also be building a replacement marina maintenance and operations facility. Continue ongoing redevelopment and maintenance of Westhaven piers to better meet the needs of berth holders and improve marina assets.
- **Renewals** - Some of the significant renewal projects this year include Onehunga Wharf - with structural strengthening and recladding of several sheds and warehouses, asbestos remediation, road renewals and dredging of the harbour. Eke Panuku will also complete seismic strengthening of properties on Queen street and 21 & 27 Princes Street. There is need for structural repairs of Shed 10 on Queens wharf and the refurbishment of a commercial property at Hill Road, Manurewa.

# Eke Panuku Development Auckland detailed financials

Financial performance		(\$ millions)					
		FY 20	FY 21	FY 22	FY 23	FY 24	10-year
Notes	Actual	Budget	Budget	Budget	Budget	Total	
<b>Capital expenditure</b>	-	-	-	-	-	-	
<b>Net direct expenditure</b>	<b>21</b>	<b>15</b>	<b>22</b>	<b>23</b>	<b>23</b>	<b>255</b>	
<b>Direct revenue</b>	<b>A</b>	<b>15</b>	<b>21</b>	<b>15</b>	<b>16</b>	<b>166</b>	
Fees and user charges	0	0	0	0	0	0	
Operating grants and subsidies	-	-	-	-	-	-	
Other direct revenue	15	21	15	16	16	166	
<b>Direct expenditure</b>	<b>36</b>	<b>36</b>	<b>37</b>	<b>38</b>	<b>39</b>	<b>421</b>	
Employee benefits	<b>B</b>	29	28	29	30	326	
Grants, contributions & sponsorship	-	0	0	0	0	0	
Other direct expenditure	7	8	9	9	9	95	
<b>Other key operating lines</b>							
AC operating funding	22	15	22	23	23	255	
AC capital funding	-	-	-	-	-	-	
Depreciation	-	-	-	-	-	-	
Net finance costs	-	-	-	-	-	-	


## Key Commentary

A: There was a spike in FY21 budgeted direct revenue as additional income was expected in the Marina still owned by Eke Panuku as a result of America's Cup 36. Revenue is generated by recharging time to capital and opex projects undertaken on behalf of Auckland Council in the Priority Locations that Eke Panuku is working in and the recharge of Marina staff for operating the marine assets to the council and the Trusts. As staffing levels are being maintained at a constant level there is no planned increase in the revenue amounts.

B: Staff costs are slightly higher than the Emergency Budget due to the reinstatement of one-off FY21 cost reduction measures such as voluntary staff pay reductions. Staffing levels have been kept in line with the reductions made for the Emergency budget. A small inflation assumption adjustment has been made for staff costs each year.



# Eke Panuku Managed Activities detailed financials

 <b>Financial performance</b>							
(\$ millions)	Notes	FY 20	FY 21	FY 22	FY 23	FY 24	10-year
		Actual	Budget	Budget	Budget	Budget	Total
<b>Capital expenditure</b>	<b>A</b>	<b>128</b>	<b>100</b>	<b>91</b>	<b>89</b>	<b>98</b>	<b>777</b>
<b>Net direct revenue</b>		<b>15</b>	<b>2</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>54</b>
<b>Direct revenue</b>	<b>B</b>	<b>54</b>	<b>44</b>	<b>44</b>	<b>42</b>	<b>40</b>	<b>442</b>
Fees and user charges		-	1	1	2	2	12
Operating grants and subsidies		-	-	-	-	-	-
Other direct revenue		54	43	43	41	39	430
<b>Direct expenditure</b>	<b>C</b>	<b>39</b>	<b>42</b>	<b>40</b>	<b>39</b>	<b>39</b>	<b>388</b>
Employee benefits		1	3	0	0	0	0
Grants, contributions & sponsorship		-	-	-	-	-	-
Other direct expenditure		38	40	40	39	39	388
<b>Other key operating lines</b>							
AC operating funding		-	-	-	-	-	-
AC capital funding		-	-	-	-	-	-
Depreciation		12	12	18	21	23	265
Net finance revenue		1	0	0	0	0	1

## **Key Commentary**

The numbers in the table represent the Auckland Council Portfolio assets and activities managed by Panuku.

A: Capital expenditure for Transform and Unlock programmes is dependent on reinvested proceeds from asset sales as a critical funding source.

B. In the Emergency Budget there was a \$4m reduction built into Property Portfolio revenue and a \$3.5m increase in Marinas revenues expected for the AC36 event. Both of these assumptions were removed for the FY22 budget and as a result revenue is budgeted at a similar level to FY21. As staged development continues in Priority Location areas such as Northcote and the Wynyard Quarter, rental incomes will continue to reduce either through sales or long lease of land.

C. Direct expenditure is reducing in FY22 as additional costs were budgeted in FY21 for the operation of super yacht berthage and related costs for AC36. Expenditure for the LTP is budgeted at a similar level each year as any savings in expenditure from properties leaving the portfolio have been offset by increased rates costs which make up 20% of direct costs.

# Eke Panuku key business segments

## Waterfront marinas

Eke Panuku manages three marinas on the Auckland waterfront, with Westhaven providing most of the berthage and being home to over 2,000 boats. Seven hundred of these berths are on long term licenses to external parties with the remaining 1,300 leased out to generate berth rental income. All the marinas are accessible by the public and attract significant numbers of both local Aucklanders and tourists. Eke Panuku manages:

- activities associated with the licensing and renting of berths;
- the maintenance and renewal of infrastructure for both private and public use.

## Wynyard Quarter public space

Eke Panuku manages and maintains the public space around Wynyard Quarter and Queens Wharf by:

- maintaining and renewing public spaces;
- delivering a number of activities and events such as Matariki, Silo Cinemas, Queen's Birthday and Anniversary weekend.

## Wynyard Quarter commercial property

Eke Panuku manages these properties on council's behalf and optimises returns from the property portfolio of approximately 90 commercial properties on the Auckland Waterfront by:

- managing ground leases, occupancy and rent collection;
- negotiating commercial arrangements;
- property renewals and maintenance.

The granting of long-term leases on prime development sites. There are 3 sites in the Wynyard Central block subject to Development Agreements with Precinct (Commercial) and Willis Bond (Residential). There are also other sites that will be taken to market to find development partners when the current leases expire.

## Corporate support

This includes consultancy costs related to acquisition as well as staff time recharged to council for marina activities and priority location opex projects. Other expenses include director's fees, audit fees, consultancy, corporate communication, office and admin costs.

## Commercial and residential property (including Business interests in council's non-property portfolio)

- property management including maximising occupancy, rent collection and debt management;
- providing property advice and management of disposals and acquisitions;
- assisting in identifying rationalisation opportunities.

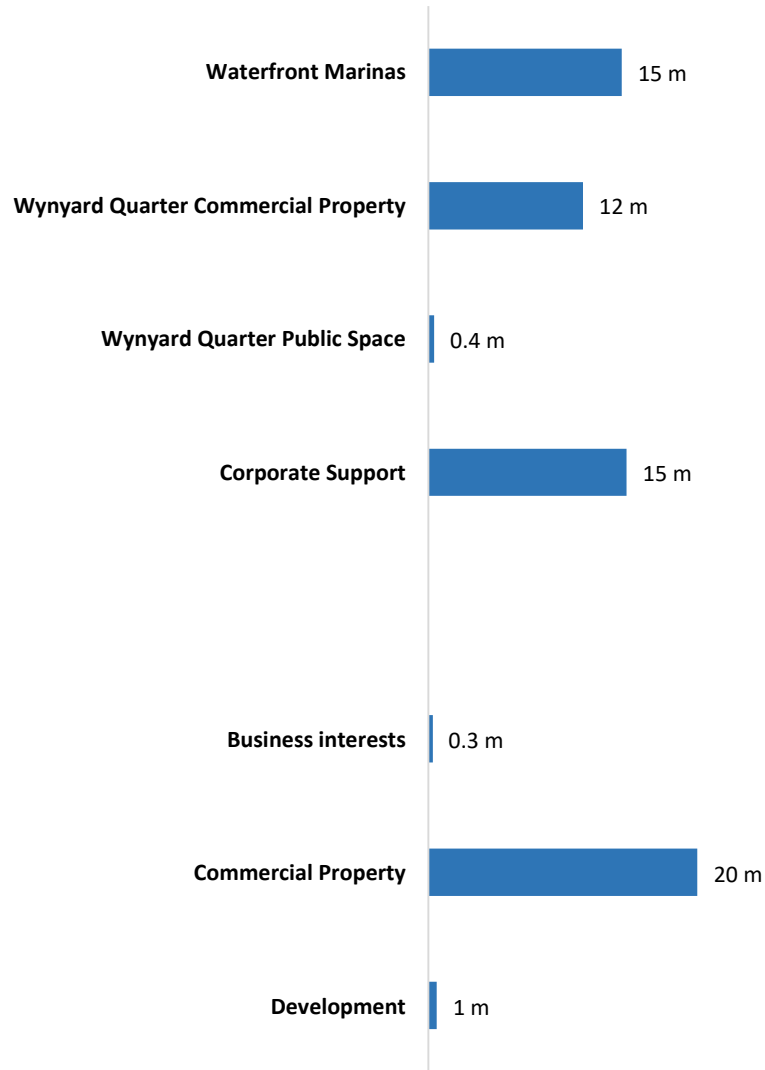
## Development area

Some of the key projects include:

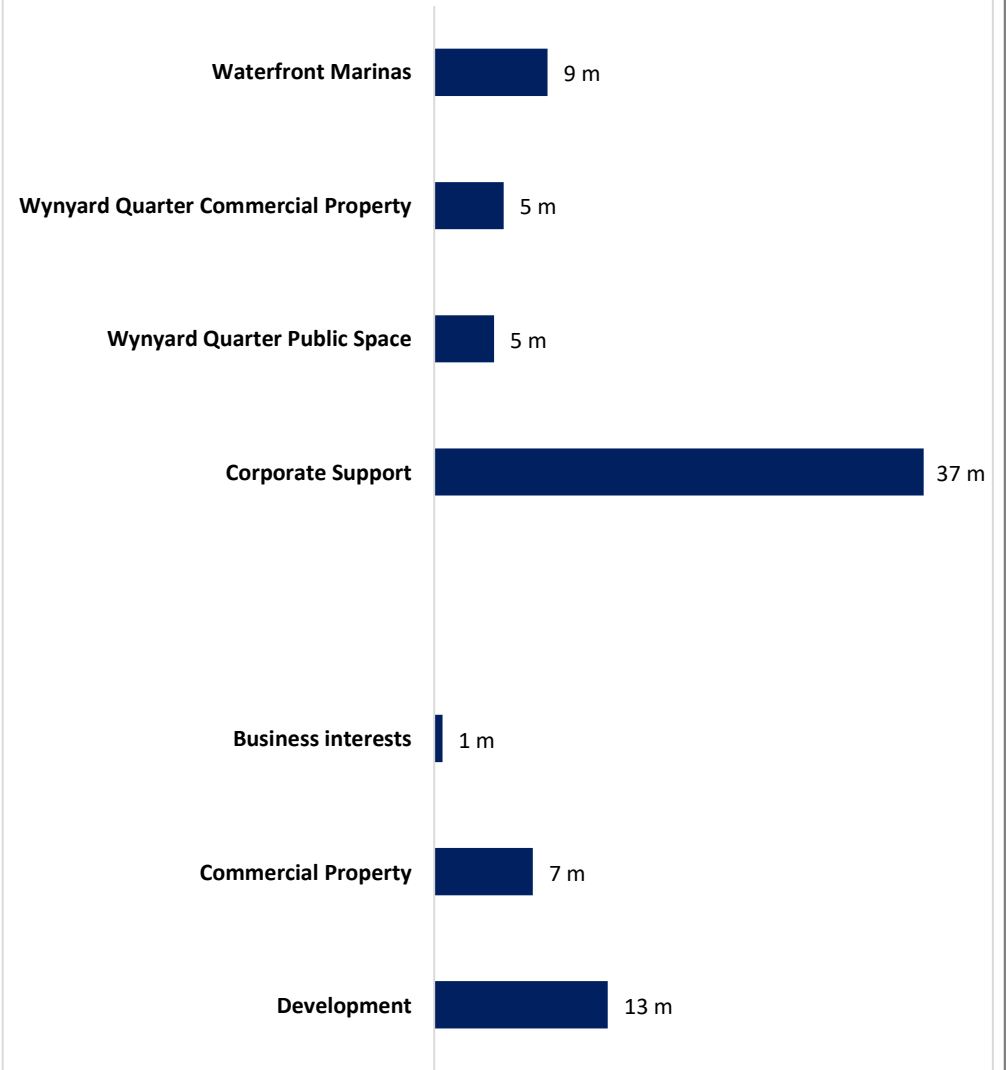
- **Manukau** - commence construction of Hayman Park playground. Begin work on the Puhinui-Counties Manukau District Health Board Walkway and Osterley Way civic streetscape. Continue working with the Crown and private interests to facilitate housing and commercial development.
- **Onehunga** - complete sale of site in Waiapu Precinct to enable mixed-use development. Gain local board and public approval to begin Waiapu Precinct public realm works.
- **Takapuna** - commence construction of a new town square next to Anzac Street and Hurstmere Road.
- **Northcote** - complete construction of the Te Ara Awataha greenway along the school's edge. Eke Panuku will go to the market to find development partners to enable the development of a new town centre in Northcote.
- **Panmure** - commence construction of Clifton Court streetscape improvements.
- **Henderson** - commence construction of Oratia Link cycleway and bridge.
- **Avondale** - complete construction of Crayford St West streetscape improvements. Continue work on the Civic Precinct (Avondale Town Square, Crayford Lane and playground) through approval of the design. Execute development agreement for Avondale Central (1909-1949 Great North Rd) to enable mixed-use development.
- **Central** - complete City Rail Link Mount Eden and Karangahape Road: Precinct Development Plan for council approval to enable commercial and residential developments.

# Eke Panuku key business segments (continued)

**FY22 Direct Revenue Budget**

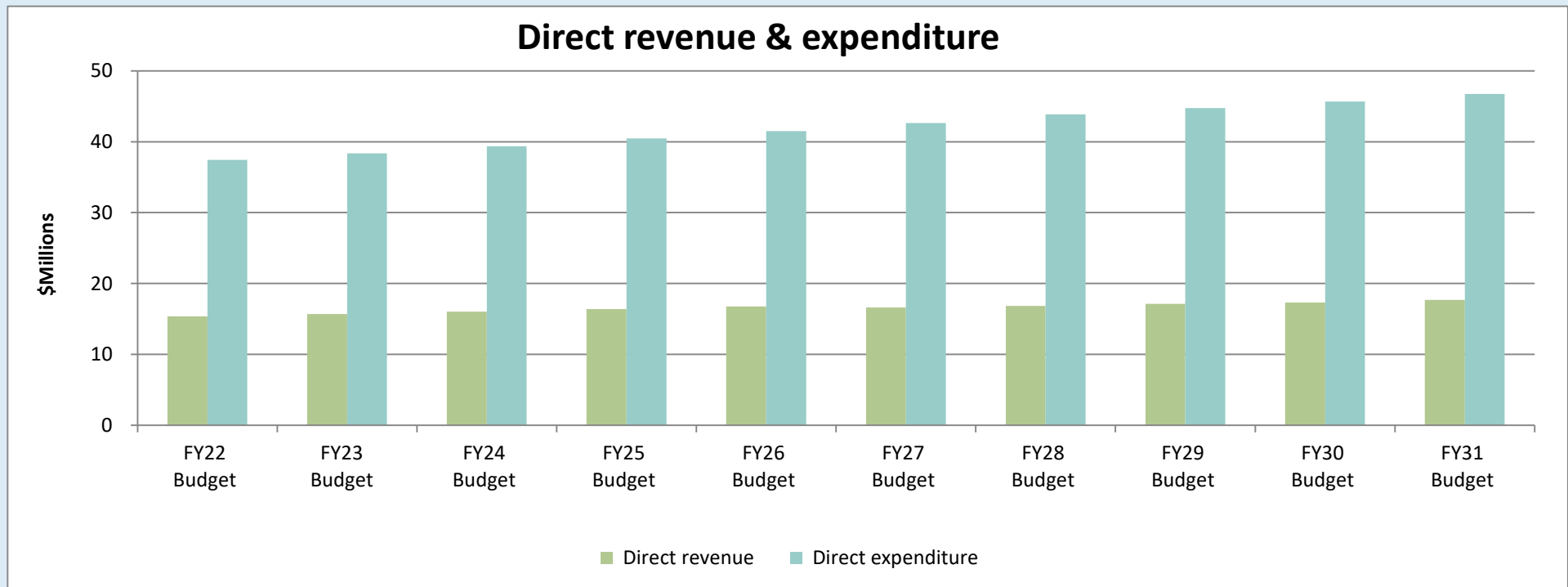


**FY22 Direct Expenditure Budget**



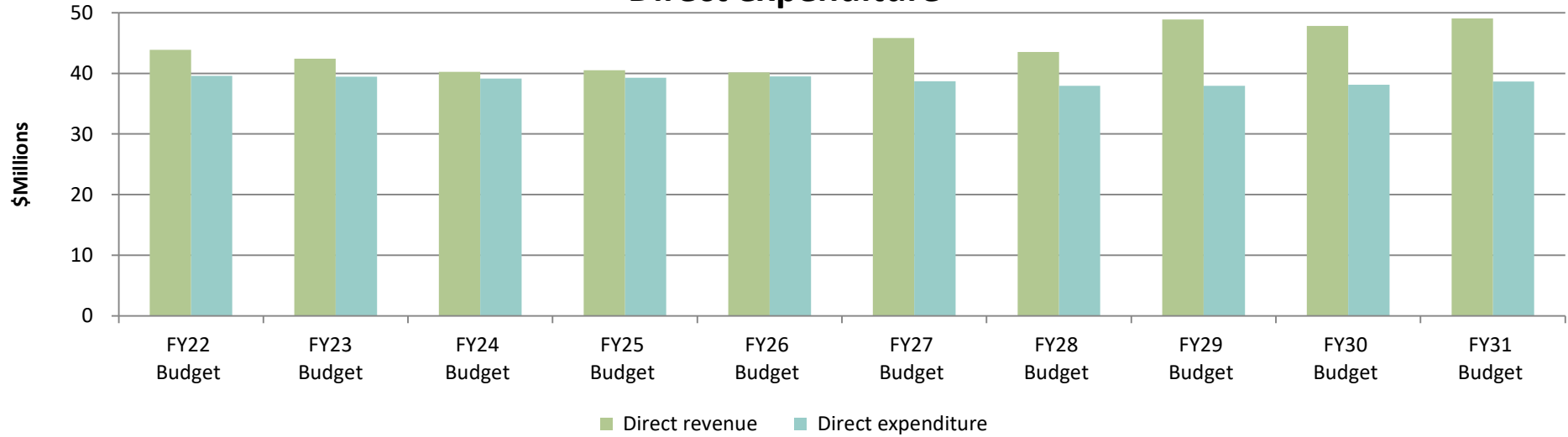
*Note: These graphs do not add up to total Eke Panuku and Eke Panuku managed activity due to inter-company transactions that gets eliminated at a group level.*

# Eke Panuku Development Auckland projected 10-year financials

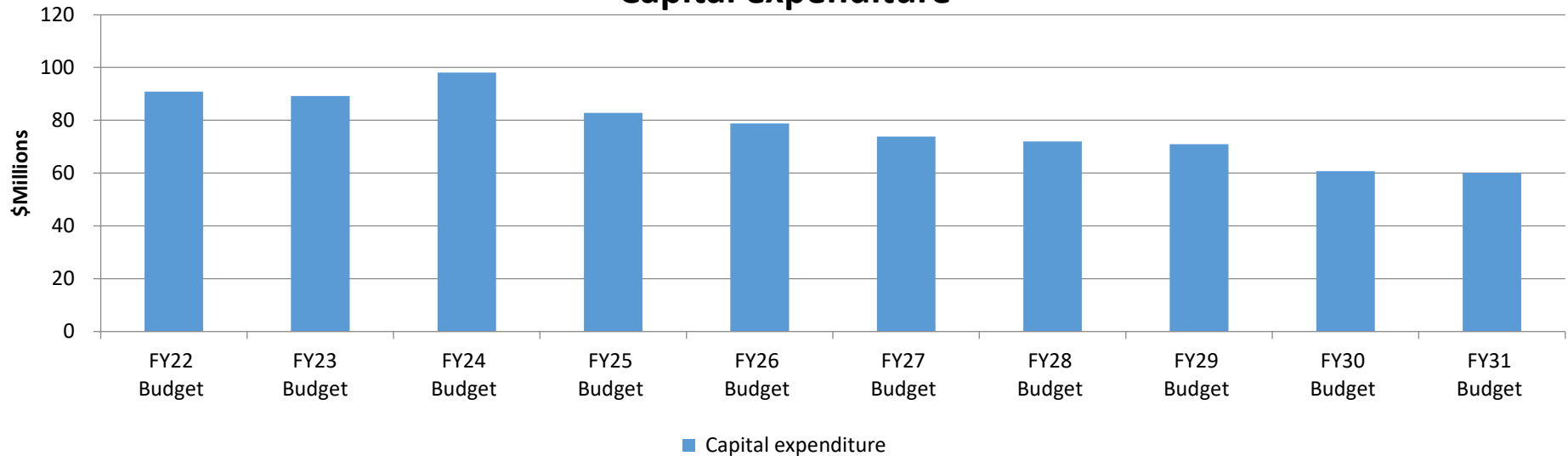


# Eke Panuku Managed Activities projected 10-year financials

## Direct expenditure



## Capital expenditure



# Performance measures

Key performance measures	FY20	FY21	FY22	FY23	FY24
	Actual	Target	Target	Target	Target
Net new dwellings (housing units)	N/A	New measure	350	200	350
Commercial / Retail gross floor area (GFA) or net lettable area (square metre)	N/A	New measure	0	1,000	29,000
Capital project milestones approved by the board achieved	N/A	New measure	80%	80%	80%
Annual property portfolio net operating budget result agreed with the council achieved	N/A	New measure	\$21.9M	\$17.8M	\$16.2M
The monthly average occupancy rate for tenatable properties	97%	≥ 95%	Commercial 85% Residential 95%	Commercial 85% Residential 95%	Commercial 85% Residential 95%

# Watercare

## **Budget Book**

*This document provides a high-level summary of  
Watercare's 10-year Budget 2021-2031*

# Watercare at a glance

## + Background

Watercare provides water supply and wastewater services to the Auckland region and parts of the Waikato. In Papakura, Watercare provides bulk services to Veolia Water Services (ANZ) Pty Limited which manages the local community's network and retail services.

Each day, Watercare supplies more than 420\* million litres of water. Watercare collects, treats and disposes of around 390\*\* million litres of wastewater to a high standard and carries out significant work to maintain, upgrade and construct infrastructure in order to maintain levels of service and provide capacity for a fast-growing population.

\* This volume is reduced from 440 million litres per day as a result of restrictions on water use and voluntary savings.

\*\* This volume at present is reduced from over 409 million litres per day due to a combination of low rainfall figures and lower water use.

## Key activities and services

**Watercare core services are water supply and wastewater treatment and disposal.**

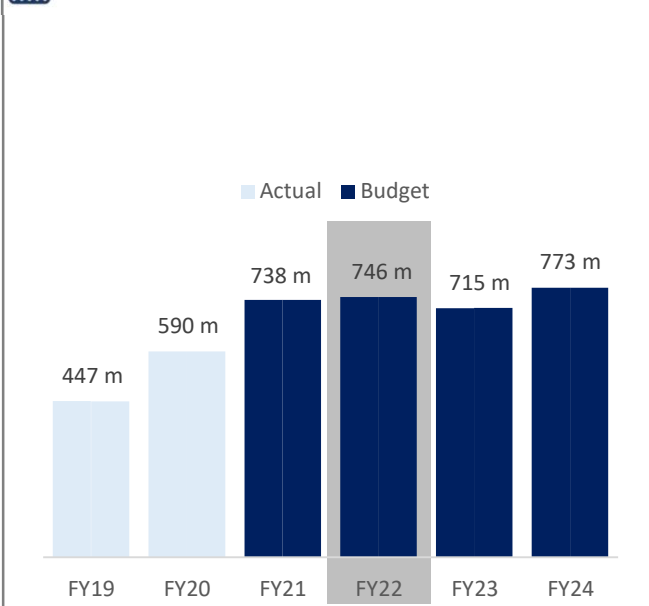
**Water supply** - Watercare's objective is to provide uninterrupted access to safe, reliable, and drinkable water which complies with the requirements of the Drinking Water Standards for New Zealand 2005 (Revised 2008) (and in future the proposed Drinking Water Standards and Operational Rules).

Watercare does this by collecting, treating and distributing drinking water from dams, underground aquifers and the Waikato River.

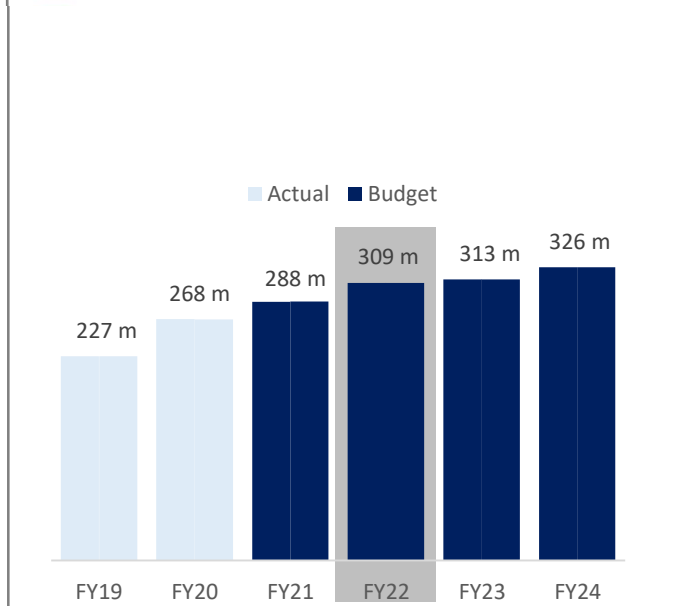
**Wastewater services** - Watercare is responsible for providing safe, reliable collection, treatment and disposal of wastewater in Auckland.

Watercare's challenge is to meet the demands of the growth occurring in, and planned for, Auckland without compromising quality, efficiency or the environment. Their Asset Management Plan is the tactical plan for managing Watercare's infrastructure cost effectively to achieve their long-term strategic goals and meet future demand increases.

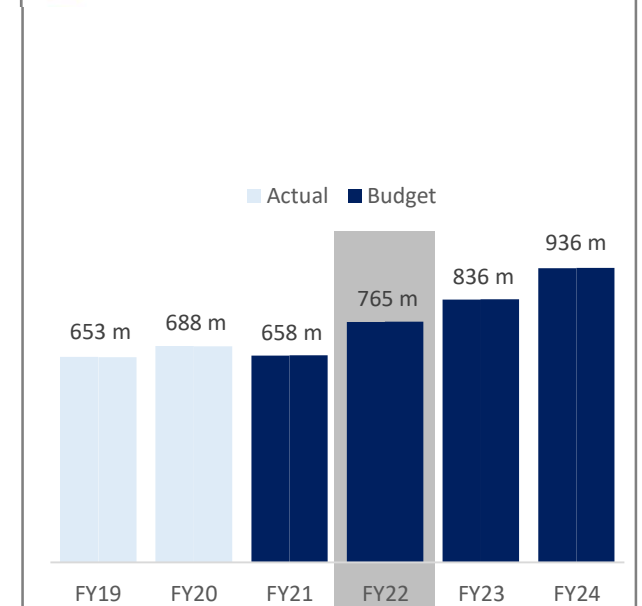
## Capital expenditure



## Direct expenditure



## Direct revenue





# Strategic focus areas for 10-year Budget 2021-2031

## Central Interceptor (CI)

### Strategic context

The CI is a 14.7km wastewater tunnel, running from Grey Lynn to the Māngere Wastewater Treatment Plant.

The CI will increase the capacity of the wastewater network, replace aging infrastructure and reduce wet weather overflows in the catchment area by around 80%. The extension of the tunnel to Grey Lynn will also allow Auckland Council and Watercare to work towards the goals that form part of the Western Isthmus Water Quality Improvement Programme. Construction of the CI began in mid-2019 and will be completed in late 2025.

### Key programmes:

- **Finalise design for the Grey Lynn Tunnel:** Detailed design work for the terminal shaft of the Grey Lynn Tunnel at Tawariki Street.
- **Commence physical works:** Shaft lining of the inlet and main shaft at the Māngere Pump Station continues. Excavation of Shaft A at May Rd is now at the micro tunnel boring machine (MTBM) launch level. Shaft excavation at Haycock Ave is nearing completion and excavation at Dundale is due to start once Haycock Ave is complete. The diversion chamber works and Branch Sewer 9 at Keith Hay Park are continuing. Site and platform establishment at Walmsley Park and Miranda Reserve are also set to continue.
- **Commence tunnelling:** The tunnel boring machine (TBM) is currently being assembled in readiness for launch and concrete rings are now being produced by Wilson's precast facility. The MTBM is 90% assembled and link sewer jacking pipe production has now begun at the Hynds facility at Pokeno.
- **Main works into service:** The main works (CI) are to go into service in late 2025. To date, there has been a 36-day extension of time impact to the programme due to COVID-19.

## Water supply investment

### Strategic context

Watercare provides safe, reliable drinking water to 1.7 million Aucklanders.

Watercare collects, treats and distributes water from 27 water sources including the Waikato River, 12 dams, and underground aquifers.

Watercare operate 16 water treatment plants, 91 water reservoirs, and over 9,000km of water pipes.

### Key programmes:

- **Hunua 4 Watermain:** This is a 31km pipe that will connect the reservoirs in Redoubt Road, Manukau to those in Khyber Pass, Newmarket providing security of water supply for a growing Auckland by the end of the year.
- **North Harbour No.2 Watermain:** This pipe will service growth in the north. It also provides an alternative route for conveying water from the west to the north to provide security and resilience.
- **Huia Water Treatment Plant replacement:** The current plant is nearing the end of its operational life. It needs to be replaced to continue to supply a growing Auckland with high quality water from the western supply dams which supplies around 20% of Auckland's water.
- **Nihotupu No.1 and Huia No. 1 Watermains replacement:** This project involves two critical watermains nearing the end of their design lives, which are being replaced.
- **Waikato Water Treatment Plant 50MLD:** This upgrade provides an interim water treatment plant with 50MLD for drought relief from the Waikato River.

## Wastewater investment

### Strategic context (excluding Central Interceptor)

Watercare provides safe, reliable wastewater services.


Watercare treat wastewater to a high standard 24/7. The two main wastewater treatment plants servicing Auckland are at Māngere on the Manukau Harbour and Rosedale on the North Shore.

Watercare have over 8,000km of wastewater pipes, 514 wastewater pump stations and 18 wastewater treatment plants.

### Key programmes:

- **Northern Interceptor:** This pipe will divert flows from Māngere to Rosedale. It will replace aged infrastructure, increase capacity of the network and reduce wet weather overflows.
- **Pukekohe Wastewater Treatment Plant Upgrade:** The upgrade will provide capacity for population growth in the Pukekohe, Buckland, Tuakau and Pokeno catchment area.
- **Sub-regional Wastewater Servicing:** Major wastewater treatment plant consolidation and pipe upgrades are planned for two sub-regions, being the areas servicing the south-west communities of Kingseat, Waiuku, Glenbrook and Clarks Beach and the north-east communities of Warkworth, Snells Beach and Algies Bay.
- **Western Isthmus Water Quality Improvement Programme (Joint programme with Healthy Waters):** Watercare is investing \$412 million over 10 years. Benefits include reduced wastewater overflows into the environment.

# Watercare detailed financials

 <b>Financial performance</b>							
(\$ millions)	Notes	FY 20	FY 21	FY 22	FY 23	FY 24	10-year
		Actual	Budget	Budget	Budget	Budget	Total
<b>Capital expenditure</b>	<b>A</b>	<b>590</b>	<b>738</b>	<b>746</b>	<b>715</b>	<b>773</b>	<b>9,653</b>
<b>Net direct revenue</b>		<b>419</b>	<b>369</b>	<b>456</b>	<b>523</b>	<b>610</b>	<b>8,200</b>
<b>Direct revenue</b>	<b>B</b>	<b>688</b>	<b>658</b>	<b>765</b>	<b>836</b>	<b>936</b>	<b>11,804</b>
Fees and user charges		534	517	615	675	757	9,724
Operating grants and subsidies		-	-	-	-	-	-
Other direct revenue		153	141	150	161	178	2,080
<b>Direct expenditure</b>	<b>C</b>	<b>268</b>	<b>289</b>	<b>309</b>	<b>313</b>	<b>326</b>	<b>3,604</b>
Employee benefits		85	84	79	82	85	934
Grants, contributions & sponsorship		0	1	0	0	0	4
Other direct expenditure		183	204	229	230	241	2,666
<b>Other key operating lines</b>							
AC operating funding		-	-	-	-	-	-
AC capital funding		-	-	-	-	-	-
Vested assets		65	22	69	71	74	812
Capital subsidies & grants		-	-	-	-	-	-
Development contribution revenue		-	-	-	-	-	-
Depreciation		256	257	246	252	260	3,302
Net finance costs		82	95	101	114	126	1,550

## **Key Commentary**

**A:** The increase in FY21 reflects the additional costs to increase water supply capacity from the Waikato river and new water treatment plants in Pukekohe and Papakura in response to the drought situation. Capital expenditure planned for the next 10 years has also increased significantly to meet the investment demand identified from Watercare's bottom-up Asset Management Plan (AMP) review.

**B:** The increase in direct revenue reflects the increases to water and wastewater charges and to Watercare's Infrastructure Growth Charges (included in the Other direct revenue line) to support the provision of additional capital investment and services.

**C:** The increase from FY21 onwards is driven by the higher water treatment expense at the new water treatments plants including power as well as higher costs associated with bio solid disposal.

# Watercare key business segments

## Water supply:

Watercare's objective is to provide uninterrupted access to safe, reliable, and drinkable water which complies with the requirements of the Drinking Water Standards for New Zealand 2005 (Revised 2008) (and in future the proposed Drinking Water Standards and Operational Rules). Watercare does this by collecting, treating and distributing drinking water from dams, underground aquifers and the Waikato River. Key activities are:

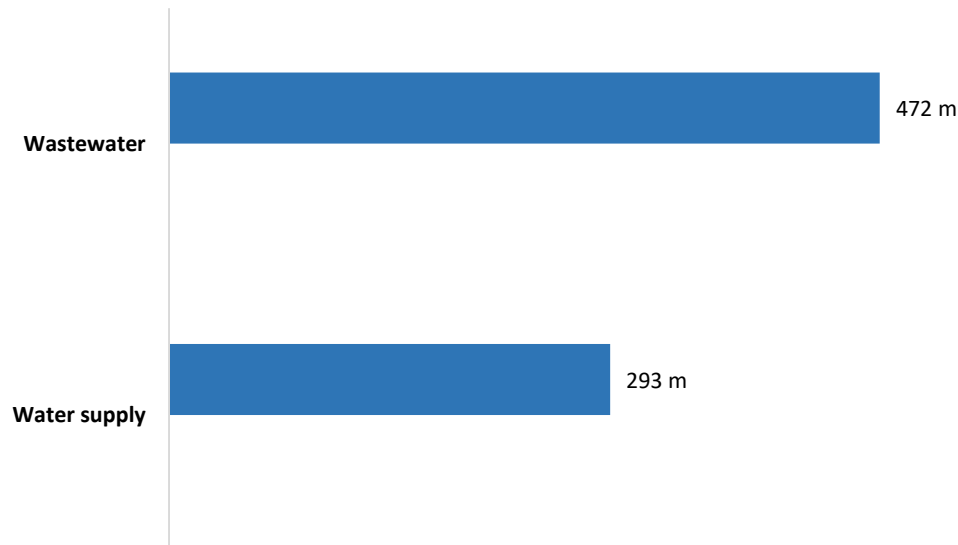
- managing and maintaining current sources of water;
- building and maintaining the network of dams, reservoirs, pipes, treatment plants and pumps required to deliver safe drinking water; and
- planning and building water supply infrastructure to meet the growth of Auckland.

## Wastewater services:

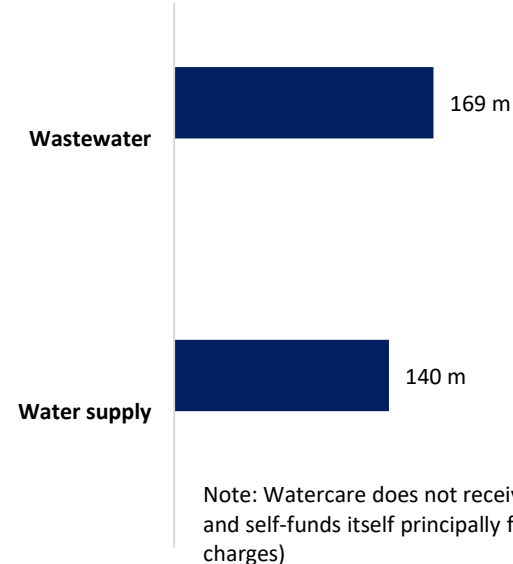
Watercare is responsible for providing safe, reliable collection, treatment and disposal of wastewater in Auckland. This is achieved by:

- planning, building and maintaining the network of pipes, treatment plants, and pumps required to treat wastewater to a high standard 24/7, which meets the growing needs of Auckland;
- continuing to work on the delivery of major projects such as the Central Interceptor wastewater project; and
- managing discharges to maintain or improve the health of the environment.

### FY22 Direct Revenue Budget

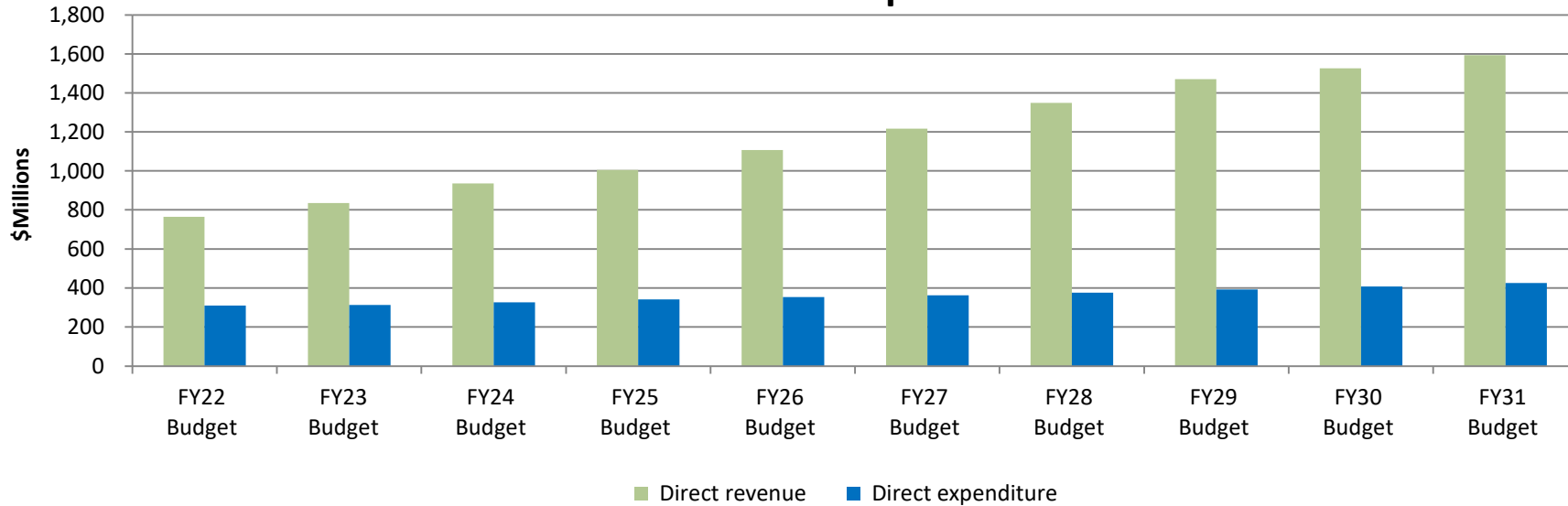


### FY22 Direct Expenditure Budget

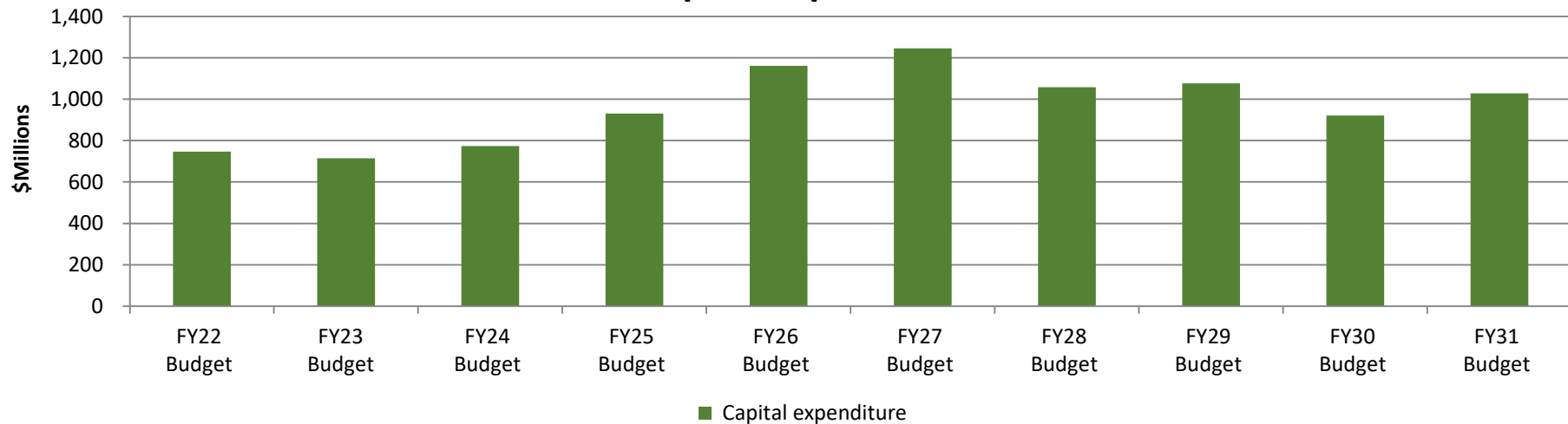


# Watercare projected 10-year financials

## Direct revenue & expenditure



## Capital expenditure



# Performance measures

Key performance measures	FY20	FY21	FY22	FY23	FY24
	Actual	Target	Target	Target	Target
The extent to which the local authority's drinking water supply complies with part 4 of the drinking-water standards (bacteria compliance criteria)	100%	100%	100%	100%	100%
The extent to which the local authority's drinking water supply complies with part 5 of the drinking-water standards (protozoal compliance criteria)	100%	100%	100%	100%	100%
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	N/A	New measure	0	0	0
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)	50 mins	≤60 mins	≤60 mins	≤60 mins	≤60 mins
Median response time for resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (hours)	2.9 hours	≤5 hours	≤5 hours	≤5 hours	≤5 hours
Median response time for attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (days)	1.7 days	≤5 days	≤5 days	≤5 days	≤5 days
Median response time for resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (days)	2.1 days	≤6 days	≤6 days	≤6 days	≤6 days
The total number of complaints received by the local authority about any of the following: a)drinking water clarity b)drinking water taste c)drinking water odour d)drinking water pressure or flow e)continuity of supply f)the local authority's response to any of these issues expressed per 1000 connections to the local authority's networked reticulation system	7.2	≤10	≤10	≤10	≤10
The percentage of real water loss from the local authority's networked reticulation system	13.2%	≤13%	≤13%	≤13%	≤13%

# Performance measures

Key performance measures	FY20	FY21	FY22	FY23	FY24
	Actual	Target	Target	Target	Target
The average consumption of drinking water per day per resident within the territorial authority district (litres)	268.6	262 litres	260 litres	258 litres	256 litres
The number of dry weather overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system	0.55	≤10	≤5	≤5	≤5
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	a) 0 b) 0 c) 0 d) 0	a) ≤2 b) ≤2 c) ≤2 d) 0	a) ≤2 b) ≤2 c) ≤2 d) 0	a) ≤2 b) ≤2 c) ≤2 d) 0	a) ≤2 b) ≤2 c) ≤2 d) 0
Compliance with the territorial authority's resource consents for discharge from its Small Waters onsite wastewater systems 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	N/A	New measure	a) ≤3 b) ≤3 c) ≤3 d) 0	a) ≤3 b) ≤3 c) ≤3 d) 0	a) ≤3 b) ≤3 c) ≤3 d) 0
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)	43 mins	≤60 mins	≤60 mins	≤60 mins	≤60 mins
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)	2.4 hours	≤5 hours	≤5 hours	≤5 hours	≤5 hours
The total number of complaints received by the territorial authority about any of the following: a)sewerage odour b)sewerage system faults c)sewerage system blockages d)the territorial authority's response to issues with its sewerage system expressed per 1000 connections to the territorial authority's sewerage system	20	≤50	≤50	≤50	≤50