

He pūrongo i mua i ngā pōti

PRE-ELECTION REPORT

AUCKLAND *Local*
Elections 2025



He kōrero mā ngā kaipōti me ngā kaitono pōti
Information for voters and potential candidates



RĀRANGI KŌRERO

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About THIS DOCUMENT

This 2025 Auckland Council Pre-Election Report provides key financial and operational information to promote public discussion on the issues facing the council in the lead-up to the 2025 local government elections.

It complies with Section 99A of the Local Government Act 2002.

The report aligns with the council's existing plans, such as the Auckland Plan 2050, the Long-term Plan 2024-

2034 and the Annual Plan 2025/2026 as well as existing council strategies and policies. A list

of this further reading is provided on page 7.

Auckland Council is a large and complex organisation, operating in a fast-moving and diverse environment. While this report captures some of the important things to consider ahead of this year's local body elections, it is by no means complete.

We hope it will stimulate further public discussion about the issues facing Auckland.



SECTION 1 Overview



A message from Phil Wilson, Chief Executive

Tēnā koutou katoa,

As the Chief Executive of Auckland Council, I want to emphasise our commitment to good governance, to great services, to real value for money and to doing our best by future generations.

The council exists to be an effective agent for the needs and aspirations of Aucklanders. To fulfil this role successfully, we need effective governance - people mandated by the community to set the direction, prioritise where our budget is spent and hold us to account for delivery.

It is important that our elected governors operate from a strong foundation of knowledge and information. This report has been crafted for that purpose; to ensure those standing in this year's election have a fulsome, honest assessment of how the organisation is functioning, our financial health and what challenges lie ahead for us as a region.

Auckland is a vibrant and rapidly growing city. In the past 15 years since our establishment, we've welcomed over 300,000 new residents, which is roughly the population of both Hamilton and Dunedin combined. Our projections indicate that within ten further years, we will see at least another 200,000 Aucklanders joining our diverse community.

This rapid growth brings with it increased demand for our services and infrastructure, including transport, water services, parks, and community facilities. As we strive to cope with that, we must also confront the significant challenges our region faces while ensuring long-term financial sustainability. These challenges include addressing Auckland's relatively low productivity, and a need to support a lifting of the region's performance. Quality jobs, incomes, houses, environment and living standards in other words.

In tackling these challenges we will ensure we are also focused on:

- ✚ Delivering on our commitments as cost effectively as possible.
- ✚ Supporting our communities throughout the region with excellent services – and keeping an eye on those who need our help and support the most.
- ✚ Building resilience and adapting to the effects of climate change.
- ✚ Planning and building for the future.

Achieving better outcomes for Aucklanders now and in the future will require investment in the physical, economic, cultural and social infrastructure and services required for a thriving Auckland. This means we need to be working decades in advance.

The navigation of this path is the responsibility of our elected members.

Every one of our elected members has a unique opportunity to make choices and work with others to shape the future of Auckland. Auckland Council is structured to facilitate efficient service delivery, adopt a regional perspective that unifies our approach, and embrace representation that reflects the rich diversity, local knowledge, and active public participation in our communities.

Council doesn't work in isolation of course. Our decisions and especially our implementation effort needs to happen in partnership with others. We collaborate with central government, the private sector, community organisations and community interests and of course, critically, with Iwi and Māori.

This report frames the context for our future political leadership and identifies important decisions that will need to be made in the upcoming term.

Whether you are considering candidacy or are preparing to vote, I encourage you to delve into this report. It will help inform your participation in this year's local government election.

After all, this is your city.

Ngā mihi,

Phil Wilson
Tumu Whakarae /
Chief Executive
Te Kaunihera o Tāmaki
Makaurau / Auckland
Council



Our *Operating* environment

Recent years have been very challenging for the council.

Our capacity to invest has been hampered by the limitations of our existing funding and financing tools, and constraints including:

- ✚ constricted government funding for areas like transport
- ✦ existing commitments to spending
- ✱ increased interest rates and inflation
- ✚ the costs of supporting storm recovery
- ✦ and other economic challenges like rising supply chain costs and growth.

As New Zealand's largest city and economic centre, Auckland Council operates within a dynamic context that presents both opportunities and challenges. This includes a unique model of council that has regional and local governance, with increasingly more empowered local decision making.

Spanning 4,894 square kilometres (1.8 per cent of New Zealand's land area) the region is home to over one third of New Zealand's population. Auckland contributes nearly 40 per cent of the nation's gross domestic product (GDP), is around 70 per cent rural area, and serves as a gateway for trade, innovation, and investment.

As such, it is imperative for the council to facilitate an environment that both supports its existing sectors and attracts and retains investments, high-growth firms, and talent essential for economic development. Auckland has higher labour productivity than the rest of New Zealand and is the centre of the country's most valuable and productive growth industries, with 116 of New Zealand's top 200 tech firms based in Auckland.

Tāmaki Makaurau is unique as it is home to the country's largest Māori population (203,544 or 12.3 per cent of the region's population) and holds the biggest share of the Māori asset base with \$21.5 billion of assets. It also has the largest population of Pacific peoples of any city in the world.

As a growing city, Auckland contends with issues like congestion and housing affordability. It must balance the need for significant infrastructure and transport investments with financial sustainability. The council's approach includes targeted spending on congestion relief, public transport enhancements, and essential road maintenance.

Auckland Council manages an extensive portfolio

of assets, and the condition of these assets is critical to our operational strategy. Our aim is to maximise the efficiency of infrastructure spending by maintaining and enhancing existing assets. Notably, aging infrastructure represents one of our top risks. Continuous investment in these assets is needed to meet community needs while balancing the demands of growth, resilience, and other regional outcomes.

Furthermore, Auckland's vulnerability to extreme weather events due to its coastal exposure, natural hazards and long-term climate risks poses significant challenges. Auckland Council plays a vital role in environmental regulation and understanding environmental, hazard and climate impacts.

We are committed to improving our own environmental performance, ensuring that sustainability initiatives are both cost-effective and impactful while balancing them against broader priorities.

At the same time, we need to meet the needs of our communities through local public services, including libraries, recreational facilities, and community programmes.

As we navigate these complexities, Auckland Council faces ongoing financial pressures to maintain and improve core services such as waste management and water infrastructure, all while operating within constrained budgets. Our strategy emphasises value for money and cost effectiveness to ensure that essential services remain accessible and reliable for every Aucklander as the city's population grows.

In all of this, our elected members need to make sure we are connected not just locally, but also nationally to ensure we have the policy and governance framework that can best deliver on a vision for Auckland.



Strategic context

Auckland Council has several documents that collectively set a strategic framework for its planning, focus and accountability. These include:



Auckland Plan 2050

Sets six long-term strategic outcomes for Auckland to 2050 and high-level directions on how to achieve these outcomes. The six outcomes integrate social, cultural, environmental and economic objectives. The six Auckland Plan outcomes are also the Community Outcomes for Auckland Council.



Future Development Strategy

Sets out how housing and business is likely to grow based on modelled forecasts. Contains principles for how and where Auckland will accommodate growth and supports efficient infrastructure investment.



Local Board Plans

Strategic, three-year plans for local activities and services.



Tāmaki Ora Māori Outcomes

A framework to measure Māori wellbeing outcomes and performance for Tāmaki Makaurau based on priorities for mana whenua and Māori communities.



Te Tāruke-ā-Tawhiri: Auckland's Climate Plan

Our long-term approach to climate action. It sets out the priority action areas to deliver our goals to reduce emissions and adapt to the impacts of climate change.



Annual Plan

Sets out what we aim to achieve in Auckland over the next financial year and how we will fund these plans. It identifies any variations from the Long-term Plan.



Long-term Plan

Sets out how Auckland will work to improve the daily lives of Aucklanders and how this will be paid for over 10 years. As such it sets budgets to deliver services/activities against set service levels within investment areas. The LTP includes a 30-year infrastructure strategy that sets out the biggest challenges for our assets and services and reports what Auckland is doing to plan for these issues.



Auckland Unitary Plan

Guides the use of Auckland's natural and physical resources, including land development.

SECTION 2

Key issues

To achieve the Auckland we want there are several key issues to be addressed by Auckland Council:

- 1** Addressing productivity and growth challenges
- 2** Infrastructure investment to support population growth
- 3** Protecting and enhancing our assets
- 4** Climate resilience and environmental sustainability
- 5** Community services
- 6** Funding for Aucklanders' needs

Key issue:
1



Addressing productivity and growth challenges

Context

As Aotearoa New Zealand's largest metropolitan centre, Tāmaki Makaurau / Auckland plays a critical role in the country's economy—generating nearly 40 per cent of national GDP, home to over a third of

the population, and serving as the primary hub for trade, innovation, investment, and talent. It also has significant agricultural and horticultural industry.

Auckland has a pivotal opportunity to shape its economic future by working with

central government and other potential partners to foster an environment that attracts high-value investment, encourages innovation, and supports industries and people with the capabilities needed to drive inclusive and sustainable growth.

This aligns with Auckland Council's vision for a globally connected, well-functioning, and resilient city that supports prosperity for current and future generations.

Did you know

Auckland's GDP per capita is \$86,000- 15 per cent higher than the NZ average but 25-35 per cent below comparable cities internationally.

The challenge

Auckland's population is projected to grow by approximately 520,000 people over the next three decades, reaching a total of 2.23 million. This growth presents both opportunities and significant pressures on housing, transport, infrastructure, and services. The scale of upcoming investment—across public projects such as the City Rail Link, Eastern Busway, and Central Interceptor, alongside private investments in technology infrastructure and large-scale development—provides a unique opportunity to boost Auckland's productivity and connectivity. However, these gains will only be realised through coordinated planning and strategic implementation.

Did you know

Auckland's technology sector contributes \$16.5 billion in GDP.

Auckland must address long-standing barriers to productivity, including congestion, infrastructure bottlenecks, and regulatory complexity. The Future Development Strategy and the Long-term Plan recognise the importance of:

- ❖ Integrating land use and infrastructure planning to respond to urban growth.
- * Improving transport networks to support more efficient movement of people and goods.
- * Advocating to government for greater local input into immigration and foreign investment policy.

There is also an opportunity to strengthen the partnership between local and central government to enable more coherent and long-term decision-making.

Strategic opportunities



Auckland has not historically benefited from a coordination of national focus and local policy levers.

To support a high-performing and innovative economy, Auckland can focus on:

- ❖ Positioning the region internationally as a centre for innovation and talent.
- * Supporting the development of sector clusters and innovation precincts.
- * Identifying and removing regulatory barriers to investment and growth.
- ❖ Facilitating partnerships between government, business, Māori, and community stakeholders.

- * Ensuring economic development initiatives are aligned with wider sustainability, equity, and resilience objectives.

This work supports Auckland Council's long-term goal of building a more inclusive, sustainable, and

productive regional economy, ensuring that the benefits of growth are shared across all communities.

Ensuring we are working with central government to put in place the policy and programmes to help deliver on this will be critical.



▶ Lisa Reihana,
Te Wheke-a-Muturangi
Installation - Art Fair 2025

Did you know

Tāmaki Makaurau is home to the largest share of New Zealand's Māori owned businesses (5,394 Māori owned businesses) and the Māori workforce (87,498).

Key issue: 2



Infrastructure investment to support population growth

Context

Auckland faces significant challenges that constrain its growth and result in “growing pains” such as congestion and housing unaffordability. The council must balance investment in major infrastructure and transport projects with financial sustainability. The emphasis is on prioritising projects that deliver the greatest benefit to Aucklanders.

Auckland Council’s Long-term Plan 2024–2034 (LTP) acknowledges the need to respond to these challenges with targeted, sustainable investment while maintaining financial prudence. This includes

spending on congestion relief, public transport improvements, and road maintenance while managing the financial implications of large-scale projects. Our approach includes responsible urban growth strategies, including better land use planning and infrastructure coordination.

The council’s strategic approach is to achieve environmental outcomes through prudent infrastructure investment. This includes lowering costs and lowering emissions, making the most of our existing infrastructure before building new things, and being smart about delivering services differently. A significant investment has been made in the City Rail Link (CRL) and other large rapid transport network projects to support residential growth and advance other city-shaping projects. Unlocking the potential created by infrastructure investment like this is an ongoing opportunity to be considered by elected members, including working with central government agencies and potentially other partners to identify and maximise these opportunities.

Did you know

Council’s projected 30-year infrastructure investment is \$295 billion.

The challenge

Auckland's population is projected to increase by hundreds of thousands over the next decade. This growth presents both opportunities and significant stressors on the region's infrastructure systems—water supply and wastewater services, transport networks, community facilities, and housing

development all require substantial upgrades or expansion.

The Infrastructure Strategy provides the 30-year view of the council's role in managing (along with others) the complex infrastructure system that supports the region.

The council estimates the need

to invest \$295 billion on maintaining, operating, enhancing and growing our infrastructure over the 30-year timeframe. Investment related to infrastructure makes up 86 per cent of the council's total budget to 2034 so it's a significant part of decision-making for elected members.

If we add up all of the things we need to invest in including things like the cost of adapting our assets to a changing climate, we find that traditional funding models, such as rates and council debt, are insufficient to meet the scale of infrastructure investment needed. At the same time, the council must operate within its debt ceiling and manage long-term financial risks.

The pressure of growth is already visible. For example:

- ✦ Urban sprawl is encroaching on rural land and sensitive ecosystems.
- ✦ Housing supply has struggled to keep pace with demand, contributing to affordability issues.
- ✦ Road congestion and overloaded public transport networks are eroding quality of life.
- ✦ Climate change is exacerbating risks, especially in low-lying or flood-prone areas.

The challenges here are not Auckland's alone. We are working with the government in a number of areas, and this will continue to be a focus in the new term. This will include the need to work with central government on policy changes and reforms for:

- ✦ integrated transport planning
- ✦ continued water reform
- ✦ planning laws so we can enable new homes to be built in the right places
- ✦ making the most of our natural environment
- ✦ economic development including innovation and productivity improvement opportunities
- ✦ tourism and major events planning
- ✦ new funding and financing tools to help pay for these investments.



Did you know

Our approach could include working with other partners to ensure the infrastructure investment is made when and where it is needed.

Did you know

Auckland Housing Programme is enabling 20,000 homes over the next 10 years, including major projects in Tāmaki, Mt Roskill, Māngere and Drury.



Takanini development



The 2023 Future Development Strategy provides the overarching framework for managing Auckland's urban expansion. This plan sets out the sequencing of growth areas, infrastructure priorities, and the integration of land use with transport and environmental outcomes. Key priorities include:

- ✚ Targeted infrastructure investment in areas that support intensification and rapid transit corridors.
- ❖ Accelerating housing, business and commercial land delivery through council-led initiatives, development partnerships, and enabling zoning regulations.
- ✱ Reducing housing consented in hazard zones.
- ✚ Reducing emissions by shifting investment toward low-carbon transport options and discouraging development in areas vulnerable to climate change impacts.
- ❖ Working with central government and iwi partners to align urban development objectives and funding streams.

The 2024 Infrastructure Strategy provides information on how the council will:

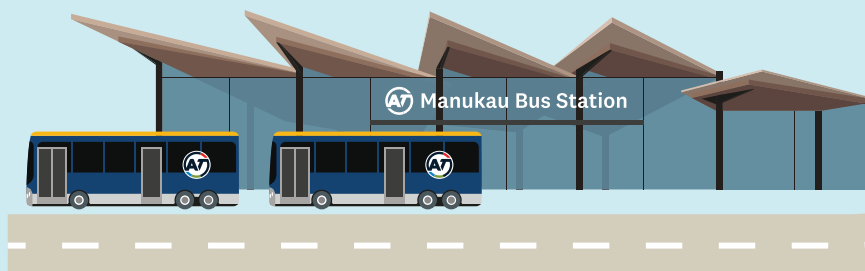
- ✚ Improve how we plan our infrastructure to better face the significant long-term challenges face by the Auckland Region.
- ❖ Improve asset management to ensure we have the best information about our assets, and their risks and opportunities, on which to make investment decisions.
- ✱ Improve prioritisation processes to ensure what we spend on infrastructure is the right things at the right time, in the right place. This includes prioritising spend on ensuring existing infrastructure is maintained and optimised before carefully considering new infrastructure.

Strategic opportunities

The council could also pursue innovative funding tools—such as infrastructure funding and financing (IFF) mechanisms, value capture, and developer contributions/levies—to close the investment gap without overburdening ratepayers.

Ultimately, Auckland Council's 2023 Future Development Strategy is not just about accommodating growth but shaping it—ensuring

that new developments are well-connected, environmentally responsible, and capable of supporting a high quality of life for all Aucklanders.



Context

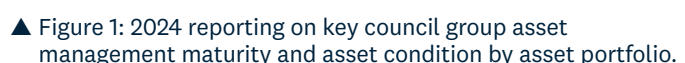
Considering which of our assets continue to be fit for purpose and/or building new assets requires careful consideration and thorough decision-making processes using tools such as cost-benefit analysis and other options analysis.

The challenge

Standardisation is needed for improving our asset management practices across our asset portfolios.

The council group's net assets are forecast to rise from \$60.6 billion to \$84.4 billion by the end of June 2034.

If assets are to be retained or new ones built, they need on-going investment to deliver the services the council provides. Where this investment is required, it competes with growth pressures and other outcomes we want for our region. The state of our existing assets across our main asset classes is mixed and there are improvements underway to improve our asset management practices.



The council faces funding and process constraints in addressing the backlogs of maintenance and upgrades for its existing assets, which may lead to further deterioration of infrastructure and affect the overall quality of life for Aucklanders.

Auckland's rapid growth puts additional pressure on existing infrastructure, which may lead to increased wear and tear, and accelerate the need for maintenance and upgrades.

Some assets might be underperforming in terms of their required level of service or might not be financially viable in the short or long term and the council will need to consider their futures.

Where there are considerations to be made around the continued provision of these assets by the council, there might be opportunities to work with central government agencies or other community partners to look at how services required by the community might be continued or provided.



Did you know

Over the next 10 years 86 per cent of the council's total spending will be related to infrastructure.

By focusing on the maintenance and renewal of our existing assets, and getting the most out of our roads, footpaths, community facilities, parks and underground assets before building new assets, we can reduce the likelihood of failures and enhance experiences of Aucklanders using those assets.

The council can explore partnership opportunities with private sector entities and other stakeholders to co-invest in infrastructure projects, thereby reducing the financial burden on ratepayers and accelerating the delivery of growth initiatives.

By prioritising investment in resilient infrastructure, the council can reduce the risk of disruption to communities and businesses in

the face of natural disasters and other disruptions, ensuring that Auckland remains a liveable and competitive city.

A key opportunity is to review the portfolio of existing assets (particularly community assets) and consider which are still fit for purpose and whether they should be retained giving the changing needs of Aucklanders and/or the opportunity cost of investing in different assets.

By adopting smart technologies and data analytics, the council

could optimise the use of its existing assets, reduce waste, and create cost savings that can be reinvested in other initiatives.

Strategic opportunities



Key issue: 4



Climate resilience and environmental sustainability

Context

Auckland is increasingly vulnerable to extreme weather events, natural hazards and long-term climate risks. The council plays a vital role in environmental regulation and understanding environmental, hazard and climate risks and impacts including supporting individuals and communities to understand the risks.

This includes informing the public about environmental, hazard and climate risks and impacts, adapting our assets to a changing climate, enhancing stormwater management, implementing coastal management initiatives, and advancing emissions reduction strategies.

Supporting communities in Auckland that are more vulnerable to environmental changes is a key part of the council's role and commitment. The council also supports the natural

environment through a range of consenting, licensing and compliance activities to monitor and safeguard the natural environment and make it accessible to Aucklanders. We also support community involvement in environmental programmes. Volunteers play an important role in looking after the environment and we also work with other agencies to nurture, monitor and protect Auckland's natural environment.

Challenges

One of the major challenges facing Auckland is the rising sea level, which poses a significant threat to coastal areas, infrastructure, and homes. According to the Auckland Council's Coastal Management Strategy, the region's coastal areas are already experiencing frequent flooding during high tides, and this is expected to worsen with sea-level rise. The strategy highlights the need for a comprehensive approach to managing coastal risks, including the development of coastal adaptation plans and the implementation of natural and nature-based solutions.

Another challenge is the increasing frequency and intensity of extreme weather events, such as storms and heatwaves, which can cause significant damage to infrastructure, homes, and the environment.

Did you know

Auckland Council's weekly food scraps collection diverted more than 20,000 tonnes of food scraps from landfill in 2024, producing enough liquid fertiliser to cover the equivalent of 13,500 rugby fields.

Auckland Council's Climate Plan notes that the city's infrastructure, including its transportation network, buildings, and public spaces, are vulnerable to these events and need to be designed and adapted to be more resilient.

These environmental challenges present consequential issues in areas such as government policy, where there are ongoing discussions needed to consider and address climate resilience and impact requirements.

Another emerging factor is insurance affordability, with traditional insurance avenues becoming more costly and, in some cases, less available - meaning new avenues such as self-insurance will have to be increasingly considered.

In terms of environmental sustainability, key

challenges include preparing for and responding to new biosecurity threats, such as exotic caulerpa seaweed, controlling pests and pest plants, deepening our understanding of threatened species in the region, and enabling and partnering with mana whenua and communities on survey and biodiversity management activities.

Did you know

Auckland has 3200km of shorelines (beaches, cliffs, harbours and estuaries) that require future planning for the impacts of climate change, erosion and flooding.

The Auckland Plan 2050 highlights the need for an integrated approach to urban planning, which considers the city's environmental, social, and economic needs. This includes the development of more compact and connected urban form, with a focus on green infrastructure, public transportation, and mixed-use development.

The council's plans recognise the importance of community engagement and participation in climate adaptation and sustainability initiatives. This includes educating and raising awareness among Aucklanders about climate risks and the importance of taking action to reduce their carbon footprint.

The council sees opportunities to adopt innovative solutions in climate resilience and sustainability. This includes the development of new technologies and products that can help reduce emissions, improve energy efficiency, and enhance the city's climate resilience.

The plans emphasise the importance of collaborative partnerships between the council, central government, private sector, and community groups to achieve climate resilience and sustainability goals.

Our plans highlight the importance of green infrastructure, such as parks, gardens,

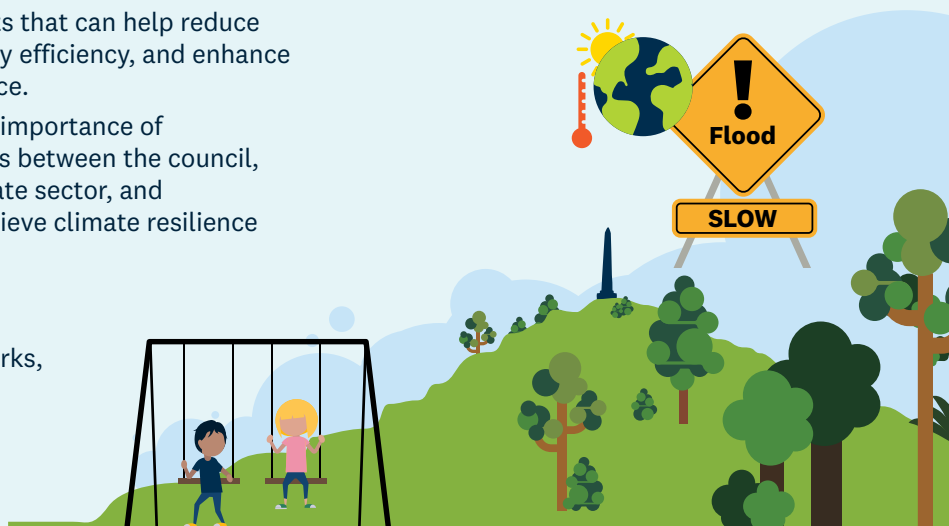
and green roofs, in reducing urban heat island effects, managing stormwater runoff, and improving air quality.

The council also recognises the need for climate-resilient infrastructure, including sea walls, levees, and flood-resistant buildings, to protect the city's assets and communities from the impacts of climate change.

As with most of the big issues being faced by the council, there will need to be ongoing discussions with central government around the policy issues and programmes required for

Auckland to manage these climate resilience and environmental sustainability issues.

Strategic opportunities



Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan and TERP

Auckland's Climate Plan sets out eight priority action areas to deliver our goals to reduce emissions and adapt to the impacts of climate change. The plan was prepared in partnership with mana whenua (through the Mana Whenua Kaitiakitanga Forum) to provide a te ao Māori perspective throughout the development of the plan.

The plan has clear greenhouse gas emissions reduction targets for the Auckland region including:

- halving emissions by 2030
- reaching net zero emissions by 2050.

The council's plans also acknowledge the importance of community engagement and participation in climate adaptation and sustainability initiatives. This includes educating and raising awareness among Aucklanders about climate risks and the importance of taking action to reduce their carbon footprint.

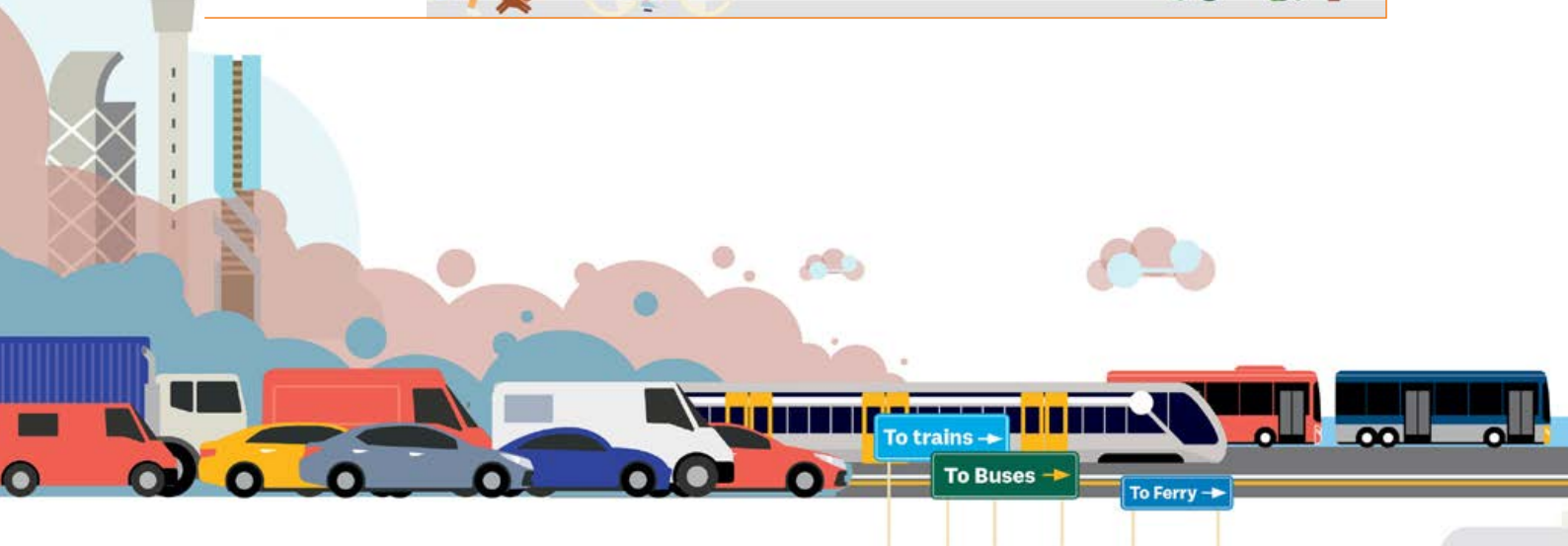
The Transport Emissions Reduction Pathway (TERP) sets out what needs to be true in order to achieve the Climate Plan's target to halve Auckland's regional emissions by 2030 (against a 2016 baseline).

It sets out:

- the high-level transformations required to reduce Auckland's transport emissions by 64 per cent by 2030 in line with the Climate Plan
- what it will look like when we get there
- to identify the potential barriers to achieving it.

While the TERP provides formal direction that Auckland Council and Auckland Transport must progress toward in all of their activities, funding availability and decisions made by elected members will determine the pace with which it is implemented. TERP will be an important consideration as key transport documents are developed including:

- the Auckland Council Transport Policy Statement
- the Regional Land Transport Plan (RLTP).



Key issue: 5



Community services

Context

Auckland has a diverse community with diverse needs. Auckland's population is growing and changing, both from natural increase and immigration. As well as becoming increasingly culturally diverse, the proportions of younger to older are also changing, and our planning and services need to respond to all these changes.

Already more than a quarter of Auckland identifies with an Asian ethnicity, and Auckland is home to the world's largest population of Pacific peoples.

Auckland's Māori population is also increasing and is expected to continue to grow.

Broadly a third of Auckland's population was born in Auckland, with a third born elsewhere in New Zealand and a third born elsewhere in the world.

Auckland's local public services, including libraries, recreational facilities, and community programs, are vital in meeting the diverse needs of our communities. These services are essential in fostering social cohesion, promoting community engagement, and addressing social and economic disparities. However, the current state of these services requires improvement and future investment to ensure they remain relevant, accessible, and effective in addressing the changing needs of Auckland's communities.

Auckland Council's Long-term Plan 2024-2034 acknowledges the importance of investing in local public services to promote community well-being and social inclusivity. The plan recognises that ensuring fair access to resources across Auckland's diverse communities is also crucial in promoting social equity and addressing systemic inequalities.

Meeting the needs of our communities

Auckland Council's community services are making a positive impact in meeting the needs of our communities. Some key highlights include:

- ❖ **Library Services:** In 2023/2024, Auckland Libraries welcomed almost 8 million visitors, with over 475,000 million people attending programs and events, and almost 16.5 million items borrowed.


Did you know

We delivered 173 environmental projects across our 21 local boards in our 2024 financial year.

- * **Recreational Facilities:** Auckland Council manages over 4,000 hectares of parks and open spaces, providing opportunities for recreation, sport, and leisure activities. In 2023/2024, over 8 million people visited Auckland's Leisure Centres.
- * **Community Programmes:** Auckland Council's community programmes, such as the Community Development Grants program, supported over 1,000 community-led projects in 2023/2024, with a focus on promoting social inclusion, community engagement, and cultural diversity.

These statistics demonstrate the significant role that Auckland Council's community services play in supporting the well-being and quality of life of Auckland's communities.

Challenges

Despite the positive impacts of Auckland Council's community services, there are still challenges that need to be addressed:

- + **Aging Infrastructure:** Much of Auckland's public infrastructure is aging and it is unaffordable to maintain our portfolio of community assets.
- ❖ **Increasing Demand:** Auckland's growing population and changing demographics are placing increasing pressure on local public services, which must adapt to meet the diverse needs of its communities.
- * **Resource Constraints:** Resource and capacity constraints hinder the ability of local public services to innovate, adapt, and respond to emerging community needs.

While the challenges facing local public services in Auckland are significant, there are also strategic opportunities for innovation, collaboration, and growth:

- * **Iwi and Māori organisations:** Considering opportunities to cooperate or partner for the delivery of services or outcomes.
- * **Digital transformation:** Leveraging digital technologies can enhance the delivery and accessibility of local public services, providing more efficient and cost-effective solutions that reach a wider audience.
- ❖ **Community led design:** Engaging with local communities in the design and development of services can ensure they are responsive to unique community needs and promote greater social inclusion.

- * **Partnerships and collaborations:** Building partnerships between local government, community organisations, and private sector entities can facilitate resource sharing, knowledge exchange, and collaboration.
- * **Innovative funding and delivery models:** Exploring alternative funding models, such as community-led fundraising initiatives, can supplement traditional funding sources and support service innovation. This might include funding community organisations to deliver outcomes for the council.

Strategic opportunities



Fairer funding

A fairer funding approach enables local boards to better respond to the needs of their communities.

It will do this by addressing funding imbalances between the 21 local boards that have been in place since Auckland Council's inception supported by additional operating and capital funding, without the need to reallocate funding between boards. In previous LTPs, local board funding to deliver local community services was based largely on what assets and services were provided by legacy councils prior to 2010. So local boards that had a lot of assets at amalgamation tend to have more funding than boards with fewer assets.

However, this also brings a challenge to local boards that have significant assets and services where costs are rising above their funding levels. Under the new funding model, funding is no longer based on asset ownership, which can make it harder for some local boards to sustain existing facilities and assets which are facing unavoidable cost increases. The organisation will support local boards with options in 2026/2027 to enable trade-off discussions, such as changing service levels and changing how services are delivered to help local boards make expenditure decisions within their allocated funding levels.



This will mean boards can move quickly to reorganise their work programmes to help accelerate the maintenance and renewal of facilities that are needed by the community. Local boards can also provide an increased range of different services that suit their diverse and changing communities.

With additional funding and budget responsibilities comes additional accountability. Budget responsibility and transparency rules apply equally to local board decisions as they do to the Governing Body. Elected members will require support

to help ensure these responsibilities can be met, including the implementation of initiatives to drive efficiency and value for money.

Our 2024-2034 LTP also includes operational expenditure of \$637 million to help council transition to fewer renewals and more innovative

ways of delivering council services or 'Deliver Differently'. This fund can also be accessed by and support local boards in exploring alternative delivery options (which does not require council asset ownership), such as partnerships with third-party providers who might be able to provide services in partnerships that more effectively meet the needs of the community.

Key issue: 6



Funding for Aucklanders' needs

Context

Auckland Council faces ongoing financial pressure to maintain and improve essential services, such as waste management, water infrastructure, and community facilities, within a constrained budget and funding and financing challenges.

The council is already focused on efficiency and cost management while ensuring core services remain accessible and reliable for all Aucklanders. This work includes initiating a programme of changes to how we are delivering capital projects better to improve value for money.

As Auckland grows, there are unrelenting demands for spending on public services and infrastructure. Rates account for less than half of our revenue and we have a long-term-target of rates increases being no more than 3.5 per cent a year. There has been some public discussion around capping rates at a level close to the rate of inflation, but without other sources of funding this would restrict the council's ability to fund the required infrastructure investment and would likely push up the cost of funding.

At the same time there are constraints on alternative funding opportunities such as a levy to fund events and destination marketing, or uncertainties such as with a proposed development levy system to replace the existing development contributions system.

The council cannot fund its services by rates alone and affordability needs to be considered both for rates and user charges.

The council is looking at opportunities for new revenue and funding sources, while also ensuring efficiency and cost management of its services for all Aucklanders.

Given its limited financial capacity, and without new funding and financing tools, many potential investments and new services that could add significant value for Aucklanders would have to be delayed, or might not even get off the ground.

Challenges

The challenge is to firstly ensure there is acknowledgment by Aucklanders and decision makers of the financial challenge to delivering the services that Aucklanders need. Without funding, there is a real risk that we cannot adequately respond to the growth challenges and opportunities we face.

We need to grow sources of funding to achieve greater progress for Auckland by working in partnership with others. Potential partners include central government, the private sector, the philanthropic and volunteer sectors and post-settlement iwi.

There is also a need to balancing this much needed growth in funding sources with affordability for residents, including limited the levels of rate increase. At the same time, there is a need to

maintain and enhance our control of expenditure, improve returns on our financial investments while maintaining prudent levels of debt.

Reconsidering our service and asset requirements in the community could lead to significant decisions about what investment is required by the council. Doing or owning less in one area could free up the council to invest in other services or assets that respond to Auckland's key issues.

Working with potential partners could involve new service delivery approaches or involve innovative new funding or financing approaches such as infrastructure levies or the proposed bed night visitor levy.

Collaborations with central government, such as the 50-50 funding agreement for storm recovery property buyouts, and transport funding provide additional resources and support for large-scale projects and there might be further opportunities to explore.

The funding tools currently available to councils to fund growth infrastructure are cost-recovery based and reliant on the council budgeting for the infrastructure in advance of the charges being set. A more flexible funding tool that is based on averaged cumulative infrastructure costs could ensure the council group has funding to make investments in areas where a more reactive approach is appropriate.

The establishment of the Auckland Future Fund has diversified revenue streams. By transferring assets into the fund, the council expects to generate approximately \$40 million more returns annually from 2025/2026 to support services and infrastructure. The future fund was established through the sale of Auckland Airport shares and the council has sold surplus properties to optimise its asset base. There are further asset optimisation opportunities that could be considered.

The council has achieved \$403 million in savings over the past three years, surpassing its annual savings targets. These efficiencies help reduce debt and mitigate the need for higher rates. While the council has identified further savings over the next three years, it has

become harder to do without completely reviewing the activities and services we provide to the community, including which activities and services are delivered, and the council's role in delivering them.


Strategic opportunities



SECTION 3

Other issues

AND MAJOR PROJECTS



Other major issues and decisions (any other major issues and decisions affecting the lives of Aucklanders that will require leadership, direction and management in the next council term)

Other issues

Other major issues and decisions that might require leadership, direction and management in the next council term are:

ISSUE	DESCRIPTION	COUNCIL ROLE
Resource Management reform 	<p>The Government has undertaken an extensive programme of reform to the resource management system. This includes spatial and land use planning, resource consenting, and the funding and financing of growth infrastructure.</p>	<p>As different phases of the reform are rolled out, elected members will be required to make decisions around council input, including through formal Government submissions processes.</p>
Land use and development planning 	<p>The Government has announced it will replace the Resource Management Act 1991 with a Planning Act and a Natural Environment Act and expects these to become law by mid-2026. It is expected to require a combined regional spatial plan, natural environment plan and regulatory plan, which would replace the Auckland Plan, the Future Development Strategy and the Auckland Unitary Plan.</p>	<p>Development of the combined plan will likely require significant input from elected members across the council, from direction-setting, through input on key individual settings, to final adoption. In the shorter-term decisions around changes to the Unitary Plan may be required to comply with the Resource Management (Consenting and Other System Changes) Amendment Act, anticipated to be passed into law in August 2025.</p>
New locations of focus for urban regeneration 	<p>Investment to transform and unlock specific locations for urban regeneration has so far been funded from reinvestment of funds from asset sales across that group of locations. Public investment in some of these locations is now complete with further regeneration stages sitting with the private sector.</p>	<p>Continued active involvement in urban regeneration will require decisions on the locations for prioritisation and the identification of an appropriate funding source.</p>
Development levies 	<p>The government has announced that it is looking to replace Development Contributions with a new growth infrastructure funding approach, including Development Levies. The intention is for a system that better recovers the cost of growth and also supports councils to be more responsive to growth patterns.</p>	<p>The council will need to make a decision about its position on the new system when it is proposed, adopt any resultant submission on the legislative change, and then work to implement any new approach (likely in tandem with its next long-term plan).</p>
Resilient Tāmaki Makaurau 	<p>Auckland Council is working on policy settings and processes to support communities to plan for their future, particularly those communities recently impacted by significant weather events or are in our most significant known hazard areas.</p>	<p>Both regulatory and investment decisions will be required to support improved resilience. Regulatory decisions will likely be required to reduce community risk, this may include restricting land-use options and other consenting requirements. Investment decisions will be required on expenditure to reduce the impact of known hazards and protect Aucklanders.</p>
Transport Governance Reform 	<p>Central government has indicated it intends to introduce a Bill that would change the way transport is managed and governed in Auckland. Cabinet decisions have been released that give some indication of what will be in the Bill, but we don't know all the detail of what will be in the Bill at the time of publishing this report.</p>	<p>Changes will likely impact the level of involvement elected members have in transport investment decisions, as well as operational oversight and control. The council will likely need to make decisions around the roles and responsibilities delegated to Auckland Transport as part of this reform.</p>
Transport Funding changes 	<p>Current funding arrangements for transport investment involve complicated co-funding calculations and arrangements. Additionally, the capacity for the National Land Transport Fund to continue to be involved in significant new infrastructure is limited.</p>	<p>Changes to transport governance provide an opportunity for the council to advocate for and discuss new approaches to funding transport investment and operations.</p>

Alternative infrastructure funding and financing



The Government has released guidance that requires public bodies to look at a range of alternative forms of funding and financing when considering infrastructure investment.

Decisions will be required on the appropriateness of different funding and financing tools for particular projects, including special purpose vehicles and public private partnerships.

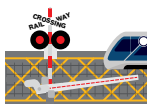
Additional Waitematā harbour crossing



Central government continue to undertake options analysis, including geological investigations, for a further crossing of the Waitematā Harbour. NZTA is planning to seek a decision on which additional crossing option to progress in mid-2026

Auckland Council will likely seek significant involvement in the option selection through advocacy and any public process.

Level Crossing Removal



The council has, working with the government, budgeted for additional investment to bring forward the removal of eight level crossings over the next five years. Following this, there will remain over 40 level crossings on the Auckland rail network that create both health and safety and transport efficiency issues.

A key consideration for the next long-term plan and the proposed Integrated Auckland Transport Plan will be the prioritisation of, and funding for, further level crossing removals within the 10-year plan, and 30-year Infrastructure Strategy.

Long-term Plan



The council will be required to adopt a new long-term plan covering the period from 2027-2037 by 30 June 2027. This will include a financial strategy and 30-year infrastructure strategy.

Elected members will need to give direction on the key issues for the long-term plan by mid-2026. Through the development of the plan key decisions will include settings for rates, debt and levels of investment.

Local Board funding and decision-making



From 1 July 2025, the council has implemented a new approach to funding its local activities. This supports earlier decisions that clarified the allocation of decision-making between the Governing Body and local boards. Implementation of the new approach is likely to highlight both challenges and opportunities in terms of funding levels and expenditure prioritisation.

Local boards will have significant decisions to make on how services are prioritised and delivered.

Further changes to the allocation of decision-making and the local board funding policy could be made by elected members as part of the next long-term plan.

Water Services Delivery Plan



New legislation requires the council group to prepare a Water Services Delivery Plan alongside its long-term plan.

The plan requires council decisions on factors such as the delivery model and investment levels for stormwater.

Auckland's next water source



As Auckland continues to grow it will eventually require access to a new source of drinking water. A number of options exist but have differing cost, environmental and cultural considerations that need to be assessed.

While current sources are expected to be sufficient to cover Auckland's growth for the next couple of decades the long planning, consenting and construction lead times for projects such as these mean decisions around the source of further supply are needed now.

Progressing Māori Outcomes



The council will work in partnership across all levels of government and with Māori to improve and access new ways of delivering better outcomes.

Alongside providing opportunities for Māori to contribute to decision-making processes, prioritisation of investment will need to incorporate consideration of how that investment will support Māori aspirations and wellbeing.

Stadium Strategy



The Governing Body has adopted the Auckland Regional Stadium Investment Objectives and approved a work programme to develop the corresponding Investment Plan, which will detail how the council and its partners invest in the wider network of stadiums in the region.

The stadium network investment plan will likely lead to elected members needing to make significant decisions as part of the next long-term plan.

Waste Minimisation – Fortnightly collection



Councillors have agreed to consult on a trial option in up to three areas of between 3000 and 4000 households before considering whether to move a regional rollout from 2028, subject to further consultation

The council will need to make a decision in the next term on whether to proceed or not with a regional rollout.

Strategic future of Port of Auckland



The port of Auckland is a major trade gateway but is geographically constrained. Continued economic growth will require increased consideration of other options for both imports and exports. The council retains 100 per cent ownership of Port of Auckland as a strategic commercial investment.

Any strategic national, or sub-national, decisions around changes to supply changes and logistic networks that could impact port operations may require elected member consideration and input. Any elected member decisions around changes to ownership or control of Port of Auckland would require significant public consultation.

Building consent regulation changes



The government has signalled and begun making significant changes to the building consent system. This will include opening up to private consenting companies alongside the council, liability changes, and self-certification.

The council will need to continue to engage in the government reform process through informal channels, approving formal submissions, and making public statements.

Decisions will also likely be required on how the council responds to competition from private sector providers.

Major projects

A snapshot of the major projects we are working on over the next three years to deliver the essential infrastructure and services required for Auckland.

Transport

PROJECT	WHAT	WHY
City Rail Link projects 	Support the opening of City Rail Link in 2026, including buying more trains, speeding up the removal of level crossings and co-ordinating bus services with the new rail timetable to improve connections.	The benefits of CRL include reduced travel times, increased rail capacity, and improved connections to the city centre. It will also alleviate traffic congestion, create opportunities for commercial and residential development, and enhance access to jobs and amenities.
Asset Renewals 	Deliver the renewal programme for our assets including road pavement, streets, public transport assets and bridges based on asset condition and level of criticality to operations.	Ensuring that assets are maintained effectively, enhancing safety and reliability, maintaining service levels for users.
Level Crossings Removal - Glen Innes and Takanini 	Accelerate the programme to remove level crossings on the southern line at Glen Innes and Takanini. This is to support the future growth of our train network. We are also planning to introduce new train services and timetables for when the CRL is in service.	These upgrades will enable more frequent passenger and freight trains, and other regional services to Hamilton and Wellington. They will also improve safety in and around the rail network for passengers and vehicles.
Ferry Projects 	Renew Auckland's aging ferry fleet network to new larger capacity, standardised low emission and some efficient hybrid/diesel vessels. The programme includes the procurement of new vessels and supporting wharf upgrades and charging infrastructure at Hobsonville Point, Half Moon Bay and the Downtown Ferry Terminal.	To transform to low emission ferry network to reduce greenhouse gas emissions and help move towards reaching net zero emissions by 2050, as outlined in Auckland's Climate Plan, and provide a more reliable, greener ferry service.
Eastern Busway 	Progress the Eastern Busway between Pakuranga and Botany, including the new Rā Hihi (flyover). It will provide better connections and sustainable travel options for walkers, cyclists, motorists, and bus customers. It will also create a reliable combined bus and train service between Botany and Waitemata Station (Britomart).	Giving more East Auckland residents, visitors and commuters a congestion-free run on fast, frequent and reliable bus services.
Time-of-use Programme (congestion) 	Time-of-use charging is a form of congestion charging. Charging road users during peak times can help ease congestion by encouraging people to use public roads in the most productive way possible, resulting in better use of the road network. We want to deliver a scheme that has Auckland's issues in mind, developed by the people who experience congestion daily.	As we optimise demand for Auckland's limited road space, the volume of people and goods moving through the network can increase, improving the efficiency of our existing road infrastructure.
Network Optimisation 	Auckland Network Optimisation is a joint programme between Waka Kotahi NZ Transport Agency and Auckland Transport to improve travel choices and make it safer and easier for people to get around the region using our existing network. This work includes implementing smarter technology for traffic signals, special vehicle lanes, dynamic bus lanes, and intersection optimisation.	Auckland Network Optimisation aims to help increase the effectiveness of Auckland's network, while supporting the reduction of transport-related carbon emissions, improving travel choice and road safety.

Carrington Road Improvements

This project optimises the use of space on Carrington Road to accommodate population growth and provide improved travel options. Over the next 10 to 15-plus years, at least 4,000 homes will be built in the area around Unitec campus, which will increase the use of Carrington Road and change the street environment.

This project delivers key transport upgrades to support urban development.

Climate Action Targeted Rate funded programme

Development of bus routes, walking and cycling networks, and contributes to the decarbonisation of ferries for climate action.

To help achieve our emissions goals set out in Te Taruke-a-Tawhiri: Auckland's Climate Action Plan.

Rosedale Bus Station and Corridor

Building a new bus station, at Rosedale, will connect more people and businesses with the popular Northern Busway. The project will deliver better public transport options to and from Rosedale.

The new station will reduce the need for transfers, making journeys more efficient and reliable.

Road Safety Programme

A programme of safety improvements for our transport network that will provide interventions at high-risk areas that have been prioritised across Auckland.

To improve the health, safety and wellbeing of Aucklanders while travelling.



Midtown and Downtown Bus Improvements

The City Centre Bus Plan details the plan for the future of bus travel in the city centre and aims to meet the needs of a growing city with bus services that are easy to use and efficient to operate. Planned works includes Wellesley Street with CRL station connections, Downtown including Customs street improvements for NX1 and other services, and Albert and Vincent St improvements.

This project will transform the downtown and midtown areas to allow for more efficient traffic flow and better safety.

Water



PROJECT	WHAT	WHY
Southwest Wastewater Upgrade 	<p>We need to expand our wastewater treatment infrastructure to support population growth in Waiuku, Glenbrook Beach, Clarks Beach and Kingseat. We are committed to improving the Manukau Harbour and to do this we will be using state of the art technology to significantly advance the quality of treated wastewater.</p>	<p>To enhance the level of water treatment. Looking ahead, the project will also support growth in the short and long term, maintain flexibility to reuse wastewater and ensure sustainable overall costs of servicing.</p>
Huia Water Treatment Plant replacement 	<p>The new reservoirs at Huia will increase the volume of water stored locally, improving the resilience of the wider water network and accommodating daily demand fluctuations. The new plant will have more advanced treatment processes and will be easier to maintain than the current plant.</p>	<p>To improve the resilience and capacity of the water network.</p>

Snells Beach Wastewater Treatment Plant



We are building a new modern and efficient wastewater treatment plant at Snells Beach. This facility will process wastewater from Warkworth and Snells-Algies communities and is designed to be able to accommodate population growth over the next 35 years.

To improve the resilience and capacity of the water network.

North Harbour 2 Watermain



The North Harbour 2 Watermain from Titirangi to Albany will supplement the existing North Harbour 1 Watermain, which is currently the region's only transmission watermain conveying water from the west to the north across the Greenhithe Bridge. This project will provide an alternative route to service customers in the west and north, offering redundancy and improved transmission capacity.

To enhance service reliability and increase capacity to meet anticipated growth of up to 25 per cent in North Auckland, including Wainui, Silverdale and Dairy Flat.

Central Interceptor



The Central Interceptor tunnel will divert wastewater currently conveyed by the Western Interceptor, Orakei Main Sewer and the Eastern Interceptor to our Māngere plant, creating capacity to support growth in central and south Auckland, and to reduce wet-weather overflows that affect waterways and beaches.

To support urban growth through the city of Auckland and improve water quality at waterways and beaches.

Pukekohe Wastewater Scheme



Upgrade treatment processes to expand the Pukekohe Wastewater Treatment Plant's capacity to serve a population of around 90,000 people from the current 40,000. Construct the Pukekohe North Pump Station and invest in the Paerata network.

To support significant growth in the Pukekohe and north Waikato catchment areas.

Waitematā Water Quality Improvement



Enabled by the Central Interceptor, this jointly funded programme between council's stormwater department and Watercare aims to reduce the volume and frequency of overflows from the combined stormwater and wastewater networks, through a balance of new infrastructure and separating stormwater flows from the wastewater network.

To improve water quality in urban streams and harbours and supports growth and urban development in the Western Isthmus from Waterview and Herne Bay to Lynfield and Hillsborough.

Māngere Wastewater Treatment Plant



Renewal of this critical plant coupled with enhancements to processing of bio-solids to improve efficiency and reduce carbon footprint and peak-flow treatment upgrades to handle additional wet-weather volumes.

To improve the capacity, efficiency and resilience of the Māngere Wastewater treatment plant, which services approximately three-quarters of Auckland's population.

Major and critical asset renewals - stormwater



Renewing and upgrading our stormwater asset infrastructure including pipes, manholes, catchpits, roadside drains, outfalls, detention and treatment ponds, water sensitive infrastructure, and stormwater treatment devices.

To support planned growth, preserve water quality and mitigate flood hazards.

Making Space for Water (incl Crown co-funded)



The 'Making Space for Water' programme reduces flood risk to communities and stormwater assets across the Auckland region.

To help build resilience for the stormwater network and reduce the impact of future flooding.




Built environment

PROJECT	WHAT	WHY
Transform and unlock programmes 	Planning for and investing in neighbourhoods to strengthen communities in key areas like Takapuna, Maungawhau, Henderson, Avondale, Manukau and Pukekohe.	To deliver urban regeneration for Tamaki Makaurau to meet the needs of the city's long-term growth.
Auckland Housing Programme (LSP Programme) 	Work with Kainga Ora and the Ministry of Housing and Urban Development to progress infrastructure investment in the Auckland Housing Programme areas of Māngere, Tamaki and Mt Roskill.	To make healthy and affordable homes available to all Aucklanders through the coordination of Auckland Council Group and Crown investment and delivery of infrastructure to enable growth in these key urban areas identified as priorities for intensification in the Future Development Strategy.
Waterfront development 	The Waterfront Plan sets out the vision and goals for Auckland's city centre waterfront. The plan contains short, medium and long-term initiatives to transform this part of the city. The northern end of Wynyard Point will be transformed as part of Te Ara Tukutuku Plan to create one of the most beautiful open spaces and waterfront destinations in Tāmaki Makaurau.	To enable the growth of a strong, diverse, inclusive and lively residential and business community all while retaining the fishing and marine industries and inviting public space.
City Centre Targeted Rate Programme 	Improve public realm and facilitate regeneration of city centre precincts and integrate the City Rail Link, deliver activation, placemaking and visitor attractions, improve safety amenities and community experience.	To enhance the city centre as a place to work, live, visit and do business. By providing a high-quality urban environment, promoting the competitive advantages of the city centre as a business location, and promoting the city centre as a place for high-quality education, research and development.



Natural environment

PROJECT	WHAT	WHY
Resource Recovery Network (RRN & CRC) 	Increase resource recovery facilities around the region, including community recycling centres that receive, collect, repair and refurbish unwanted items from the public.	To divert material from landfill. This re-using of items and re-purposing of materials also benefits the local community through affordable items and job creation.

Response to natural and coastal hazards



Shoreline Adaptation Plans are being developed across Auckland to provide an environmentally and financially sustainable adaptation strategy for council-owned land and assets. The plans will consider the long-term impacts of coastal hazards and climate change (including sea-level rise) and are being developed in the spirit of partnership with mana whenua, supported by extensive community engagement.

Provides greater protection of lives and livelihoods and helps ensure a vibrant Auckland for current and future generations.

Three Bins purchases & Renewals (Refuse, Recycling & Food scrap Bins)



Auckland Council's "Three Bins" system includes refuse (red), recycling (yellow), and food scraps (green) bins, which are provided to all urban households. The purchases and renewals component refers to the supply, replacement, and maintenance of these bins to ensure every home has functional, hygienic containers.

The Three Bins system reduces food waste going to landfill and supports Auckland's goal of cutting emissions and converting food scraps into a renewable resource. It also supports Auckland's goal of reducing landfill waste, cutting greenhouse gas emissions, and encouraging resource recovery. This will help achieve the city's Zero Waste by 2040 and climate action goals.

Closed landfill and coastal landfill remediation



We manage a number of closed landfills and contaminated sites and manage the health and environmental effects to the best possible extent.

To reduce environmental and safety risks, Auckland Council restores old and coastal landfill sites that were built without modern protections. Over time, waste from these sites can leak into soil or water, especially with rising sea levels and erosion. Remediation helps prevent pollution, protects communities, and allows the land to be safely reused.

Natural Environment Targeted Rate



Since July 2018, residential property rates across Auckland have included a Natural Environment Targeted Rate (NETR). Deliver \$412m targeted programme over the 2024-34 LTP period to support Council meeting its biosecurity and biodiversity obligations, as set out in the Regional Pest Management Plan and in national legislation, including the delivery of pest plant, animal and pathogen control and biodiversity management and protection.

Projects funded by the NETR help protect our natural environment and tackle the pests, weeds and diseases that threaten our native species.

Kauri dieback management programme




Coordinate and implement the kauri dieback management programme to protect our kauri forests. Kauri trees are under threat from kauri dieback disease (Phytophthora agathidicida). The fungus-like organism is spread by just a pinhead of mud or soil, and infects the tree through its roots. People are major carriers of the disease, as are larger animals like dogs, pigs and goats.

To ensure the survival of our native kauri trees, we are taking significant steps to prevent the spread of kauri dieback including active management through track closures and upgrades, controlled area notices, and biosecurity cleaning stations.

Community



PROJECT	WHAT	WHY
East Coast Bays Community Centre refurbishment 	Interior and exterior refurbishment of the building, and remediation of the roof at East Coast Bays Community Centre in Browns Bay.	To improve the experience of the facility for recreation and community enjoyment.

Te Kori Scott Park, Hobsonville

Development of a sustainable sports park in Hobsonville with greenways, community hub, courts and open space infrastructure.

To support the comprehensive and integrated development of Scott Point and for recreation and community enjoyment.

Te Whau Pathway

Design and construction of the boardwalks, bridges and concrete paths between Roberts Field and State Highway 16.

To allow for more efficient pedestrian and cycleway connections, improved accessibility and better safety.

West Wave Aquatic Centre

Comprehensive renewal of the West Wave Aquatic Centre in Henderson. Renew components in the main pool, leisure pool and recreation halls, including heating and ventilation systems, lighting and changing rooms.

To improve the experience of the facility for recreation and community enjoyment.

Te Hono / Avondale Community Centre replacement

Development of an integrated library and community centre hub in Avondale.

To create a vibrant hub for Avondale which integrates community, library and light recreation uses in a flexible, multipurpose development.

Auckland Central Library

Comprehensive interior building refurbishment at Central Library including the renewal of mechanical services, lighting, furniture, fixtures and equipment.

To protect collections and people in the building and make the building more attractive to visitors.

Leys Institute - seismic strengthening and restoration

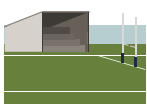
Undertake restoration, modernisation, and seismic upgrading of the Leys Institute in Freemans Bay. This includes upgrades of the library and community centre.

To protect collections and people in the building and make the building more attractive to visitors.

Waikaraka Park

Delivery of critical works at Waikaraka Park in Onehunga. Works include improved track lighting, redesigned track and safety walls, expanded and upgraded pit area, and refurbishment of existing toilet block.

This project will enable the delivery of critical works and the consolidation of the two current four-wheel class speedway venues in Auckland into the Onehunga venue. By November 2025, Waikaraka Park will enable all race classes.

Michaels Avenue Reserve

Renewal and upgrade of the artificial fields at Michaels Avenue Reserve.

To improve sports provision through the increase of playing hours and provide for enhanced protection of the adjacent wetland through the use of sustainable materials.

Nathan Homestead

Seismic retrofit and upgrade to the heritage community facility and café at Nathan Homestead in Manurewa.

To improve the experience of the facility for recreation and community enjoyment. Estimated project completion November 2025.

Opaheke Sports Park

Develop freshwater and wastewater system at Opaheke Sports Park in Papakura.

To improve the use of facilities and sports fields and to prepare for adverse impacts of climate change and weather events.

Library - Collection, Technology, Digital & Mobile renewals and development

Enhance physical, e-collections and digital service offerings at Auckland Libraries to meet growing and changing demand. This includes e-books, e-magazines, databases and self-service solutions.

To better reflect the changing needs of our communities and keep up with growing and changing expectations and demands.

Land Acquisition - Growth & Cemeteries

To identify, acquire and develop new land for cemeteries - this includes burial plots, crematoria, ashes and natural burial options. Including expanding existing cemeteries where possible.

Auckland Council undertakes cemetery land acquisition to meet legal obligations under the Burials and Cremations Act 1964, ensuring there is enough burial and cremation capacity within the Auckland region. The aim is to make sure all communities have fair access to burial and cremation services and to keep up with population growth which is expected to increase demand for burial space.

Animal management increased resourcing

Increased resources for animal management to work more efficiently, safely and enable some improvements and increased capacity at current shelters.

To improve public safety and enable animal management to operate more effectively.

Delivering Differently for community assets

Transition the Parks and Community asset portfolio to a lesser dependence on assets and more innovative ways of delivering council services.

To shift the investment strategy in parks, community facilities and services by prioritising partnerships, leveraging digital channels, and developing multi-use facilities, enabling adaptation to long-term affordability challenges, improving investment flexibility, maximizing the value of existing assets, and reducing climate-related risks and emissions.

Freemans Bay Community Centre

Comprehensive interior and exterior renewal and upgrade in facilities. Works include for new heating and cooling provision, renewed and modernised bathrooms, kitchens, new flooring, curtains and interior painting. Exterior works include a roof renewal.

To create a vibrant hub for Waitemata which will provide for a community centre, venue for hire and leased spaces, enabling flexible uses in a multipurpose development.

Olympic Pools Aquatic Centre



Comprehensive renewal and development upgrade of the Olympic Pool Aquatic centre addressing the required seismic upgrade works, renewal and development of leased spaces within the centre and installation of solar heating.

To improve the experience of the facility for recreation and community enjoyment.

Colin Maiden Park - develop sports infrastructure - stage two



Progress stage two development works that will continue to address the sports infrastructure provision gaps identified within the Ōrākei Local Board area, Colin Maiden Park and adjacent local board areas. Works include for field, lighting and drainage upgrades.

To improve sports provision through the upgrade of sports facilities enabling increased playing hours for community use.

Purchas Hill/Te Tauoma reserve - development of green open space







Development of a green open space at Purchas Hill/Te Tauoma Reserve (Moririn Road, Stonefields) to address open space requirements as part of adjacent housing redevelopment site.

To provide the community an open space to relax and come to together as part of their housing development.

Economic and cultural development



PROJECT	WHAT	WHY
Critical infrastructure Tātaki Auckland Unlimited 	Deliver physical works of critical infrastructure renewals required across all TAU venues.	To ensure assets that require immediate investment to address health and safety risks and issues arising from aging infrastructure are addressed and are maintained in good condition.
Venue Renewals 	Continue maintenance and renewals of our venue portfolio of assets with a focus on de-carbonisation initiatives, including our heritage assets.	To improve the experience of our facilities for cultural, recreation and community enjoyment.
Zoo masterplan progression 	The Future Zoo is a \$130 million ten-year development plan which will transform Auckland Zoo further into a modern zoo with exceptional animal habitats and extraordinary visitor experiences.	To provide the community with a better visitor experience, while also improving education and conservation outcomes.
Auckland Art Gallery Heritage Restoration Project 	Auckland Art Gallery Toi o Tāmaki is replacing the roof of its 135-year-old heritage building, essential work that will help protect the beautiful old building and precious artworks within for future generations.	To protect collections and people in the building and make the building more attractive to visitors.



Well-managed local government

PROJECT	WHAT	WHY
Storm-related property buy-outs 	A co-funded programme between the council and Government of \$1,248 billion forecasted to be spent purchasing an estimated 1,215 residential properties where there is an intolerable risk to life and it is not possible to mitigate this risk.	To support Aucklanders affected by the 2023 extreme weather events to voluntarily relocate from residential housing situations where there is intolerable risk to life from future extreme weather events.
Vehicle renewals and decarbonisation 	Progress towards a reduction in council's corporate fleet emissions to support an overall reduction in corporate emissions by 50 per cent by 2030.	Auckland Council is leading by example and playing its part in delivering a low-emissions, climate -resilient future for Tamaki Makaurau.
Information and communications technology 	Continue investing in fit-for-purpose information technology to deliver better and more efficient services.	To modernise council's operations and improve services for Aucklanders, as well as optimisation for good governance, devolved decision-making, greater effectiveness, efficiencies of scale, and continued agility and adaptability.
Group Shared Services 	Continue acceleration of group shared services and consolidation of enabling service functions to reduce duplication amongst council organisations.	To ensure value for money in spending, with a focus on cost-effectiveness and efficiency.
Port of Auckland - Bledisloe North Wharf 	Cruise ships are changing in size, roll on roll off trade is important to Auckland and our infrastructure is no longer fit for purpose. Building a berth at the northern end of Bledisloe Wharf will accommodate larger cruise and roll on roll off ships.	It will help us meet Auckland's freight needs, support the cruise industry, whilst also providing more access to the waterfront for Aucklanders and reducing ferry disruptions.
Port of Auckland - Fergusson North Wharf 	Fergusson North Wharf development will extend the wharf by filling in the gap between the wharf and the dolphin. It will help us meet Auckland's freight needs as container ships grow in size globally as we need to be able to handle and service these ships.	A wharf extension is required for the port to handle larger freight ships in the future.

SECTION 4

Our finances

**Performance
against financial
strategy**

**Past three financial
years (2022/2023 -
2024/2025)**

**Next three financial
years (2025/2026 -
2027/2028)**

**Compliance and
transparency**

Performance

against financial strategy

Auckland Council's financial strategy seeks to help improve Auckland's physical and financial resilience over the next decade.

This means putting Auckland Council onto a sustainable financial path where we can affordably deliver the basic infrastructure and services expected by Aucklanders to help them live their lives better.

We have made good progress in delivering the first year of this financial strategy in 2024/2025, which has included:

- establishing the Auckland Future Fund (AFF) to provide us with more sources of revenue and reduce our reliance on rates revenue
- exceeding our \$66 million savings target, which increases to \$86 million in 2025/2026
- progressing the financial independence of Watercare, through the government's Local Water Done Well programme. This allows them to deliver an extensive capital investment programme while keeping water affordable for Aucklanders.

The financial strategy also outlines a number of limits on our rates and borrowings, and targets for our investments. This section outlines how the council is tracking against these.

Rates and borrowings

Key funding and financing parameters		Annual report		Forecast
		2022/2023	2023/2024	2024/2025
Rates income (\$million)	Limit	n/a	n/a	n/a
	Actual	2,280	2,523	2,784
Rates increases	Limit	3.5%	3.5%	6.2%
	Actual	5.0%	8.0%	6.8%
Borrowings (group debt to revenue)	Limit	270%	270%	270%
	Actual	253%	239%	250%

Rates

The council sets a long-term policy limit on rates, with the current financial strategy limiting rates increases to 1.5 per cent above Consumer Price Index (CPI) inflation. If rates increases were capped to at, or below, inflation the council would unlikely be able to continue its significant capital investment and increases to service levels across the city.

Recent years have seen COVID-19, droughts, flooding, climate change and economic instability present unprecedented challenges to the council's finances. This has required rates increases moderately higher than our long-term policy limits.

The Long-term Plan 2024-2034 seeks to improve our financial resilience and recognises the need to reset our financial position. It allows for higher rates increases in 2025/2026 and 2026/2027 higher than our long-term policy limits to allow for fairer funding for local boards and City Rail Link operating costs. After this, the long-term plan includes rates increases back in-line with our long-term limits. Note: From 2024/2025 the council changed the limit it sets on rates from the overall average across all ratepayers to the average across existing residential ratepayers.

Debt

We use debt to spread the cost of assets over the generations that will benefit from them. If we did not borrow for this, then Aucklanders would face significantly higher rates increases or the activities and services provided from extra capital investment would be reduced or delayed.

Auckland Council has set a borrowing limit of 270 per cent of revenue. It defines the maximum amount we can safely borrow to support investment in Auckland without placing an unfair burden on future ratepayers and putting our strong credit ratings at risk. A downgrade in our credit ratings would lead to higher interest costs and potentially a reduced ability to access funds for investment when needed. However, to ensure there is sufficient debt headroom to deal with unexpected future events, the current strategy is to keep the projected debt to revenue ratio below 250 per cent.

The financial separation of Watercare is expected to significantly reduce the council's debt to revenue ratio from 2025/2026.

Balanced budget and depreciation funding

Under the Local Government Act 2002, the council is required to ensure our operating revenues (under generally accepted accounting principles) are set at a level that is sufficient to meet operating expenditure for each financial year. We plan to balance our budget under this measure for each year of the long-term plan.

We are also moving towards a policy of fully funding depreciation. Depreciation is a non-cash charge that reflects the reduction in the value of our assets over their useful lives. Because this is a non-cash expense, any revenue raised to cover depreciation generates a cash surplus which is used to fund capital expenditure.

Fully funding depreciation from rates and current revenue would mean that on average we are not relying on borrowing to fund asset replacement expenditure over the long run. This represents a sustainable approach, as it ensures that operating expenditure is covered by operating revenues and borrowing is only used to finance new asset investment that will deliver enduring benefits. Prior to the formation of Auckland Council, the legacy councils only funded 63 per cent of depreciation and our policy is to progressively move to 100 per cent by 2028.

Return on investments

Auckland Council holds substantial investments in Ports of Auckland Limited and Auckland Future Fund. We also hold several other smaller investments including a trusts and reserves portfolio (where money given to the council for a dedicated future purpose is invested temporarily) and a minor shareholding in the Local Government Funding Agency (LGFA).

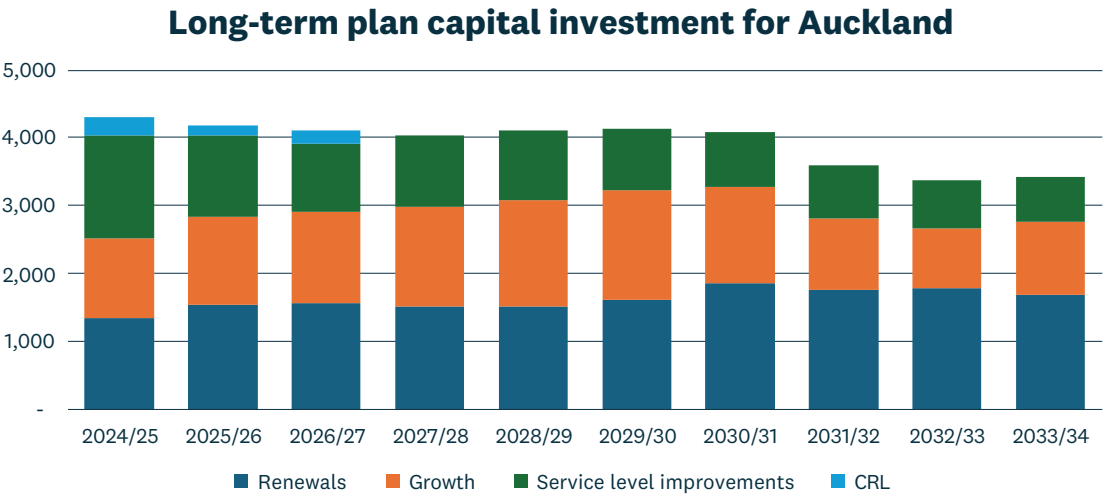
Key funding and financing parameters		Annual report		Forecast
		2022/2023	2023/2024	2024/2025
Return on equity investments in commercial activities	Target	6.0%	3.3%	
	Actual	1.26%	2.74%	
Returns on Auckland Future Fund	Target			7.24%
	Actual			4.37%
Returns on Port of Auckland Limited	Target			\$65m
	Actual			\$80m
Returns on Auckland International Limited	Target			2.4%
	Actual			0.8%
Return on trusts and reserves	Target	5.5%	5.5%	3.4%
	Actual	4.0%	4.0%	4.8%
Return on council's investment in NZLGFA	Target	4.87%	6.85%	7.37%
	Actual	4.87%	6.85%	7.37%

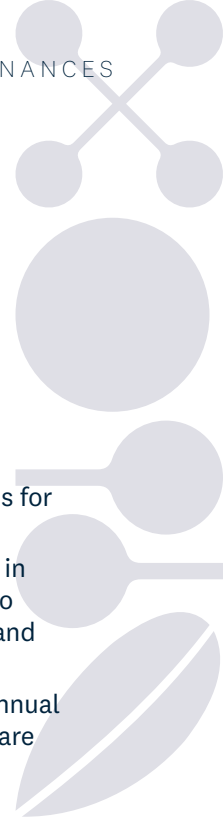
Notes:

- The measure for return on equity investments has been superseded by individual measures each of the council’s investments from 2024/2025 onwards.
- The council’s shareholding in Auckland International Airport Limited has now been fully divested and reinvested into the Auckland Future Fund.

Investment in infrastructure and services

Over the 10-year period 2024-2034 we are committing to a capital investment programme of around \$39.3 billion (including CRL). Investment is substantially focused on our core transport and water networks. We intend to channel our capital expenditure towards completing ongoing projects, addressing maintenance needs, and optimising existing assets.





Summary financial statements

The following pages summarise some key financial information for the Auckland Council group.

This includes the key financial numbers for the council group over the last three years and the projections for the next three years based on the council's Long-term Plan 2024-2034.

This long-term plan provides for continued significant levels of capital investment and notable increases in service levels (for example in public transport). This substantial capital investment is a key contributor to the expansion of our operating cost base, due to the related impact on interest, depreciation, operating and maintenance costs of assets.

Despite this, the council aims to keep a check on essential direct operating costs, targeting an average annual growth rate of 3 per cent. Notably, costs linked to capital investment, such as interest and depreciation, are anticipated to increase by approximately 6 per cent annually.

Our financial forecasts are based on some key assumptions, which include:

- inflation and interest and growth being in line with projections
- the Auckland Future Fund returns are as expected
- government funding for transport investment is secured as assumed
- the CRL operating funding requirement occurring in line with expected
- assumed cost reductions and asset sales targets are met.

The global economy and broader geopolitical landscape continue to pose uncertainty and challenges for New Zealand, with the recent rise in global trade barriers likely dampening the outlook for international economic activity. While overall Consumer Price Index (CPI) inflation has been reducing, this has been uneven across different expenditure classes with increases to energy, utilities and software costs challenging the council's cost projections. However, the Annual Plan 2025/2026 was able to maintain its Long-term Plan (LTP) funding settings and planned investment levels by identifying appropriate budgetary mitigations.

The LTP places the council in a more financially sustainable position. There is no immediate fiscal crisis, but funding remains tight, and choices will continue to be required about what can be delivered and when. We face ongoing pressure to do more—from transport and housing to water and climate resilience—but the funding tools currently available to local government are not sufficient to meet all of Auckland's growing infrastructure needs.

To address this challenge, the council must work closely with central government, iwi, and the private sector to explore and implement new funding and financing mechanisms. These may include co-investment models, value capture tools, development levies, and other innovative approaches that can unlock capital and ensure the sustainable development of Auckland.

Funding Impact Statement

Financial year ending 30 June \$000	Annual Report		Adjusted LTP 24-34	Annual Plan	Long-term Plan 24-34		
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Sources of operating funding:							
General rates, UAGCs, rates penalties	1,972	2,221	2,427	2,631	2,898	3,050	3,192
Targeted rates	311	306	357	406	406	420	438
Subsidies and grants for operating purposes	671	569	551	567	593	614	622
Fees and charges	1,420	1,613	1,787	1,899	2,042	2,195	2,351
Interest and dividends from investments	23	62	62	114	86	88	89
Local authorities fuel tax, fines, infringement fees and other receipts	730	756	624	641	613	665	724
Total operating funding	5,127	5,527	5,808	6,258	6,638	7,031	7,417
Applications of operating funding:							
Payment to staff and suppliers	3,498	3,836	4,111	4,460	4,380	4,516	4,633
Finance costs	531	531	618	673	809	903	991
Other operating funding applications	0	0	0	0	0	0	0
Total applications of operating funding	4,029	4,367	4,729	5,133	5,189	5,419	5,625
Surplus (deficit) of operating funding	1,098	1,161	1,079	1,126	1,450	1,612	1,793
Sources of capital funding:							
Subsidies and grants for capital expenditure	506	696	1,226	950	810	860	837
Development and financial contributions	241	221	230	175	248	217	148
Increase (decrease) in debt	843	640	1,542	1,712	1,578	1,203	1,216
Gross proceeds from sale of assets	46	22	64	223	98	68	49
Lump sum contributions	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	30	30	0	0	0
Total sources of capital funding	1,636	1,579	3,092	3,089	2,734	2,349	2,250
Application of capital funding:							
Capital expenditure:							
- to meet additional demand	615	712	1,100	1,126	1,363	1,474	1,566
- to improve the level of service	829	1,062	1,720	1,545	1,000	1,040	1,033
- to replace existing assets	810	1,100	1,320	1,402	1,553	1,520	1,512
Increase (decrease) in reserves	33	38	90	62	15	7	8
Increase (decrease) in investments	447	(172)	(59)	81	252	(81)	(76)
Total applications of capital funding	2,734	2,740	4,171	4,215	4,183	3,961	4,042
Surplus (deficit) of capital funding	(1,098)	(1,161)	(1,079)	(1,126)	(1,450)	(1,612)	(1,793)
Funding balance	0	0	0	0	0	0	0

Summary Balance Sheet

Financial year ending 30 June \$000	Annual Report		Adjusted LTP 24-34	Annual Plan	Long-term Plan 24-34		
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Assets							
Cash and cash equivalents	84	616	100	100	100	100	100
Receivables and prepayments	774	852	979	957	998	1,057	1,106
Financial assets	2,370	2,064	2,310	2,179	2,364	2,391	2,418
Property, plant and equipment	66,076	67,697	70,721	77,295	83,981	87,927	91,758
Investment property	655	657	681	684	709	723	737
Investments in associates and joint ventures	1,490	1,803	1,915	191	97	64	65
Other	1,504	705	811	774	724	734	819
Total assets	72,953	74,394	77,517	82,181	88,973	92,996	97,003
Liabilities							
Payables and accruals	1,414	1,632	2,161	1,968	2,218	2,322	2,442
Council debt	12,457	12,917	14,102	15,707	17,181	18,384	19,600
Other liabilities	3,531	4,221	3,712	4,045	3,920	3,993	4,403
Total liabilities	17,402	18,770	19,975	21,719	23,319	24,699	26,445
Ratepayer equity	55,551	55,624	57,542	60,462	65,654	68,297	70,558

Basis of preparation

- Financials for 2022/2023 and 2023/2024 are taken from the audited financial statements included in the Auckland Council Group annual reports.
- Financials for 2024/2025 are an estimate based on the Long-term Plan 2024-3034, updated for:
 - A reduced transport capital programme as result of lower-than-expected National Land Transport Programme funding.
 - Additional capital expenditure for a higher number Category 3 property buyouts than expected.
- Financial information for the next financial year (2025/2026) are taken from the adopted Annual Plan 2025/2026.
- Financial information for the three years following election is taken from the Long-term Plan 2024-2034.

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