

OVERVIEW

AUCKLAND COUNCIL

ANNUAL REPORT

2013/2014



He mihi

Tēnā, toko ake mā ngā motu pōteretere o te Waitematā
kia tau atu ō kamo ki Mahurangi tītapu i te raki.
Ka tarapeke ā-whenua tō haere ki ngā tāhuna o Kaipara i te uru,
i mua i tō hokinga ake mā uta ki te Waonui ā-Tiriwa ki reira titiro iho ai
ki ngā tai pōkarekare o te Manukau.
Ka kauhoe koe mā waho i te kūrae o Āwhitu kia ruruku mai anō
i te wahapū o te awa tapu o Waikato tukukiri o ngā tūpuna.
Ka rere tō haere i te tonga mā Te Paina ki Kaiaua i te rāwhiti
kia tau atu koe ki te Moana o Tīkapa ki te pae māhorahora o Hauraki.
Ka hoka tō rere ki te raki, whakatere ai i te Moananui a Toi-te-Huatahi
ka tau ki te taratara tapu o Aotea.
Koinei rā ngā pou here waka, herenga ā-iwi, hereherenga o te tāone tipua nei o Tāmaki,
mūrau a te tini, wenerau a te mano,
makau a te rau tangata kua whakakāinga motuhake nei i a koe.
Nau mai ki Tāmaki Makaurau, kāinga noho āhuru o te ao.

Weave your way through the myriad of floating isles that is the Waitematā,
to gaze upon Mahurangi, a jewel in the north.
Then fly across country to the Kaipara bar in the west,
before returning inland to the Wilderness of Tiriwa where you can look down
upon the surging tides of the Manukau.
Swimming out beyond the Āwhitu headland you may return
by way of the ancestral Waikato River.
Traversing through Te Paina on my southern bounds to Kaiaua in the east
to Tīkapa Moana and the expansive Hauraki basin.
Wend your way northward across the Hauraki Gulf
then rest upon the sacred peak of Aotea.
These are the anchor posts, the ties that bind the people and secure this
super city that is Auckland,
the byword of the multitudes, the envy of thousands
and beloved by the hundreds who have made you home.
Welcome to Auckland, the world's most liveable city.

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Welcome to your annual report

This annual report covers the performance of the Auckland Council Group operations across the council itself, local boards, council-controlled organisations (CCOs), subsidiaries, associates and joint ventures for the period 1 July 2013 to 30 June 2014.

The council represents nearly 1.5 million people stretching from Te Hana in the north to Franklin in the south. We are responsible for collecting rubbish, maintaining and developing parks and reserves, public libraries, swimming pools and recreation centres, and providing services such as building and resource consents, dog registrations and liquor licensing.

A number of important services are delivered through our CCOs which include Auckland Transport (transport services and infrastructure), Auckland Council Property Limited, Auckland Council Investments Limited, Auckland Waterfront Development Agency Limited, Auckland Tourism, Events and Economic Development Limited, Regional Facilities Auckland, and Watercare Services Limited (water and wastewater services).

This annual report describes how the Group has performed over the past year, what we've done well, what needs work, our challenges and where we're heading. This includes our financial position, our non-financial performance and highlights for the year.

Whether you are a resident, ratepayer or investor you will gain a clear picture of how Auckland Council Group is working.

What you will find in each volume

Overview

Highlights from 2013/2014, a summary of financial statements, our performance and our governance

Volume 1 – Themes and groups of activities

Our performance against financial and non-financial targets, and funding impact statements for our 12 themes and 35 groups of activities

Volume 2 – Local boards

Our performance against financial and non-financial targets across eight themes and 13 groups of activities

Volume 3 – Financial statements

Our full financial statements and information on CCOs

For more information go to
aucklandcouncil.govt.nz/annualreport



The big picture

Where do we have the greatest potential to transform Auckland? It's through transport, housing, environment and social outcomes. These are the investment areas that will contribute to making Auckland the world's most liveable city.

Public transport	Our first all-electric trains went into service and we rolled out the AT Hop card across all train, bus and ferry services	
Housing	We set up our Housing Project Office and Special Housing Areas to deliver new housing more efficiently	
Water services	We progressed the \$136 million upgrade of the Māngere wastewater treatment plant to increase capacity and cope with future demand as Auckland grows	
Place-making	We created new shared spaces in the city centre and more advancement projects in The Southern Initiative for young Māori and Pasifika	

Smaller is just as important

The smaller stuff is just as important, because it's often something that connects you with your community and its environment.

Hurstmere Green Rejuvenating this public space in Takapuna won a prestigious accolade at the 2013 Auckland Architecture Awards	
Warehouse School Zoo-fari Students from south Auckland schools are treated to free Auckland Zoo education experiences	
New Lynn night market This weekly street-food market is the first not-for-profit and 'Wash Against Waste' market in Auckland	
Sculpture in the Gardens More than 400,000 visitors came to our biennial exhibition at the Auckland Botanic Gardens	
Bat Fun Day Swanson children learnt about conserving the endangered long-tailed bats in their local park	

Auckland snapshot

We have...

7,277 km of roads

6,879 km of footpaths

3,498 parks and recreational grounds

6,030 km of stormwater pipes

104,718 streetlights

3,524,500 library books

What Auckland Council Group delivered this year...

4,686 new streetlights

12,700 resource consents

99.9% of rubbish collected on time

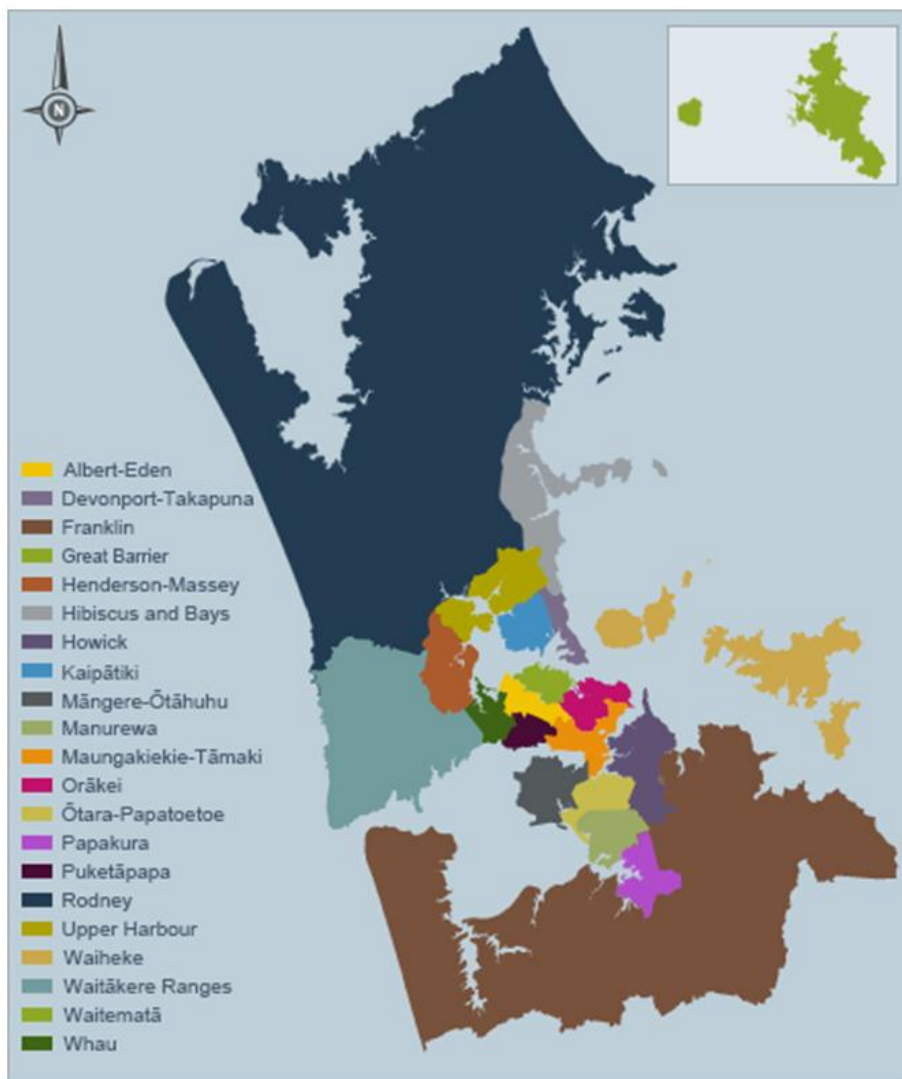
119 billion litres of water to households

138 billion litres of treated wastewater

72 million journeys on public transport

10,000 ha of maintained parks and recreation grounds

In your area



Albert-Eden

We signed off on our greenways plan and advocated for our community on the Waterview Connection.

Devonport-Takapuna

The new library was started and we continued upgrading Victoria Wharf.

Franklin

We developed the Pukekohe Area Plan with its 30-year vision for how the area will grow.

Great Barrier

The re-sealed Okiwi Airfield runway was opened and work began to establish broadband coverage.

Henderson-Massey

We began construction of a new library at Rānui and a multi-use library/community centre at Te Atatu.

Hibiscus and Bays

Reserves in the new Long Bay subdivision were completed and we invested in the Metro Park multi-sport facilities.

Howick

We upgraded sports parks, cycleways and walkways, and beach restoration projects.

Kaipātiki

A new property was acquired for a community facility and we improved Northcote and Birkenhead town centres.

Māngere-Ōtāhuhu

We began building the replacement Ōtāhuhu Library and new swimming pool complex.

Manurewa

We redeveloped Riverton Reserve and upgraded Mountford Park.

Maungakiekie-Tāmaki

The Onehunga Bay foreshore upgrade continued and we started the Glen Innes Music and Art Centre.

Orākei

We upgraded sports fields and completed the Orākei Point to Shore Road walkway.

Ōtara-Papatoetoe

We focused on parks and play spaces and contributed to the Manukau Central upgrade.

Papakura

We partnered with the Hugh Green Foundation to help youth into employment.

Puketāpapa

We completed concept plans for Keith Hay Park and local park upgrades.

Rodney

Warkworth Showgrounds has new facilities and we improved sports facilities, walkways and cycleways.

Upper Harbour

The Sunderland Lounge and HQ Building at Hobsonville Point were acquired for community use.

Waiheke

The new library, Waiheke Pātaka Kōrero, was completed and we improved local sports fields, parks, walkways and cycleways.

Waitākere Ranges

Lopdell House was redeveloped and we improved sports parks, cycleways and walkways.

Waitematā

We improved sports fields and facilities, refurbished Artstation Toi Tū and upgraded the Central Library ground floor.

Whau

We improved local parks and sports fields, walkways and cycleways.

For more information go to
aucklandcouncil.govt.nz/localboards



Message from the mayor

It has been another outstanding year for Auckland. We have just been recognised in the top 10 most liveable cities in the world for the fourth year in a row.

This report shows clearly that Auckland Council is in solid financial shape and we'll be keeping it that way as we develop our next 10-year budget – the Long-term Plan 2015-2025 – due for adoption in June 2015.

But first, I want to look back on the past 12 months and reflect on the significant progress we've made in delivering on our promises to Aucklanders.

I know Aucklanders want progress, especially on affordable housing and transport, but I also know there is no appetite for large increases in borrowings and rates. That's why we've kept our debt levels sustainable and rates low. We've just agreed average rates increases will stay at 2.5 per cent for the 2014/2015 year.

During 2013/2014, the Group invested \$1.6 billion to deliver on a wide range of capital works from new facilities to local and regional infrastructure.

The rollout of our new electric trains is underway with completion due by the middle of next year. Public transport patronage continues to rise. In particular, rail patronage rose 13.9 per cent to 11.4 million trips in the year to June. This is an exciting development and combined with recent reductions found in the cost of the City Rail Link from \$2.86 billion to \$2.4 billion, this makes a 2016 start date for the construction of Auckland's number-one transport priority even more realistic.

We are making strong progress in addressing the Auckland housing shortage, working in partnership with central government to approve 63 Special Housing Areas which will enable the construction of 33,500 homes.

We have seen local community projects come to fruition or near completion across all of Auckland – just one example, Waiheke's fantastic new library - Waiheke Pātaka Kōrero.

Schemes such as the Youth Employment Traction Plan are tackling the challenge of ensuring our young people are in jobs, education or training. More than 100 employers attended the first summit and since then around 200 young Aucklanders have been employed through our Youth Connections initiative.

I want to acknowledge the contribution of our elected representatives and the staff of the wider Auckland Council Group in all that has been achieved.

Len Brown

Mayor

Message from the chief executive

This year's annual report is testament to how the Auckland Council Group continues its transformation to an organisation focused on delivering services with better value for money.

We have worked hard to make savings and get the city's finances into good shape, and Aucklanders can have confidence their council will continue to deliver the services they value while ensuring efficiencies throughout the organisation.

To that point, the Group realised an operating surplus of \$150 million for the period compared with a budgeted deficit of \$38 million. The value of our total assets grew from \$37 billion to \$40 billion and our liabilities continue to be managed prudently.

Our finances are robust and our AA credit rating was recently confirmed. This rating looks at both our current position and the longer term outlook for our finances – including the decisions we will face through the long-term plan review. Our credit rating of AA is only one below the New Zealand Government's rating of AA+.

This year has seen a number of noteworthy achievements.

- The Unitary Plan is progressing well. We received over 9,400 submissions on the proposed plan.
- We signed the Housing Accord with government which allowed us to fast track special housing areas enabling thousands more sections to be developed and thousands more homes to be built.
- We've taken the first steps towards redeveloping downtown Auckland by partnering with the private sector to secure the route for the City Rail Link and prepare for enabling works at far less cost than working in isolation.
- Our libraries are moving with the times, launching e-magazines which offer more than 600 popular magazines free to members.
- Work continues to bring together the 158 existing bylaws made by former councils and create consistent rules across Auckland. Our bylaw review programme will assess each bylaw topic and establish if a bylaw is the best way to address the problem and support the community.

Finally, I would like to acknowledge the commitment of staff who continue to seek improvements and efficiencies while remaining focused on their collective role in helping Auckland become the world's most liveable city while delivering Aucklanders great value for money.

Stephen Town

Chief Executive

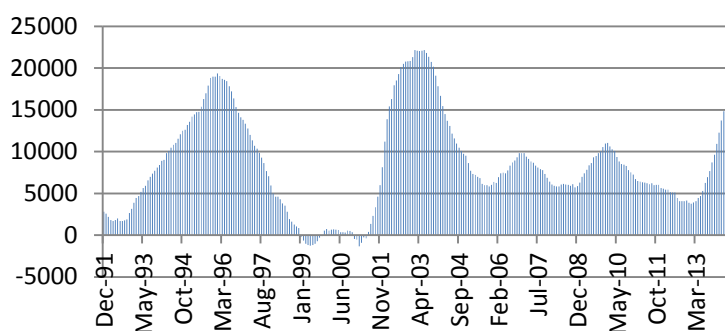
Report from our chief economist

Auckland's economy grew by 2.6 per cent in the year to March 2014 and continues to play a strong part in New Zealand's overall economic performance. House building remained the key contributor to economic and employment growth. Many Auckland households have benefited through a strengthening labour market. Employment and wage growth have brought more people into the labour market, with participation rates at their highest level since December 2008. The net effect, however, is a persistently high unemployment rate of 7.3 per cent, unchanged from a year earlier.

Managing a growing city

Population growth continues as the central challenge for Auckland. Annual net migration surged to 17,779 people in June 2014, the highest since December 2003 and a three-fold increase from a year earlier. This continues to place pressure on housing, infrastructure and services. On the other side of the ledger, migration is helping to ease skilled labour shortages and is a source of economic activity.

Figure 1: Auckland's net migration

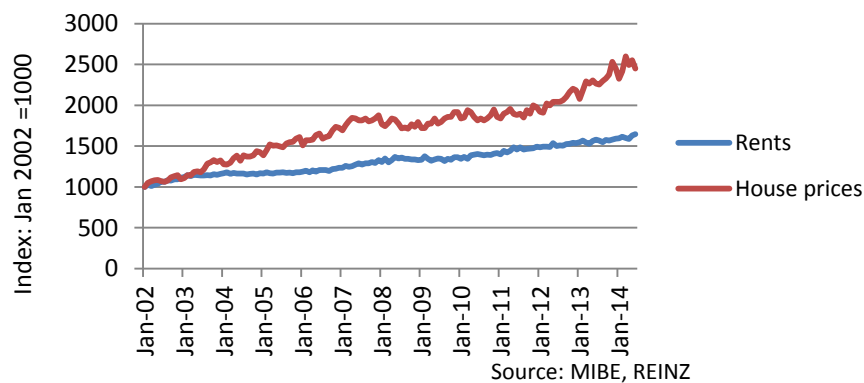


House price growth a risk to competitiveness

House prices remain an important risk to Auckland's economic performance. The continued divergence between house price and rental growth suggests a considerable debt-financed speculative element to the latest run-up in house prices.

Importantly for Auckland, excessive house price growth presents long-term risks for the city's competitiveness. High house prices are an additional cost of moving to the city, compromising the attractiveness of Auckland. In this context, public policies to improve housing affordability and the flexibility of housing supply are particularly important for the economy.

Figure 2: Monthly average weekly rents vs. monthly median house prices



Future prospects – exports, entrepreneurship and infrastructure

With the largest rates of migration growth likely behind us, there is reason to expect unemployment to fall over the year ahead. The construction stimulus looks set to continue and in the context of Auckland's house price growth, this is welcomed. However, housing activity is no panacea for Auckland's economic competitiveness. Continued focus on productivity through innovation and entrepreneurship, together with a stronger export sector and greater investment in infrastructure continue to be the bedrock of Auckland's long-term economic prospects.

Our commitment and obligation to Māori

We are committed to meeting our responsibilities to Māori as articulated in our Māori Responsiveness Framework and supported by Te Waka Angamua, our Māori Strategy and Relations Department. The Auckland Council Group is advised and supported by the Independent Māori Statutory Board (IMSB).

Māori Responsiveness Framework

This provides the Auckland Council Group with a legislative and policy framework for meeting our responsibilities under Te Tiriti o Waitangi/the Treaty of Waitangi and other statutory obligations. The framework is an integral part of our decision-making processes, policy thinking, capability building and provision of services.

Activities in 2013/2014

We focused on three key areas:

- an empowered organisation
- strong Māori communities
- effective Māori participation in democracy.

An empowered organisation

Te Waka Angamua supported the development of four pilot Māori Responsiveness Plans in 2013/2014. The process provided valuable lessons around the type and level of resourcing required to accelerate plan development across council.

Our Ngā Kete Akoranga Māori learning and development programme continued to build the capacity of elected members, CCO board members and staff, and council staff to respond to Māori. This included the development and successful pilot of Te Kai a Te Rangatira, a 12-week Te reo Māori e-learning programme attended by approximately 900 staff. Libraries, Parks and Leisure, Customer Support and the Research, Investigations and Monitoring Unit tailored sessions for their teams. There were also leadership forums and one-on-one mentoring for elected representatives.

Recruitment, leadership and organisational development programmes were developed to support council as a good employer for Māori. This included the career pathways and senior leaders' projects, and the Māori Employment in Auckland Council project developed in conjunction with the IMSB. We also reviewed our induction programme.

We now have an overarching Te reo Māori framework in place based on guidelines from the Tāmaki Collective. The guidelines provide a baseline for signage, translation and naming. Initial discussions have been held with mana whenua on draft policy guidance on road naming.

Strong Māori communities

An indicative \$7 million budget was included in the Annual Plan 2013/2014 to fund Māori-specific and generic projects and programmes provided by the Auckland Council Group, including CCOs.

Priority project areas were identified and these are included in the performance commentary in Volume 1 of the annual report. We have developed systems to improve our capture, tracking and reporting of financial and non-financial contributions to Māori outcomes. Māori responsiveness direction is included in CCO shareholders' Letter of Expectation and Statements of Intent.

The IMSB commissioned an independent assessment of our expenditure in achieving Māori outcomes and recommended improvements to our planning, budgeting and reporting processes. These will be addressed through the Long-term Plan 2015-2025 process. The chief executive will lead a Māori responsiveness leadership team across the Auckland Council Group to ensure progress.

Effective Māori participation in democracy

We enable Māori contribution to decision-making through our governance activities, including formal and informal arrangements. We are partnering with mana whenua organisations to establish co-governance/management arrangements for a variety of sites. We now have a co-governance arrangement with the Tāmaki Collective for 14 maunga/volcanic cones and a new maunga authority. Other co-governance arrangements have been established for Whenua Rangatira, Hamlin's Hill/Mutukuroa Regional Park and Parakai Reserve.

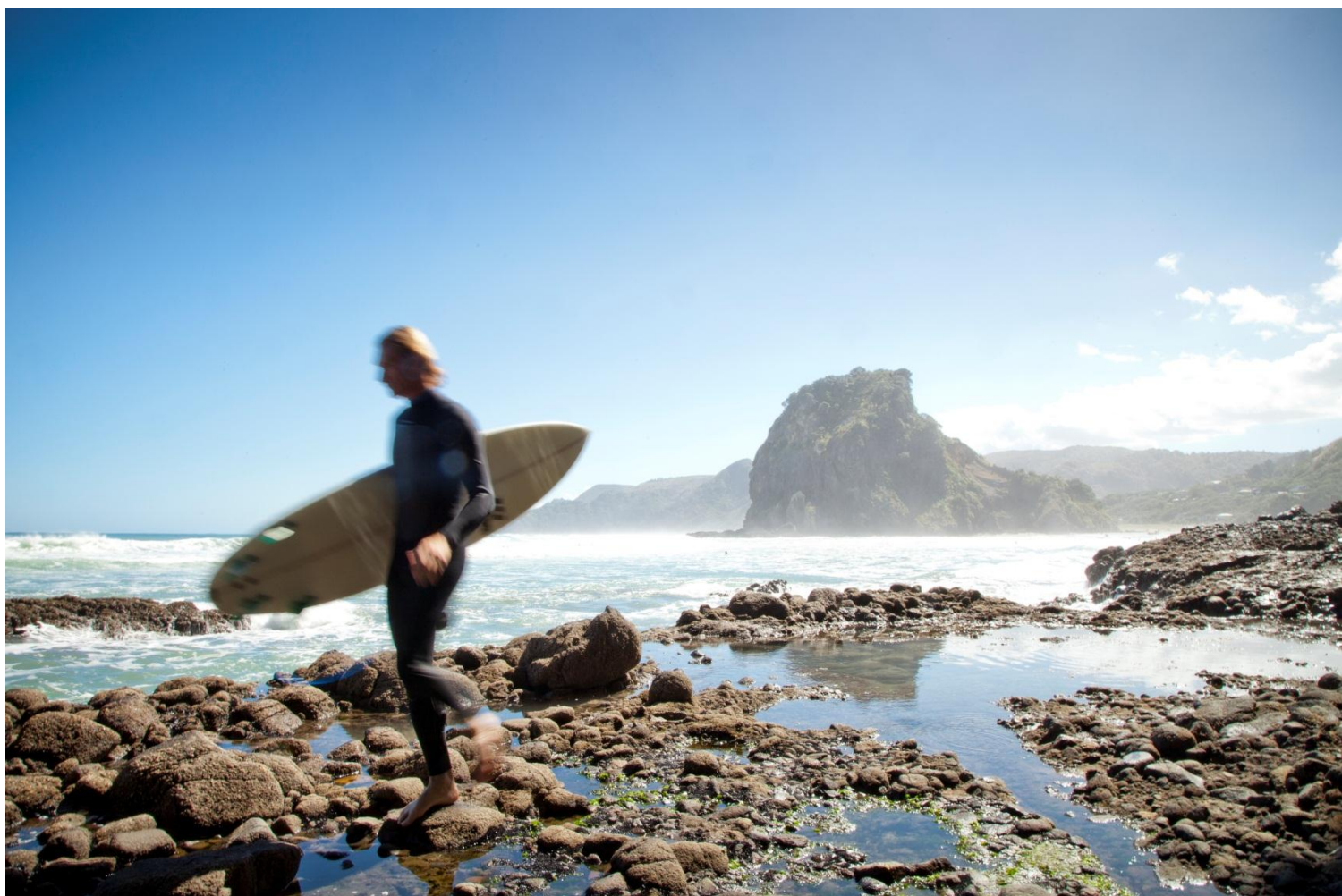
Mana whenua continue to discuss the potential for a regional collective to engage with council and other agencies.

The framework was considered in the development of our core plans and strategies including the long-term plan, draft local board plans, annual plans and reports. For example, Sea Change–Tai Timu Tai Pari (the Hauraki Gulf Marine Spatial Plan) provides for mana whenua partnership and involvement at all levels, including representation on project governance structures. A marine spatial plan for Kaipara Harbour is also being developed in partnership with the mana whenua-initiated Integrated Kaipara Harbour Management Group.

Capacity contracts, supported by a standard service contract, were signed with all 19 iwi to enable mana whenua contribution to our decision-making processes. Guidance for engaging with Māori assisted the Auckland Council Group to adequately plan for and support key engagement processes. Supporting processes are in place to embed the guidelines in practice.

Māori satisfaction with our decision-making processes has been below target for the past two years. In 2014, we commissioned research involving mana whenua organisations and Māori residents and ratepayers to better understand the barriers to participation and how to make council processes more accessible to Māori. The findings will inform the development of specific initiatives in 2015/2016.

Financial summary



The following pages provide a summary of financial performance for the Auckland Council Group for the year 1 July 2013 to 30 June 2014. The Group results include Auckland Council, its subsidiaries, CCOs, associates and jointly-controlled entities.

The council Group had sound financial performance over the year.

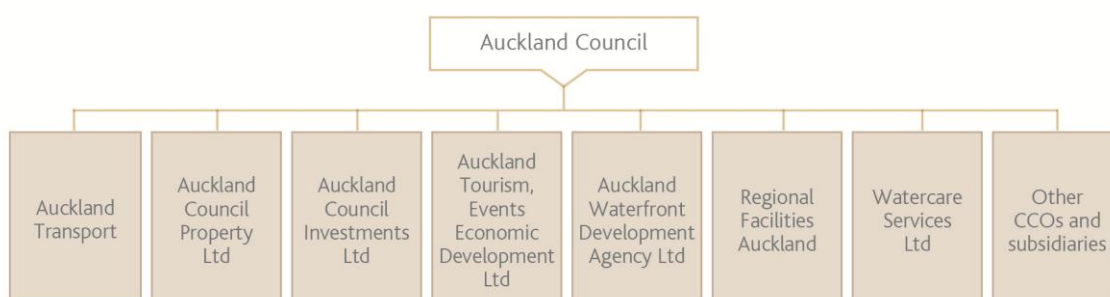
Revenue of \$3,267 million was ahead of the budgeted \$3,104 million. Rates revenue was in line with budget. Other revenues generated \$163 million more than expected from improved economic activity in the region. Fees from consents, development contributions, port operations and vested assets each contributed to the gain.

Across the Group, expenses were held to a level slightly below the budget – \$2,761 million versus \$2,775 million. Labour and depreciation increases were more than offset by savings elsewhere. Increased commercial and regulatory activity contributed to the increased labour costs. The increased depreciation reflects the level and mix of capital expenditure.

The Group's operations generated \$823 million of cash flow, \$208 million more than budgeted. The capital repayment from Auckland International Airport Ltd was the most significant item. The strong operating cash flow was applied towards the funding of a record capital expenditure programme of \$1,556 million. Funding the programme required raising debt of \$588 million. This took the Group debt to \$6,345 million at 30 June 2014. At the same date, the Group held cash reserves of \$206 million, resulting in a net debt position of \$6,139 million.

In addition to the capital programme, the Group's assets increased by \$1.9 billion through asset revaluations. At the end of June 2014, ratepayers' equity in the Group stood at \$31.1 billion.

The full financial statements are contained in Volume 3 of the annual report.



Key financial facts 2013/2014

\$1.6B

Capital expenditure

\$3.3B

Total revenue earned

\$150M

Operating surplus

\$40B

Assets owned by ratepayers

\$6.3B

Total debt

\$588M

New debt

Major capital projects in 2013/2014

\$190M

Road and footpath renewals

\$243M

Water and wastewater
management and upgrades

\$156M

New electric trains/depot

\$172M

Local and regional parks

\$103M

Auckland Manukau Eastern
Transport Initiative (AMETI)

\$64M

Auckland City Rail Link

\$57M

Stormwater and flood protection

\$20M

Wynyard Quarter development

\$62M

Regional road construction

\$57M

Hunua No 4 water supply

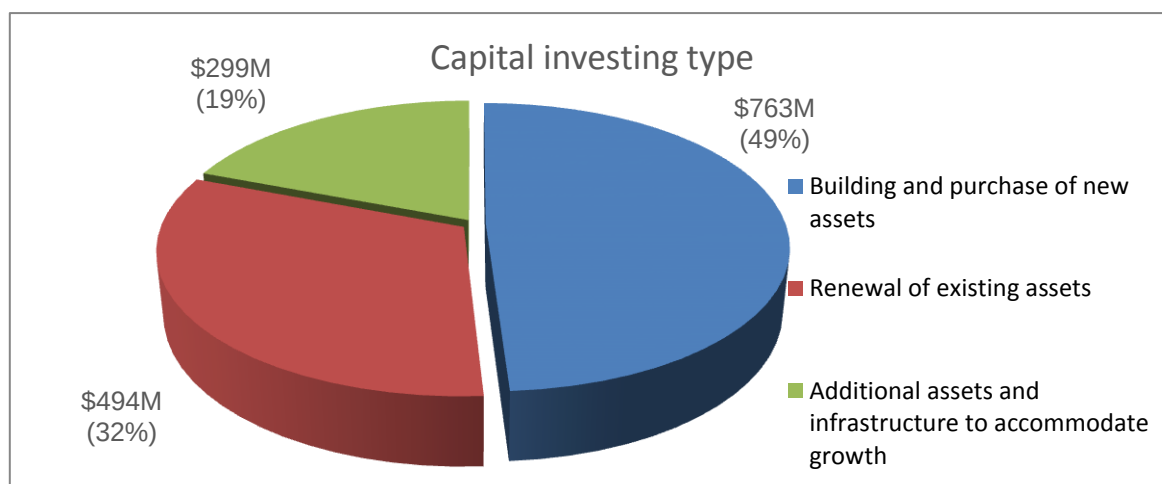
How we pay for this investment

Maintaining Auckland's high standard of living and aiming to become the world's most liveable city requires significant capital investment.

Funding for our capital investment programme comes from three main areas.

Investment type	Funded by
Building and purchase of new assets	Borrowing
Renewal of existing assets	Rates revenue
Additional assets and infrastructure to accommodate growth	Development contributions

The chart below shows our spending by investment type this year.



The Group uses borrowings to fund the purchase or construction of new long-life assets so that we can spread the cost over time. Without the ability to use debt in this way, we would need to choose between significantly higher rates or a significant reduction in investment in this area. We do not fund investment in long-life assets through rates revenue, as it would unfairly burden current ratepayers relative to future ratepayers.

This year the Group invested \$1.6 billion in public transport, roads, footpaths, regional and local parks, water supply and wastewater treatment. This investment was funded from new borrowings (\$588 million); use of cash reserves (\$131 million); operations, including rates, capital grants, development contributions and vested assets (\$823 million) and asset sales (\$17 million).

The Group manages its borrowings under the liability management policy and the revenue and financing policy which are set out in the long-term plan. Three key risks around the Group's borrowings are interest rates, liquidity, and funding and refinancing. Interest rate risk is the risk that net interest expense (due to adverse movements in market interest rates) materially underperforms the projections in council's plans, negatively affecting the council's financial performance and position. Interest rate risk is managed by matching the interest rate profile of

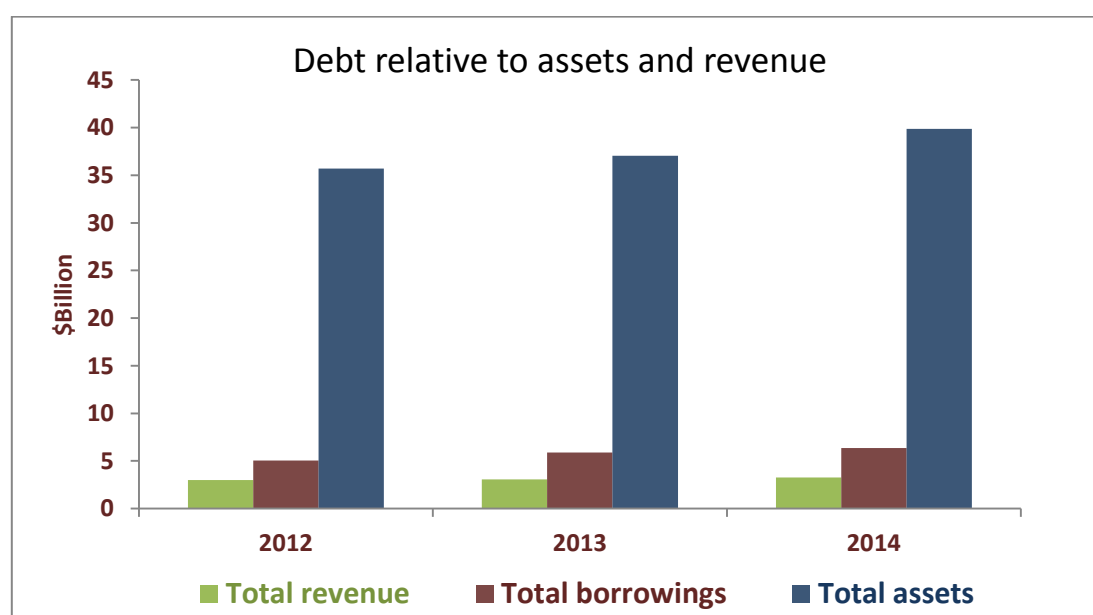
financial assets and liabilities, through fixed rate borrowing and using interest rate hedging instruments.

Liquidity risk is the risk that council will not be able to meet its short- and long-term commitments when due. Liquidity risk is managed by spreading borrowings over a range of maturities and maintaining adequate liquid assets and bank standby facilities. Interest rate risk and liquidity risk are explained more fully in the financial risk management note to the Group's financial statements.

Funding and refinancing risk is the risk council will not be able to take on new borrowings or refinance existing borrowings when required. The Group manages funding and refinancing risks through borrowing from a range of domestic and international lenders. This enables the Group to spread its funding sources, borrow for longer periods to better match the life of its assets, and to choose markets delivering the most competitive rates. The three main borrowing sources are New Zealand investors, the Local Government Funding Agency (an organisation jointly owned by most local authorities in New Zealand and the Crown to borrow on behalf of the sector) and offshore markets. The Group eliminates all foreign currency risks on offshore borrowings by entering into derivative contracts with approved counterparties.

The Group's debt level is currently \$6.3 billion and the current annual interest cost is \$348 million. This remains prudent relative to the Group's annual income of \$3.3 billion and total assets of \$40 billion (see graph below). In addition, at balance date we carried \$206 million of cash and cash equivalents meaning we had a net debt of \$6.1 billion. Auckland Council's high credit ratings of AA by Standard & Poor's and Aa2 by Moody's confirm our strong debt servicing capability. These ratings are among the highest in New Zealand and are higher than many banks in Australasia.

To ensure debt levels continue to remain prudent and sustainable, the Group established debt affordability limits as indicators of its ability to meet its borrowing costs from its revenue sources. The Group has met all its limits this year and will continue to closely monitor its debt servicing capabilities. Further details on the results of the benchmarks are reported in Section 2 of Volume 3 of the annual report.



Did you know?

\$26M

The amount Auckland Council received this year for investing \$311 million in investment funds on Auckland ratepayers' behalf. This is used to reduce general rates collected from ratepayers.

5.6%

The Group's average interest rate on debt at 30 June 2014.

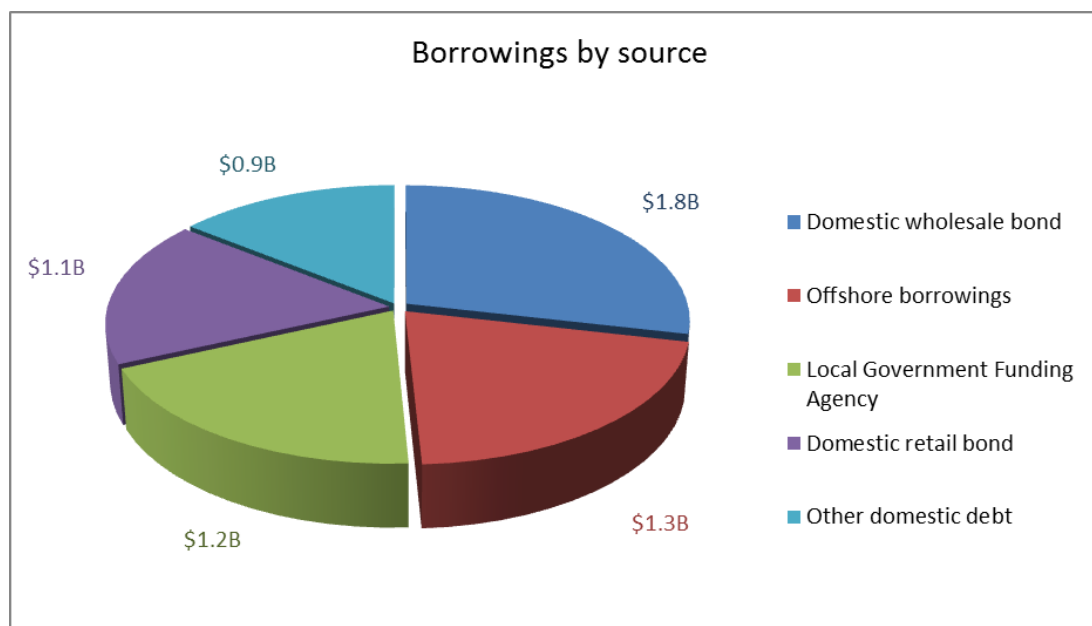
AA/Aa2

Auckland Council has one of the highest Standard and Poor's/Moody's credit ratings in New Zealand.

3

Stock exchanges list Auckland Council's bonds – New Zealand, Singapore and Switzerland.

Group borrowings



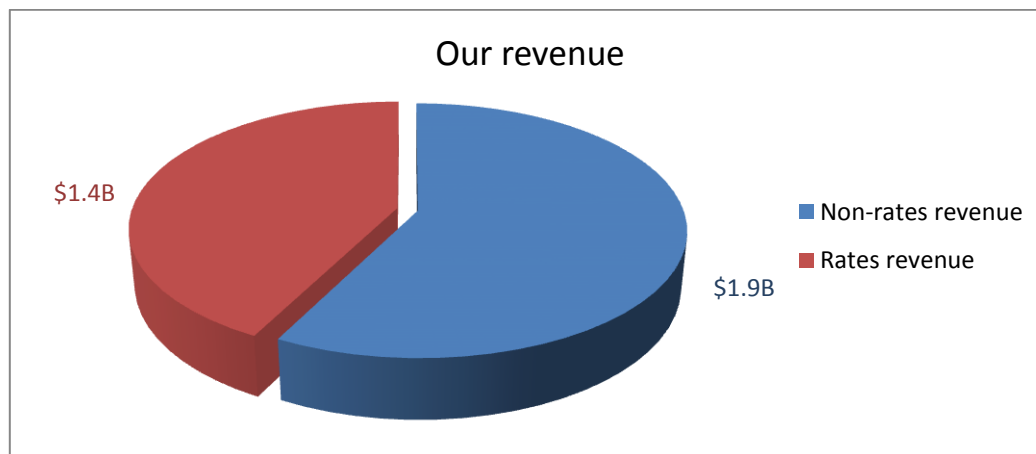
Borrowings by currency

Currency	NZ\$B
New Zealand Dollars	5.0
Australian Dollars	0.2
Swiss Francs	0.5
Euro	0.3
Norwegian Kroner	0.3
Total	6.3

Note: foreign debt is fully hedged against foreign currency fluctuations.

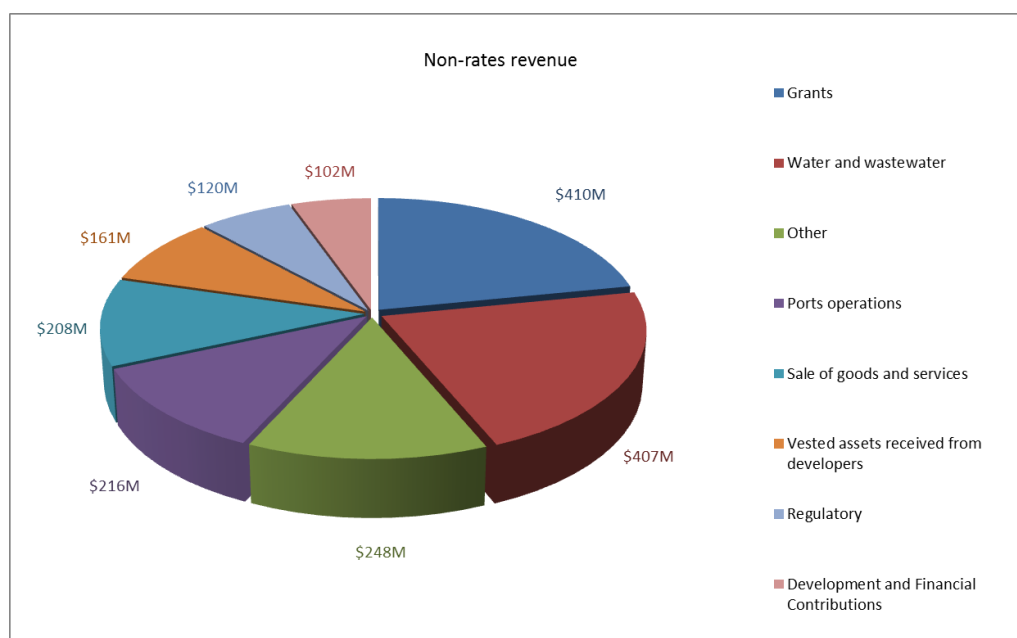
Revenue at a glance

The Group's largest single source of revenue is rates, representing 42 per cent of total revenue. In the past year rates revenue was \$1.4 billion. This rates revenue includes general rates and targeted rates less any remissions or discounts.



Non-rates revenue

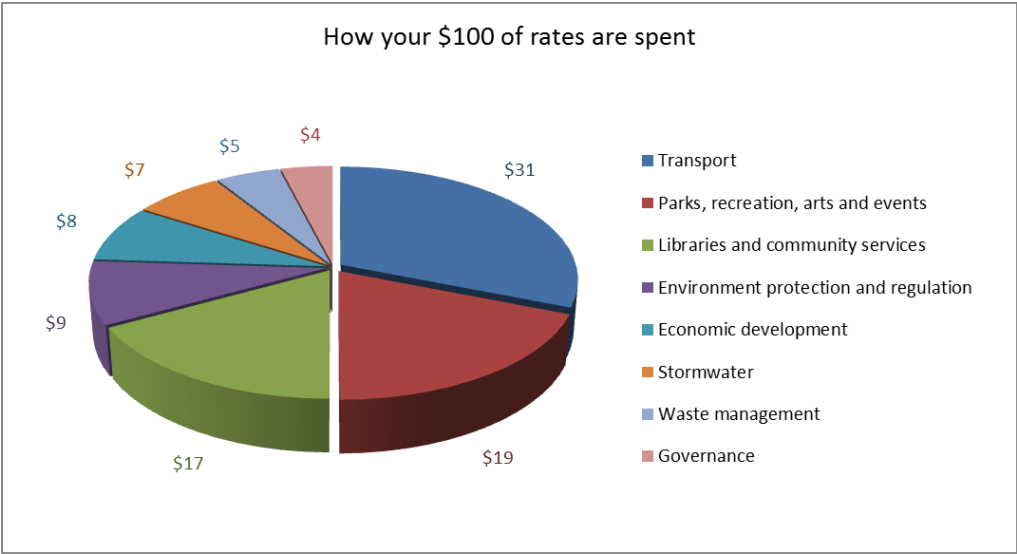
In addition to rates, the Group also has many different types of revenue streams, the largest being grants and revenue from water and wastewater services. Others include revenue from port operations, sale of goods and services, vested assets received from developers, regulatory revenue, development and financial contributions, and other revenues. See the graph below for non-rates revenue for the year.



How your \$100 of rates is spent

We use revenue from rates to pay for things that make Auckland such a great place to live – public transport, events, parks and other community facilities. We continue to invest more than ever before in your communities, delivering more facilities and infrastructure for Aucklanders.

Each \$100 of rates funding is applied to specific areas. The largest portion goes to transport, followed by lifestyle and culture, which includes funding for events, parks and recreation and arts services.



Group financial information at a glance

The summary financial statements presented on the following pages are the results for the Auckland Council and Group. The Group results include Auckland Council, its subsidiaries, CCOs, associates and jointly-controlled entities.

Auckland Council has designated itself and the Group as public benefit entities for the purposes of the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

These summary financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Principles, NZ IFRS and other applicable financial reporting standards, as appropriate for public benefit entities, as they apply to summary financial statements. This includes full compliance with Financial Reporting Standard 43: Summary financial statements.

The information presented is in New Zealand dollars and all values are rounded to the nearest million dollars (\$million) unless otherwise stated. The functional currency is New Zealand dollars.

You can find full details of the Group's accounting policies in Section 1 of Volume 3 of the annual report. With the exception to the change in accounting policy for land and buildings asset classes mentioned below, there have been no other changes in accounting policies.

Change in accounting policy

During the year, the Group combined land and buildings into one class of assets in both restricted and operational asset groups. This change reflects that land and buildings are managed as a single unit.

As a result of this, the comparatives for 30 June 2013 have been restated. In the prior year, a loss of \$412 million for the Group's parks and reserves class was recognised in surplus or deficit, and an \$11 million gain for the restricted assets building class was recognised in other comprehensive income. Due to the combining of land and buildings into a single class, this gain has now been offset against the loss. The impact of this has increased the 30 June 2013 surplus after tax for the group from \$246 million to \$257 million. There has been no impact on total comprehensive income or total ratepayer equity as a result of the restatement.

There have been no other changes to the Group's accounting policies this year.

Summary statement of comprehensive income

For the year ended 30 June 2014

\$million	Group			Council		
	Actual 2014	Budget 2014	Actual 2013	Actual 2014	Budget 2014	Actual 2013
Revenue						
Rates	1,395	1,395	1,337	1,406	1,406	1,346
Fees and user charges	989	977	952	202	192	195
Other	883	732	773	449	280	350
Total revenue	3,267	3,104	3,062	2,057	1,878	1,891
Expenses						
Employee benefits	730	680	693	462	445	454
Depreciation and amortisation	737	696	681	202	196	197
Other	1,294	1,399	1,297	989	1,070	1,052
Total expenses before finance expense	2,761	2,775	2,671	1,653	1,711	1,703
Net finance expense	356	367	327	230	232	197
Operating surplus/(deficit)	150	(38)	64	174	(65)	(9)
Assets vested by the Crown	-	-	385	-	-	-
Net other gains/(losses)	483	-	(219)	480	-	(294)
Share of surplus/(deficit) in associates and jointly-controlled entities	53	37	41	2	-	(1)
Surplus/(deficit) before income tax	686	(1)	271	656	(65)	(304)
Income tax expense	10	12	14	-	-	-
Surplus/(deficit) after income tax	676	(13)	257	656	(65)	(304)
Surplus/(deficit) after income tax is attributable to Ratepayers of Auckland	676	(13)	257	656	(65)	(304)
Other comprehensive income						
Net gain on revaluation of property, plant and equipment	1,481	362	241	566	94	1
Tax on revaluation of property, plant and equipment	(3)	-	(73)	-	-	-
Movement in cash flow hedge reserve	(6)	-	22	15	-	15
Tax on cash flow hedges	(1)	-	(2)	-	-	-
Share of associates' and jointly controlled entities' reserves	168	-	(3)	-	-	-
Net unrealised gain on revaluation of financial assets classified as available for sale	2	-	7	-	-	-
Realised losses on revaluation of financial assets classified as held for sale recycled through surplus/(deficit)	-	-	(4)	-	-	(3)
Total other comprehensive income	1,641	362	188	581	94	13
Total comprehensive income	2,317	349	445	1,237	29	(291)
Total comprehensive income is attributable to Ratepayers of Auckland	2,317	349	445	1,237	29	(291)

Summary statement of financial position

As at 30 June 2014

\$million	Group			Council		
	Actual 2014	Budget 2014	Actual 2013	Actual 2014	Budget 2014	Actual 2013
Total current assets	898	923	1,004	843	815	860
Non-current assets						
Property, plant and equipment	36,906	36,588	34,212	11,074	10,709	9,866
Investment in subsidiaries	-	-	-	20,542	20,656	20,234
Investment in associates and jointly-controlled entities	846	724	753	5	-	3
Other assets and investments	1,224	959	1,086	1,831	1,658	1,316
Total non-current assets	38,976	38,271	36,051	33,452	33,023	31,419
Total assets	39,874	39,194	37,055	34,295	33,838	32,279
Current liabilities						
Current borrowings	1,175	635	1,290	890	818	928
Other current liabilities	817	728	727	640	534	540
Total current liabilities	1,992	1,363	2,017	1,530	1,352	1,468
Non-current liabilities						
Non-current borrowings	5,170	6,080	4,594	4,549	4,955	3,774
Other non-current liabilities	1,567	1,751	1,616	513	613	571
Total non-current liabilities	6,737	7,831	6,210	5,062	5,568	4,345
Net assets	31,145	30,000	28,828	27,703	26,918	26,466
Ratepayer equity	31,145	29,999	28,828	27,703	26,918	26,466
Non-controlling interest	-	1	-	-	-	-
Total equity	31,145	30,000	28,828	27,703	26,918	26,466

Summary statement of changes in equity

For the year ended 30 June 2014

	Group		Council			
\$million	Actual 2014	Budget 2014	Actual 2013	Actual 2014	Budget 2014	Actual 2013
Opening ratepayer equity	28,828	29,650	28,262	26,466	26,889	26,603
Total comprehensive income	2,317	349	445	1,237	29	(291)
Transfer to/(from) reserves	-	-	121	-	-	154
Ratepayer equity as at 30 June 2014	31,145	29,999	28,828	27,703	26,918	26,466
Components of equity						
Contributed equity	26,734	26,354	26,734	26,569	26,150	26,569
Accumulated funds	586	61	(47)	228	(312)	(419)
Reserves	3,825	3,584	2,141	906	1,080	316
Total ratepayer equity	31,145	29,999	28,828	27,703	26,918	26,466
Non-controlling interest	-	1	-	-	-	-
Total equity	31,145	30,000	28,828	27,703	26,918	26,466

Summary cash flow statement

For the year ended 30 June 2014

	Group		Council			
\$million	Actual 2014	Budget 2014	Actual 2013	Actual 2014	Budget 2014	Actual 2013
Net cash inflow from operating activities	823	615	572	229	59	143
Net cash outflow from investing activities	(1,540)	(1,544)	(1,302)	(1,232)	(1,223)	(869)
Net cash inflow from financing activities	586	923	851	863	1,161	840
Net (decrease)/increase in cash and cash	(131)	(6)	121	(140)	(3)	114
Closing cash and cash equivalents and bank	202	213	333	157	235	297

Risk management

The Auckland Council Group delivers infrastructure services fundamental to a well-functioning city. Underpinning this is a requirement to deliver them in a safe and reliable manner. In addition to infrastructure assets, the council owns other assets used for delivery of public services. As the owner of a large asset portfolio, the council undertakes a large programme of capital works each year. Meeting all these requirements inherently carries uncertainty and risk.

Effective management of uncertainty and risk is essential to the council fulfilling its statutory obligations. The council's risk management practices contribute to the vision of being the world's most liveable city.

Auckland Council manages its risks through an Enterprise Risk Management (ERM) framework and policy to proactively identify, assess and manage risks (as per the Australian New Zealand International Standard, AS/NZ ISO31000:2009).

The governing body constituted an Audit and Risk Committee for Auckland Council to have oversight of the council's risk management. The committee consist of six councillors and up to two external independent appointees. At an operational level, the council's risk management team reports through people and capability. CCOs review and manage risk through their boards and appropriate committees.

A balanced insurance programme forms part of the risk management strategy. Insurable risks are reviewed annually across the Group to ensure suitability of levels and parameters of cover. Under current policy, the majority of water, wastewater, stormwater and road infrastructure networks are uninsured.

See Section 2 of Volume 3 of the annual report for a more detailed disclosure of the Group's insurance policy.

Non-financial performance – themes and groups of activities

The tables below summarise our performance across our 12 themes and 35 groups of activities for 2013/2014. Full commentary on our performance by group of activity, including significant achievements and funding impact statements, can be found in Volume 1: Themes and groups of activities in the full annual report.

Community

Groups of activities	Performance measures achieved	Performance highlights
Regional library services		
Library management, exhibitions, programmes and events, and ongoing development of the heritage collection	4 out of 6	Increased use of self-service, improved customer access to information with free Wi-Fi in all 55 libraries, and eBook use rose from 1 to 8 per cent of total issues
Local library services		
Local boards oversee the expenditure of local library capital and operational budgets in their areas	2 out of 3	Opened the new Wellsford Library and completed Waiheke's new library, and saw significant efficiencies through the Resourcing Community Libraries Project
Regional community services		
Regional funding and grants, and programmes, advice and information services. Policies on alcohol control, commercial sex, gambling venues, and community safety	8 out of 11	Good volunteer rates for community patrolling and more than 3,500 applications for Retrofit Your Home financial assistance
Local community services		
Support for community-based projects, including funding and facilities. Safety programmes	3 out of 6	We saw increased satisfaction with the community grant funding process, mainly due to our new online funding application system (Smartygrants)
Emergency management		
Civil defence and rural fire services	1 out of 6	The emergency management room was successfully activated 12 times to prepare for impending natural events. We were unable to collect data in time for publication for three of the measures

Cemeteries and crematoria		
Cemeteries, crematoria, memorial gardens and records	1 out of 3	We nearly completed the western block area at Manukau Memorial Gardens which will extend capacity for another 30 years

Lifestyle and culture

Groups of activities	Performance measures achieved	Performance highlights
Regional arts, culture and events services		
Regional programmes including art in public places, festivals, events and facilities	6 out of 8	Attendee satisfaction with regional events increased for the fourth year and attendance is slightly up on last year
Local arts, culture and events services		
Supporting local art facilities, delivering programmes and grants	8 out of 9	Satisfaction increased for visits to arts facilities and community arts programmes, and attendees of council-provided events
Regional events facilities		
Stadium and event facilities	4 out of 4	The total number of event days at RFA facilities and therefore attendance of regional events at RFA facilities increased significantly this year
Regional parks services		
Parks acquisition and management, and co-governance of maunga/volcanic cones with mana whenua	6 out of 13	We opened Waitawa Regional Park and had over 400,000 visitors to Sculpture in the Gardens at the Auckland Botanic Gardens
Local parks services		
Developing and maintaining a local parks network to cater for community needs	1 out of 5	There was an improvement in the percentage of residents satisfied with the quality of parks, reserves, sports fields and beaches
Regional recreation services		
Policies, facilities and initiatives with a particular focus on children, young people and Māori	1 out of 1	We launched our Sport and Recreation Strategic Action Plan and with partners delivered over 500,000 learn-to-swim lessons
Local recreation services		
Promoting local participation in recreation and sport	2 out of 4	We saw growth in early childhood education, and completed the design phases for Ōtāhuhu Pool and Albany Stadium Pool
Regional collections and amenities		
Managing our cultural and collection institutions	7 out of 10	There were high visitor satisfaction rates across museums, the art gallery and zoo

Economic development

Groups of activities	Performance measures achieved	Performance highlights
Regional economic strategy		
Developing Auckland as business-friendly, transformational projects, fostering entrepreneurship and upskilling our workforce	2 out of 6	Introduced a new integrated consenting process to accelerate infrastructure and housing projects, and formed the Auckland Infrastructure and Procurement Forum
Local economic development		
Building economic resilience, Business Improvement District Partnership Programmes, and creating safe, vibrant town centres	2 out of 4	We saw an increase in resident satisfaction with the quality and maintenance of street environment, and better delivery of street environment upgrades to time and budget
Tourism, major events and industry development		
Attracting tourists, business and major events to Auckland	9 out of 11	High satisfaction with major events, visitor information centres and business advice, start-up and mentoring programmes, and an increase in the return on regional investment from major events we invested in
Waterfront development		
Transforming the city centre's sea-edge with commercial and public facilities and marina operations	3 out of 5	A significant increase in the number of annual visitors to the waterfront, supported by major milestones including agreements for commercial development of Wynyard Central and for an international 5-star hotel

Planning

Groups of activities	Performance measures achieved	Performance highlights
Planning		
Planning to create better and more sustainable living, working and recreation environments	6 out of 7	Developed a number of core strategies, including the Children and Young People's Plan, Smokefree Policy, Low Carbon Auckland Plan, and Parks and Open Space Strategic Action Plan

Built and natural environment

Groups of activities	Performance measures achieved	Performance highlights
Environment and heritage protection		
Protecting and enhancing our natural environment including urban design and heritage	15 out of 19	Delivered significant programmes such as Learning through Experience and EnviroSchools, and launched the Auckland Design Manual, an online platform for best practice design

Local built and natural environment		
Preserving our environments through restoration activities, planting and management of heritage sites	1 out of 2	Delivered 85 local board-funded projects to restore native ecosystems, improve water quality and address pollution issues
Regulation		
Building and resource consents, land and property information, environmental health and licensing, animal management, marine safety, and weathertightness services	10 out of 23	Improved or maintained standards for processing building and resource consents within statutory timeframes, despite increased volumes

Solid waste

Groups of activities	Performance measures achieved	Performance highlights
Waste and recycling services		
Collection and disposal services, kerbside recycling, and community advice and education	3 of 4	Maintained high standards for waste and recycling collections on time and launched our Waste Management Minimisation Plan

Water supply and wastewater treatment and disposal

Groups of activities	Performance measures achieved	Performance highlights
Water supply		
Supplying Auckland's daily water needs and future water networks	9 out of 11	Maintained high standards across the range of measures for water quality
Wastewater treatment and disposal		
Wastewater treatment and disposal and planning future networks	4 out of 4	Maintained high standards across all measures and progressed significant projects to maintain or improve the health of the environment

Stormwater and flood protection

Groups of activities	Performance measures achieved	Performance highlights
Stormwater management		
Network management and planning to minimise the negative effects of stormwater	6 out of 7	We improved customer responsiveness and developed a regional prioritised works programme tool
Flood protection and control		
Minimising flooding and improving our stormwater infrastructure	1 out of 2	Completed major modelling projects for prioritised catchments to identify areas at risk from flooding

Transport

Groups of activities	Performance measures achieved	Performance highlights
Public transport and travel demand management		
Rail, ferry and bus services, travel demand management, and multi-modal hubs giving priority to walking, cycling and public transport	3 out of 11	We saw significant improvement in public transport patronage figures and improved on the number of morning peak car trips avoided as a result of travel planning initiatives
Roads and footpaths		
Roads and footpaths across Auckland	1 out of 6	Customer satisfaction with roads and footpaths improved significantly, and travel times along strategic freight routes are nearly all on target
Parking and enforcement		
On-street and off-street parking	2 out of 2	We saw improvements in both on- and off-street parking occupancy rates

Commercial and investment

Groups of activities	Performance measures achieved	Performance highlights
Commercial		
Maximising financial returns from our commercial interests	4 out of 4	Achieved all measures and saw an improvement in the return on investment on commercial properties
Investment		
Managing our investments, including Ports of Auckland Limited, Auckland International Airport Limited and Auckland Film Studios Limited	2 out of 2	Significant investment performance for the year with an increased return on equity for Auckland Council Investments Limited (now 26 per cent)

Governance

Groups of activities	Performance measures achieved	Performance highlights
Governance and democracy		
Elections, support for the mayoral office, monitoring CCOs, support the IMSB and managing regional governance and democracy	5 out of 11	Successfully managed elections and by-elections and began a review of the CCOs to ensure effective governance across the Group
Local governance		
Governance advice and support to local boards	2 out of 3	Successfully managed elections for local boards and developed 21 draft local board plans for consultation with the community

Corporate support

Groups of activities	Performance measures achieved	Performance highlights
Organisational support		
Communications and public affairs, Māori strategy and relations, support functions, legal issues, organisational improvement, procurement, risk and assurance, rating and shared services, and funds management	9 out of 15	Continued to ensure sound financial management, keeping net debt and net interest to total revenue ratios within target. We increased the percentage of projects delivered to time and budget

Our stories



What has the Auckland Council Group done in the last year to improve liveability in Auckland and help us work towards being the most liveable city in the world?

In this next section, you can read our stories – from new libraries, housing initiatives and new trains to major infrastructure and the Proposed Auckland Unitary Plan.

Our responsibilities are broad. We collect rubbish, maintain and develop parks and reserves, run public libraries, swimming pools and recreation centres, and provide services such as building and resource consents, dog registrations and liquor licensing.

A number of important services are delivered through our CCOs including public transport, roads and footpaths, and parking; property investment; waterfront development; tourism, events and economic development; events facilities, conventions and leisure and cultural facilities; and water supply and wastewater treatment.

For more information go to
aucklandcouncil.govt.nz/ourauckland



Working towards the world's most liveable city (DPS)

How are we travelling? Celebrating our successes is important, but we must also continue to focus on the actions that will achieve our vision of becoming the world's most liveable city. We have opportunities to capitalise on the pace of change in Auckland but we must also meet the challenges that change produces. We need to balance present needs and wants against those things that will deliver all Aucklanders a better future.

Our goal	What it means for you	Major achievements	Challenges
Sound financial management	Making the best decisions around investments and debt. Our efficiencies save money	- Balanced our budget - Maintained a high credit rating – AA (Standard and Poor's) and Aa2 (Moody's)	- Focusing investment on areas with the greatest potential to transform Auckland – transport, environment, urban development and social outcomes - Funding the investment needed to keep pace with growth, including debt - Maximising non-rate revenue streams, leveraging private sector investment and challenging the government to play its part
Decisions we all understand	You experience strong, engaged leadership. We inform, consult, involve, collaborate, empower, innovate and engage with you	Actively encouraging Aucklanders to understand democratic processes and help shape our future through the People's Panel and www.shapeauckland.co.nz	- Articulating a clear picture of the decisions we have a to make - Customising our consultation and engagement programmes to meet diverse needs - Ensuring mana whenua can participate in decision-making
How we run our city	Making it easier to do business with us. Our services are efficient and seamless	- Innovative processes to accelerate major infrastructure, including a key accounts scheme for major developers and a new infrastructure forum - A new fast-track consenting process, with straightforward consents processed within 10 working days	- Continuing to improve processes for major infrastructure and housing projects - Enhancing basic services, such as delivering on the waste minimisation plan cost-effectively
What we value and who we are	You benefit from our commitment to protecting and celebrating our heritage. We have a strong partnership with	- Established the Tūpuna Maunga Authority - Our sustainable catchments programme now covers 10 sites in our three harbours - Launch of Sea Change–Tai Timu Tai Pari, the Hauraki Gulf Marine Spatial Plan project	- Balancing heritage in the face of growth - Protecting our environment - Continuing to building effective relationships with mana whenua

Our goal	What it means for you	Major achievements	Challenges
	mana whenua		
Improving our well-being in a healthy environment	We deliver fun, active and creative activities. We have goals for cleaner air and water, and less waste	• We opened new libraries at Wellsford and Waiheke • The first Auckland Nines was an astounding success • World-class concerts and shows attracted a record 961,625 people with a 95 per cent satisfaction rating	• Creating the capability and budget to deliver child/youth initiatives • Reducing barriers to participation in sport and recreation will help raise literacy and reduce obesity • Managing our ageing community assets
Improving where we live and work and creating stronger centres	Your community is vibrant, attractive and safe, with better housing options. We invest in growing communities from education to employment and economic development	• Housing Project Office established and 63 Special Housing Areas created • New shared spaces in the city centre • Youth skills and employment initiatives, particularly targeting Māori and Pasifika in south Auckland	• Better aligning future land use and infrastructure programmes where SHAs are giving early effect to the Auckland Plan and PAUP • Tackling the complex issues impacting housing affordability • Transforming the job-rich Southern Initiative area to higher local employment
Investing in a successful Auckland and building a great future together	Where we make our biggest investments, like public transport. New infrastructure to connect to make Auckland better connected and more liveable	• Our new electric trains started service • Resource consent granted for the \$950m Central Interceptor to cater for growth and reduce wastewater overflows • The new Panmure transport interchange opened, drawing in 57 per cent more passengers	• Continuing to build support for the City Rail Link • Transport is our single biggest challenge, from infrastructure to sustainability and achieving patronage targets • Balancing environmental standards with transport needs

Decisions we all understand

Our goal is to deliver strong, engaged leadership for Auckland's communities. We place great store in involving Aucklanders in the choices to be made through partnering, engaging, actively listening to, and feeding back.

We work hard to listen to Aucklanders

Your participation and engagement is a very important part of what the Auckland Council Group does. The only way we'll become the world's most liveable city is by harnessing your views on projects, plans and policies, and involving you in the decisions we make. We actively encourage you to help shape our future through:

- viewing all consultations online
- making submissions
- talking to us at an event
- speaking to a local representative
- signing up to the People's Panel.

Shape Auckland is our new online hub for the topics, plans and projects we consult on. It provides an overview of all current consultations, a preview of upcoming consultations, and progress and outcomes of those that have recently closed. It provides an overview of 'we asked, you said, we did' so you can see how your feedback influenced the outcome. You can filter topics by interest, local board area or search using keywords. The hub also provides information about the different ways you can have a say, and our submission and hearing processes.

For more information go to
www.shapeauckland.co.nz



The People's Panel is a quick and easy way for you to have your say on our plans, activities and services by taking part in short surveys. Currently 18,000 Aucklanders have signed up for our surveys. We publish all findings and full reports on our website, and tell you how the results have been used. We also keep panel members informed about other opportunities to give us feedback. Panel members appreciate we want to hear their views and they enjoy the convenience of online feedback:

"This is probably the first time ever that I have ever been asked my opinion about our council so it was great."

"I think the People's Panel is the best idea the council has come up with yet. I love being able to send in my views in a quick and easy manner though email."

For more information go to
aucklandcouncil.govt.nz/peoplespanel



So, how do we consult? The stories below showcase the different ways we consult, listen and engage with you.

The Proposed Auckland Unitary Plan (PAUP) broke new ground with a combined regional policy statement and district plan in one document that became an accessible e-plan. Shape Auckland became a hub of information, updates, discussion threads, feedback, factsheets, blogs and tweets, used 'gamified' technology to create a housing simulator, and ran a video competition to help engage youth who have little participation in council processes. The result? 90,000 people visited the website, 70,000 viewed our video and over 21,000 had their say on the plan. Shape Auckland and the housing simulator proved very attractive to younger people. Shape Auckland and other social media brought key issues and themes to light before the formal feedback process began.

Manurewa youth showed us to do it differently

We asked: What do you want things to look like 20-30 years from now?

They said: Unitary *Whaat!* Your consultation style doesn't work for us. We want a clear sky approach and youth-friendly marketing.

We created: Social media, video and a forum using a Sim City-style concept. Our planners reported fierce arguments about money!



They said: Apartment living will become a reality, but we want good quality with parks and good amenities close by. We want a dedicated arts and cultural centre in central Manurewa.

We did: A submission on the Unitary Plan. Our team was impressed with the detailed feedback and innovative suggestions, and saw how they could use the same approach with other Unitary Plan activities.

Stock and waterways often produce heated debate and this came up again with the PAUP. Our Rural Advisory Panel suggested collaborative workshops with a range of other participants – something we'd not done before. They asked other organisations, such as environmental groups, to join in. They identified key issues around livestock and streams and the coastal marine area, landscape protection and the National Policy Statement on Freshwater Management. The result? We had an informed view on key issues at the council table without having to wait for the formal process to start.

Engaging with mana whenua is about dialogue, not monologue. We enabled 19 iwi to participate in the PAUP in a process embedded with Māori values. We formed a specialist team with skills in policy, heritage, Māori language, tikanga and mātauranga Māori. Mana whenua told us they want to restore, enhance and protect our natural and cultural heritage. They want council to acknowledge Māori cultural interests and values, including social, economic and commercial aspirations. We incorporated a wide range of provisions into the PAUP and confirmed them for notification.

Getting people to and from work, home and play in south Auckland isn't about adding more buses; rather it's smarter bus networks that also connect to train services. We designed a new network and asked people for their views. By consulting widely, we found why and how people do or don't use public transport, their routes and how we could improve their commutes.

How we run your city

We want to make it easier for you to do business with us with seamless services, innovative processes that accelerate economic development and a strong customer service ethic. At the same time, we're working on being more effective and efficient.

The \$1.4 billion Waterview project needed up to 140 different building consents – a process that could take years. It had to be faster and more efficient. We had worked with the Well-Connected Alliance on the Victoria Park tunnel project and knew what might be possible if we approached Waterview innovatively. We spent 12 months working through all the requirements, options, issues and risks. This work became the charter for how Waterview would be built. Construction began with greater certainty and confidence and, in an unexpected bonus, created a scalable approach which can be applied to a wide range of building projects.

We're also doing it differently with 50 developers working on 132 projects from housing, retail and commercial to a new engineering school at the University of Auckland. Just as banks have personal bankers, we have introduced a key accounts scheme where our dedicated team works face-to-face with major developers to facilitate projects through the Auckland Council Group. Projects with price tags in the hundreds of millions are complex and success is very much tied to how well we deliver a smooth, seamless consenting process from concept to completion.

Technology and skills are also helping us to accelerate our economic development. We launched a smartphone app for requesting inspections and equip all our building assessors with tablets. We're upskilling our assessors so they have the right qualifications, and in our graduate programme we're looking for future leaders, diversity and those with an interest in south Auckland and Te Tiriti O Waitangi.



For more information go to
www.awesomeauckland.co.nz



With so much infrastructure planned, how do we get a shared view of the project pipeline? And can we improve procurement? The answer is an infrastructure and procurement forum of providers, advisors, contractors, designers and suppliers. Key players discuss their plans so we can improve procurement and co-ordinate major construction projects, giving us greater transparency around our infrastructure strategy.

Public libraries worldwide are facing huge change across new technologies, online education, redefined boundaries of privacy and data protection, hyper-connected societies that will listen to and empower new voices and groups, and the rise of digital resources. This is driving a major change in the way we structure and run our libraries. Take eBooks: Our readers want to browse for and download them from anywhere at any time. We have developed new ways of working with publishers, and are partnering with other advocates and leading the charge in negotiating favourable eBook terms for public libraries across New Zealand. As demand for eBooks rises, we have begun investing in eReaders. A robust training programme is in place to give our staff the capability and confidence to train and assist library users in a range of digital technology. Smaller houses mean people have less space at home, increasing the need for community spaces, including parks and libraries. Libraries are no longer simply places for book lending; they are third spaces for Aucklanders to study, meet, learn and relax.

The Mahitahi Trust in Manukau wanted to move staff out of cars and needed bus, walking and cycling travel plans. All it took was one email to Auckland Transport to ask for help. We arranged loaner bikes and cycle training. It snowballed. Could we help with bus transport for their 300

families? We sorted out trial Discovery public transport passes available for use on buses, trains and ferries. Could clients have bikes? More loaner bikes and training. Whanau got the idea. Bikes and training for adults and children. The local marae got involved. Now, there are whole families biking to sport and the marae...and it's still growing. All from one email.

What we value and who we are

We are committed to protecting and celebrating our heritage in all its forms - cultural, built and natural. We partner with mana whenua to provide kaitiakitanga on behalf of all Auckland.

From educating pre-schoolers to protecting our maunga/volcanic cones, sustainability is a key strategy that describes what we value and who we are.

Pre-schoolers are being introduced to waste management. Primary and secondary students learn where their food comes from at Ambury Regional Park. Year 9-11 students with leadership potential can make a difference to our marine environment.

Our Education for Sustainability programme is creating environmentally literate young people so they can contribute to building a sustainable Auckland.

Auckland's 181 Enviroschools are showing the way with outdoor classrooms, wind turbines, reusable lunch wraps, and student-designed nursery and gardening watering systems.

Our curriculum-based Learning through Experience programme hosted more than 23,000 school students in our regional parks and environmental education centres. We believe these experiences are so critical for Auckland's future that we support low decile schools to put the experience within reach of every Auckland child.

Omaru Creek in Glen Innes was in a sorry state. The Ko Au Te Awa project was created to inspire people to clean up the creek. This was a community effort, so we stepped back, but continued our support. Over 200 volunteers came out to plant 2,000 native species along the banks, rubbish was collected, there was educational material and artwork displays, and storytelling about the creek's history.

Vehicle exhaust emissions are coming down but non-exhaust emissions like suspended road dust, brake and tyre wear particles are not. How do you identify and manage particles that can't be contained in a laboratory? In what may be a world first, the council and GNS Science have come up with a new form of chemical marker tracing that could lead to better road traffic pollution management.

They are some of our smallest residents, but kokopu and īnanga (whitebait) face some big hurdles because culverts and water flow can stop them reaching their breeding grounds. Now they have fish passages with rope ladders and ramps. You'll find them across Auckland, including our new Westgate and Flat Bush wetlands developments, in Ōtara Creek and at New Lynn.

The Auckland Environment Observatory is our new alliance with the University of Auckland. The university already researches terrestrial ecology and conservation, freshwater science, coastal and marine science, and climate and air quality. Now, it will add stormwater quality, invasive weed monitoring in the Hauraki Gulf and avian disease screening.

The New Zealand Stormy Petrel was thought to be extinct, but photos confirmed sightings off Great Barrier and Little Barrier islands. But where were they breeding? We worked with the University of Auckland to find, and protect, their breeding ground.



We used innovative social return on investment research to find out how much value our activities deliver to Aucklanders. Moana – My Ocean at Auckland Museum gave visitors a sensory ocean journey, delivering more than four times its investment in social, environmental and economic value. The research also suggested opportunities for increasing impact, adding unique content and experiences, and making exhibitions more appealing to our diverse population. Retrofit Your Home delivered three times its investment, with homeowners reaping most of the cost savings. Dare to explore III, our library reading adventure for children aimed to get them reading, and it also improved literacy, confidence and enjoyment. Most importantly, children with lower confidence showed the biggest gains over summer. We had 8,400 participants and 1,215 new library members as a result of this programme.



We ask you to act sustainably, so it's right that we do the same. We launched our energy resilience and low carbon action plan in June 2014. We monitor our greenhouse gases, and have real time energy monitoring of electricity, gas and water consumption at our buildings.

We also have several renewable energy systems, including six solar hot water systems, three photovoltaic systems, one wind turbine and two solar walkway/park lighting projects. Solar systems are a real success story with the Wellsford Library and Shed 10 on the wharf. Wellsford Library is generating enough energy to power five homes for a year.

We ask you to recycle and reuse, so what are we doing? Here are a few examples.

- We have 84 worm farms munching through food waste across 15 buildings, producing juice and compost, the latter being highly treasured by staff who are keen gardeners.
- Refitting a building usually results in huge amounts of waste materials going to landfill. Not this time. At 135 Albert Street we have diverted 84 per cent of the waste, qualifying us for a 5-star Green Star rating. EcoMatters and Green Gorilla have diverted nearly 400 tonnes of waste from landfill. We're recycling 80 per cent of the ceiling tiles and their insulation and even reusing lighting. We took 1,000 folders to low decile schools in south Auckland, donated 600 folders to student associations and recycled two skip-loads of folders. We turned old green suspension folders into card for kindergartens and primary schools.

World-class well-being in a healthy environment

We want a cleaner Auckland with less waste. We want Aucklanders to be healthy and enriched by what we can offer.

Books and literacy, painting and sculpture, the roar of the crowd, festivals of food, dance and light...we are delivering have lots of fun, active and creative activities across Auckland.

Our libraries are so much more than books on shelves. They are becoming 'third spaces' where people study, meet, lounge and browse, and use technology which is a key driver of growth.

We help bridge the digital divide by giving everyone access to technology and the internet on our computers or theirs. When we introduced free Wi-Fi across the entire library network, usage rose 137 per cent. People access our services from smartphones, laptops and tablets. In June 2014, eBooks accounted for 8 per cent of issues, and we are investing in eReaders. Zinio offers online access to more than 600 magazines across the world. We gained 10,403 new members, most because of Zinio. Our libraries support civic participation for all Aucklanders and we're now seeking books in languages ranging from Chinese and Japanese to Afrikaans, Croatian, Gujarathi, Persian, Serbian, Somali and Urdu.



Programmes like Story time, Wriggle and Rhyme, Dare to Explore and training on computers, eReaders and tablets are all hugely successful with high customer satisfaction rates and over half a million attendances per year. Children at Ōtara Library can improve their literacy by reading aloud to Roo the reading greyhound. With self-checkout, our staff can now focus on value-added activities such as delivering learning programmes, connecting with customers through social media and inspiring innovation through Makerspaces. We completed Waiheke Pātaka Kōrero, Waiheke's new library, and opened Wellsford Library, and we are progressing new libraries in Ranui, Te Atatu, Ōtāhuhu and Devonport.



Auckland Zoo is another success story – record visitor numbers, 95 per cent satisfaction rating and conservation achievements. On Hauraki Gulf sanctuary islands, 738 wētā punga have found new homes and in a world first we bred short-tailed bat twins. We moved 40 tīeke/saddleback and 40 pōpokotea/whitehead from Hauturu/Little Barrier Island to Rotoroa Island as part of our partnership with the island's trust to create a unique wildlife reserve. Notable exotic births included red panda cubs, otter pups, meerkat kits, giraffe, squirrel monkeys and, in another world first, flamingo chicks.

The first NRL Auckland Nines, developed by ATEED with Duco and the Australian-based National Rugby League, exceeded all forecasts, generating 68,000 visitor nights and contributing an estimated \$9.4 million to our economy. The V8 Supercars arrived at Pukekohe Park Raceway for the second ITM 500 Auckland, with a new 100km feature race on ANZAC Day, putting \$7.1 million into our economy. We supported the INF World Series Fast 5 Netball Series, New Zealand Fashion Week, IRB Junior World Championships 2014, and UCI BMX World Championships. ATEED secured a semi-final and three pool matches in the ICC Cricket World Cup 2015, the opening and closing ceremonies and pool matches from the FIFA Under-20 World Cup, and the next two Volvo Ocean Race stopovers.

Our three signature cultural events – the Lantern Festival, and Diwali and Pasifika festivals – attracted several hundred thousand visitors. At the Auckland Botanic Gardens in Manurewa, Sculpture in the Garden drew 430,000 people. Our art exhibitions were again hugely successful. The *5th Auckland Triennial: If you were to live here...* attracted over 92,000 visitors, while *California Design: Living in a Modern Way 1930–1965* drew in more than 26,000 visitors. *Kangaroo Crew* attracted more than 45,000 children and their families. The playful *What's It Doing?* installation by Auckland artist Sean Kerr in the art gallery's Creative Learning Centre was designed for all ages. The centre has become a key feature of the gallery's family programming. The gallery itself has won yet more awards, including World Building of the Year, at the World Architecture Festival.

Auckland Live delivered an impressive range of world-class performances, attracting a record 961,625 people to more than 1,400 events with a 95 per cent visitor satisfaction rating. The line-up ranged from Jack Johnson, Dame Kiri Te Kanawa and Elvis Costello to The Wiggles, Rhys Darby, Joan Baez and Sol3 Mio, along with musicals *Wicked*, *Mamma Mia* and *Annie*. Auckland Live also hosted popular annual comedy, film and writers' festivals; chamber, philharmonic and orchestral performances; the first Auckland International Cabaret Season and *Swan Lake*.

When it comes to sport and recreation young people are not always easy to reach. We surveyed more than 8,000 children from different ethnicities across local boards and packaged the results into a publication - *Sport and Recreation in the lives of young Aucklanders*. The Youth Speak Sport Summit was an opportunity to hear the survey results and provide feedback. We used these findings to inform strategic action plans for sport and recreation, and for children and young people. We started the Albany Stadium Pool and bought Colin Maiden Park to provide more sports fields. We added synthetic pitches to sports fields to enable year-round play.

Improving where we live and work and creating stronger centres

We want more vibrant, attractive and safe centres for everyone. We want greater housing choice, quality and affordability. We are investing in growing communities to meet our growing population.

Housing choice, quality and affordability are major challenges for the council. In 2013/2014, we published our Capacity for Growth Study 2013 – a snapshot of our potential capacity to accommodate residential, business and rural living and work under the PAUP. We also began to tackle housing in a completely new way through the Auckland Housing Accord and Housing Project Office (HPO).

The accord is expected to result in around 39,000 new homes and sections until the PAUP comes into force. The HPO offers a new streamlined process, with consenting, master-planning and policy staff and representation from Auckland Transport, Watercare, Housing New Zealand and the Ministry of Business, Innovation and Employment. It has also held developers' forums and trained 60 commissioners for the PAUP independent hearings panel.

Developments within Special Housing Areas (SHAs) are being fast-tracked. We now have 63 SHAs from Albany to Takanini and have extended three existing SHAs. Kokiri Trust is planning approximately 144 new homes in a papakāinga development in Ōtara, while developer John Sax plans a 1,600-house development in Māngere worth \$900 million. The Tāmaki Collective is building up to 300 new homes and sites in Weymouth. A group of landowners in Hobsonville has applied for a zone change within the Scott Point SHA, reducing consenting from years to months.

The HPO has agreed with the IMSB on a papakāinga stocktake across existing papakāinga and Māori purpose zoned land. The HPO and mana whenua organisations are now looking using the SHA concept for a number of sites.

Place-making is about planning, designing and building places in an integrated way so they work for everyone. We have two major initiatives – the city centre, including the waterfront, and The Southern Initiative (TSI).

Our city centre projects have a big impact and shared spaces are a good example. They encourage more pedestrians, slower traffic and increased retail spend. We've added O'Connell, Federal and Fort streets to our shared spaces, and upgraded Khartoum Place to link Lorne Street to the art gallery. Shared spaces come from targeted rates funded by local businesses.

TSI is a different kind of place-making, focused on education, employment and health in south Auckland. TSI secured a healthy families contract from the Ministry of Health and government funding to support trades training for young Māori and Pasifika. We enabled more than 1,200 homes for low-income families to be insulated. The Matanikolo project is offering 22 new



affordable rental homes in Māngere and is the first Pasifika housing project funded through the government's Social Housing Fund.

We have regional place-making at New Lynn, Ormiston, Westgate, Takapuna and Manukau where the Manukau Institute of Technology's new campus building sits atop the train station. We completed plans for the Hibiscus and Bays and Māngere-Ōtāhuhu local boards, and Ponsonby Road, and are preparing for a major place-shaping programme for Papatoetoe town centre.

The revamped Hurstmere Green is worth a closer look. From the fountain in the shape of Lake Pupuke to the pathway that aligns with the top of Rangitoto, this is what quality urban space is all about.

Consenting plays a key role in enabling growth while also protecting our environment. Our consenting teams are developing innovative solutions for consents ranging from trees to large housing developments.

Consenting plays a key role in enabling growth while also protecting our environment. Our consenting teams are developing innovative solutions for consents ranging from trees to large housing developments.

Our regulations aligned with a developer's environmental ethos saved two protected trees during the construction of a childcare centre in Avondale. The designer came up with a half-moon shaped building that wraps around the trees. Our resource consents department supported the design which retained and protected the trees, and created a unique environment for the centre's children.

Sediment and erosion run-off from earthworks can harm waterways and oceans. Our pollution response, northern resource consenting and compliance, and stormwater teams are working with developers at Long Bay where some 4,000 houses are being built. Our teams put together an education programme for both developers and the community that included minimising run-off into the Long Bay Marine Reserve.

We are doing the same at Westgate town centre to manage earthworks, but also to protect and enhance natural features like the Sakaria Stream and Totara Creek. The resource consent requires the developers to restore streams for native wildlife and fish, including specially-designed stormwater ponds allowing easier access for fish migration.

A 100 per cent recycling solution for tyres in Henderson required an air discharge permit and the only relevant data available was from China. Our air discharge team worked with the company to develop an elaborate testing regime to provide data, building in checks to ensure the release of contaminants would be as they had modelled it. We now have a sustainable, environmentally-friendly business benefiting the company and the community.

A major development planned for two sites – Manukau and Ardmore – was consented within eight months. The Manukau golf course is being subdivided into 489 residential lots while the golf course is relocating to Ardmore. Both applications required a multitude of consents under district and regional plans and involved more than 50 people, including council staff, our CCOs and external agencies.

Our economic development brief is broad – local and regional; tourism, major events, industry development and waterfront development – but with a shared vision to drive economic growth which then benefits all Aucklanders.



We completed economic overviews for all 21 local boards, presenting a range of indicators on the local economy, trends, issues and opportunities. Local economic development action plans were developed for the Kaipātiki, Franklin, Ōrākei, Whau and Papakura local boards.

GridAKL is our innovation precinct for ICT and digital media companies, and a hub for our growing innovation corridor. This is about developing businesses which are 'born global', are faster-growing, employ more Aucklanders in high-paid jobs, and generate export dollars for our economy. High-tech start-ups have moved into this co-working environment which will be supported by business incubation services and activation. The BizDojo and The Icehouse have joined forces to be the hub's independent operator.

We won bids to secure major international sporting events. We secured \$266 million in new money for Auckland made up of \$63 million in new investment, \$161 million in expansion investment and \$42 million in screen transactions.

Together with Callaghan Innovation, Te Puni Kōkiri and Treasury, we delivered a Māori Economic Growth Forum to facilitate partnerships that support and enable Māori business growth, and engaged with Māori in the design of public spaces to ensure they reflect and celebrate local cultural heritage through artistic expression, whakatauki and design elements.

The Mayor's Youth Employment Traction Plan aims to increase youth employment by coordinating initiatives across Auckland. Sir Stephen Tindall announced funding of \$1.85m over three years to continue support for our Youth Connections Across Auckland programme, which matches young people with local employment and training opportunities. Youth Connections is based on the mayor's Taskforce for Jobs 'youth to work' strategy. More than 27,000 young Aucklanders are currently not in education, employment or training, and more than half of them are Maori and Pasifika.

COMET Auckland, which supports and connects education initiatives across Auckland, is working to close the gap between student expectations of jobs, what employers expect and how schools prepare kids for work. One answer is a youth employability passport, which sits under the Traction Plan for Youth, to provide reliable information about young people's abilities and marketable skills. Each local board now has a current snapshot of Māori education and skills, covering ECE and kohanga, school and NCEA achievement, transitions and language.

COMET also works with financial literacy and has secured three years' funding from SKYCITY Auckland Community Trust for two community-led family financial literacy projects in Tamāki/Glen Innes and Randwick Park in Manurewa. This is the first time the trust has agreed to a three-year deal. The project focuses on the twin issues of financial literacy and financial hardship by tackling growing household and community debt, and building family and community financial well-being.

Investing in a successful Auckland and building a great future together

We are planning Auckland's biggest ever investment in its future to deliver new infrastructure that will help us thrive, offer better transport connections and improve liveability while supporting businesses to grow and invest in our success.

Close your eyes and imagine you have to board a train. Are there steps ahead? If you have low vision, do features like handrails stand out well enough for you to see? Are you using a guide dog? What if you're in a wheelchair or pushing a pram?

Our new Spanish trains have some rather special features thanks to input from the Royal Foundation for the Blind. The bright yellow doors against the blue carriage are great for people with low vision. Wider sliding doors, low-rise steps and lower floors make the trains much more accessible. The middle of the train is level with the platform. The hand rails, hanging straps and hand grips inside are bright yellow. Lighting is better. The under-seat storage is large enough for a guide dog to lie safely out of the way of passing feet. Door buttons are large, and bright red and green.



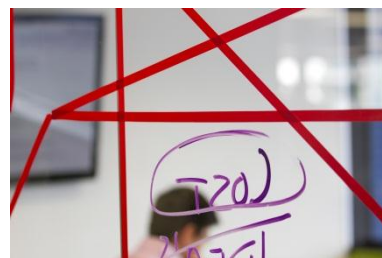
Trains are part of our infrastructure, the heavyweight on any council's agenda. Infrastructure tends to be large, connected and expensive – roads and bridges, vast pipe networks for water, stormwater, wastewater, and processing plants. Sewers are a great example. We have to keep our current network running while we plan for another 20,000 people a year and that's what the Central Interceptor (CI) is all about. This new wastewater tunnel will run about 13km between Western Springs and the Māngere Wastewater Treatment Plant, up to 110m below ground level and crossing the Manukau Harbour about 30m below the seabed. Wet weather causes hundreds of overflows, but the CI should reduce that by 80 per cent, meaning healthier waterways. Once the CI and the Northern Interceptor are operational we can re-balance our network to manage future growth.

The CI will cost around \$950 million, and it's just one of many high-value infrastructure projects on our agenda. The Auckland Council Group uses borrowings rather than rates to fund major infrastructure so that the cost is spread over time and everyone pays a fairer share.

The \$136 million upgrade of the Māngere wastewater treatment plant will increase treatment capacity and cope with future demand as Auckland grows, but it is already delivering community and environmental benefits. To facilitate the earthworks for the upgrade of the plant, last year, the coastal walkway running adjacent to the plant was realigned to create a track that has since become popular with cyclists, walkers, joggers and trampers. The decommissioned pump station and the surrounding area at the eastern end of the Puketutu causeway have been transformed from bare industrial landscape into a rest area with seating and newly-planted native bushes housed in planting boxes made out of recycled materials. New and different bird roosts have been added to provide further temporary accommodation to a host of migratory wading birds. Eventually, treated biosolids from the plant will be used to restore quarried land on Puketutu Island. All these efforts are an extension of the \$150m Project Manukau, New Zealand's biggest

environmental restoration programme which involved the restoration of some 13kms of foreshore, including the creation of seven new beaches, and the development of the coastal walkway.

We are investing in business. ATEED's Business Attraction and Investment team secured \$266 million in new money for Auckland from new investments, expansion investments and screen transactions. ATEED helped 137 clients access \$4.7 million in R&D funding from Callaghan Innovation and issued 696 New Zealand Trade and Enterprise training vouchers with a total value of \$1.74 million. On the innovation side, we opened GridAKL in Wynyard Quarter featuring flexible and shared working space, business incubation, mentoring and/or accelerator programmes, independent digital media and ICT companies, and space for networking and industry showcasing activities..



Tourism is big business, but Waka on the Waitematā is an example of a low budget, high impact project that achieved outcomes for local Māori business. Collaborating with Waterfront Auckland and Waka Quest, our international relations team brought together civic, Māori and Chinese stakeholders across the tourism, media and food sectors for an evening's sailing on two waka. We also benefited from Chinese and Asian news media coverage.

Governance

The council has two complementary decision-making parts:

- the governing body, consisting of the mayor and 20 councillors
- 21 local boards.

The governing body

This consists of the mayor, elected at large, and 20 councillors who are elected on a ward basis. The governing body focuses on the big picture and on Auckland-wide strategic decisions that are important to the whole region. Auckland is split into 13 wards which are used for council elections. Councillors are elected to represent wards and they also sit on council committees.

There is a full list of committees and members on our website.

A list of committees and members is in Appendix 1 at the end of this volume.

For more information go to
aucklandcouncil.govt.nz/committees



The mayor

The mayor is elected directly by electors across Auckland. The mayor leads the council and has enhanced responsibilities including promoting a vision for Auckland, providing leadership to achieve the vision, leading development of council plans, policies and budgets, and ensuring engagement with the people of Auckland and its many communities and stakeholders. He also appoints the deputy mayor, establishes committees and appoints the committee chairpersons.

Local boards

There are 21 local boards, with between five and nine members. There are 149 local board members in total. Local boards represent their local communities and make decisions on local issues, activities and facilities. Local boards also provide important local input into Auckland-wide strategies and plans. They:

- provide leadership and create a strong local identity for their area, including making governance decisions on non-regulatory local activities, issues and services (such as parks, libraries, community halls and swimming pools)
- adopt local board plans every three years in consultation with their communities
- provide input into regional strategies, policies and plans
- propose local bylaws for the local area
- perform civic duties (such as ANZAC Day activities and citizenship ceremonies)
- engage with and represent their communities.

Each year, local boards and the governing body agree individual local board agreements, which set out the local activities, services and levels of service that will be provided over the coming year. The agreements are included in the annual plan.

For more information go to
aucklandcouncil.govt.nz/annualplan



Detailed information on key activities and budgets can be found in Volume 1 of the annual report.

For more information go to
aucklandcouncil.govt.nz/localboards



Council-controlled organisations

Auckland Council also has council-controlled organisations (CCOs) to carry out certain functions and provide services. They operate independently, but are accountable to the council. They include:

- Auckland Council Investments Limited (ACIL)
- Auckland Council Property Limited (ACPL)
- Auckland Tourism, Events and Economic Development Limited (ATEED)
- Auckland Transport
- Auckland Waterfront Development Agency Limited (Waterfront Auckland)
- Regional Facilities Auckland (RFA)
- Watercare Services Limited (Watercare).

A description of the roles and responsibilities of the substantive CCOs is included in Volume 3.

For more information go to
aucklandcouncil.govt.nz/CCOs



Independent Māori Statutory Board

The Independent Māori Statutory Board (IMSB) is an independent board established by the Local Government (Auckland Council) Act 2009. Its purpose is to assist the council to make decisions, perform functions and exercise powers by:

- promoting cultural, economic, environmental and social issues of significance for mana whenua groups and mataawaka
- assisting the council to act in accordance with statutory provisions referring to the Treaty of Waitangi/Te Tiriti o Waitangi. The board must identify and prioritise issues significant to Māori to help guide the council in carrying out its purpose
- advising the council about issues that affect Māori in Auckland.

Mana whenua representatives

Mana whenua are Maori with ancestral relationships in certain areas in Tamaki Makaurau where they exercise customary authority.

- David Taipari, Chairperson (Ngāti Maru, Ngāti Whanaunga, Ngāti Tamaterā, Ngāti Paoa)
- Glenn Wilcox, Deputy Chairperson (Ngāti Whātua)
- Precious Clark (Ngāti Whātua)
- Karen Wilson (Te Akitai Waiohua, Ngāti Te Ata, Ngāti Pikiao, Ngāti Hau)
- Kristan McDonald (Te Whānau ā Rangiwakaahu Ngāti Rehua hapū, Ngāti Wai)
- Liane Ngāmane (Ngāti Tamaterā, Ngāti Maru, Ngāti Whanaunga, Ngāti Paoa)
- Josie Smith (Ngāti Te Ata, Ngāti Tipā, Ngāti Whātua and Ngāpuhi)

Mataawaka representatives

Mataawaka are Maori living in the Auckland region whose ancestral links lie outside Tamaki Makaurau.

- Tony Kake (Ngāti Hau, Ngāpuhi, Ngāti Mahuta, Ngāti Whawhakia Tainui)
- John Tamihere

Advisory panels

There are also eight advisory panels that advise us on strategies, policies, plans and bylaws and mechanisms for engagement.

- CBD Advisory Group (now called the City Centre Advisory Panel)
- Disability Strategic Advisory Group
- Ethnic People's Advisory Panel
- Heritage Advisory Panel
- Pacific People's Advisory Panel
- Rural Advisory Panel
- Seniors' Panel
- Youth Advisory Panel

For more information go to
aucklandcouncil.govt.nz/advisorypanels



Governing body

The governing body consists of the mayor and 20 councillors, and it focuses on Auckland-wide strategic decisions.



Len Brown, JP
Mayor



Cr Penny Hulse
(Deputy Mayor)
Waitākere



Cr Penny Webster
Rodney



Cr Wayne Walker
Albany



Cr John Watson
Albany



Cr Chris Darby
North Shore



Cr George Wood,
CNZM, North Shore



Cr Linda Cooper,
JP, Waitākere



Cr Mike Lee
Waitemata and Gulf



Cr Dr Cathy Casey
Albert-Eden-Roskill



Cr Hon. Christine
Fletcher, QSO
Albert-Eden-Roskill



Cr Ross Clow
Whau



Cr Cameron Brewer
Orakei



Cr Denise Krum
Maungakiekie-Tamaki



Cr Dick Quax
Howick



Cr Sharon Stewart,
QSM, Howick



Cr Anae Arthur Anae
Manukau



Cr Alf Filipaina
Manukau



Cr Calum Penrose
Manurewa-Papakura



Cr Sir John Walker,
KNZM, CBE
Manurewa-Papakura



Cr Bill Cashmore
Franklin

For more information go to
aucklandcouncil.govt.nz/governingbody



Local boards

There are 21 local boards, with between five and nine local board members. Local boards represent their local communities and make decisions on local issues, activities and facilities. Local boards also provide important local input into Auckland-wide strategies and plans.

South

Howick Local Board



David Collings
Chair



Adele White
Deputy Chair



Garry Boles



Katrina Bungard



Jim Donald



Lucy Schwaner



John Spiller



Steve Udy



Bob Wichman

Māngere-Ōtāhuhu Local Board



Lydia Sosene
Chair



Carrol Elliott, JP
Deputy Chair



Nick Bakulich



Tafafuna'i Tasi
Lauese, JP



Christine O'Brien



Leau Peter Skelton



Togatolu Walter
Togiamua

Manurewa Local Board



Angela Dalton
Chair



Simeon Brown
Deputy Chair



Michael Bailey



Angela Cunningham-
Marino



Hon. George
Hawkins, QSO



Danella
McCormick



Ken Penney



Daryl Wrightson

Papakura Local Board



Bill McEntee
Chair



Michael Turner
Deputy Chair



Stuart Britnell



Brent Catchpole



Graham Purdy



Katrina Winn

Ōtara-Papatoetoe Local Board



Fa'anānā Efeso
Collins, Chair



Ross Robertson
Deputy Chair



Lotu Fuli



Stephen Grey



Mary Gush



Donna Lee



John McCracken

Franklin Local Board



Andrew Baker
Chair



Jill Naysmith
Deputy Chair



Malcolm Bell



Alan Cole



Brendon
Crompton



Angela Fulljames



Sarah Higgins



Murray Kay



Lyn Murphy

North

Devonport-Takapuna Local Board



Mike Cohen,
QSM, JP, Chair



Joseph Bergin
Deputy Chair



Grant Gillon



Dianne Hale,
QSO, JP



Jan O'Connor



Allison Roe, MBE

Kāipātiki Local Board



Kay McIntyre
Chair



Ann Hartley
Deputy Chair



Grant Gillon



John Gillon



Danielle Grant



Richard Hills



Lorene Pigg



Lindsay Waugh

Rodney Local Board



Brenda Steele
Chair



Steven Garner
Deputy Chair



James Colville



Warren Flaunty, QSM



Thomas Grace



Beth Houlbrooke



John McLean



Phelan Pirrie



Greg Sayers

Hibiscus and Bays Local Board



Julia Parfitt, JP
Chair



Greg Sayers
Deputy Chair



David Cooper



Janet Fitzgerald



Gaye Harding
-Kirikiri



Gary Holmes



Lovisa Rasmussen



Lisa Whyte

Upper Harbour Local Board



Brian Neeson
Chair



Lisa Whyte
Deputy Chair



Callum Blair



John McLean



Margaret Miles, JP



Christine Rankin-MacIntyre

West

Henderson-Massey Local Board



Vanessa Neeson,
JP, Chair



Shane Henderson
Deputy Chair



Brenda Brady, JP



Peter Chan, JP



Warren Flaunty,
QSM



Will Flavell



Tracy Kirkley



Luke Wilson

Whau Local Board



Catherine Farmer
Chair



Susan Zhu
Deputy Chair



Derek Battersby,
QSM, JP



Ami Chand



Duncan
MacDonald, JP



Ruby Manukia-
Schaumkel



Simon Matafai

Waitākere Ranges Local Board



Sandra Coney,
QSO, Chair



Denise Yates, JP
Deputy Chair



Neil Henderson



Greg Presland



Steve Tollestrup



Saffron Toms

Central Albert-Eden Local Board



Peter Haynes
Chair



Glenda Fryer
Deputy Chair



Helga Arlington



Lee Corrick



Graeme Easte



Rachel Langton



Margi Watson



Tim Woolfield

Maungakiekie-Tāmaki Local Board



Simon Randall
Chair



Chris Makoare
Deputy Chair



Josephine Bartley



Brett Clark



**Bridget Graham,
QSM**



Obed Unasa



Alan Verrall

Waitematā Local Board



Shale Chambers
Chair



Pippa Coom
Deputy Chair



Christopher Dempsey



Greg Moyle



Vernon Tava



Rob Thomas



Deborah Yates

Puketāpapa Local Board



Julie Fairey
Chair



Harry Doig
Deputy Chair



David Holm



Ella Kumar, JP



Nigel Turnbull



Michael Wood

Great Barrier Local Board



Izzy Fordham
Chair



Susan Daly
Deputy Chair



Jeff Cleave



Judy Gilbert



Christina Spence

Waiheke Local Board



Paul Walden
Chair



Shirin Brown
Deputy Chair



Becs Ballard



John Meeuwsen



Beatle Treadwell

Orākei Local Board



Desley Simpson
Chair



Mark Thomas
Deputy Chair



Ken Baguley



Troy Churton



Kate Cooke



Colin Davis, JP



Kit Parkinson

For more information go to
aucklandcouncil.govt.nz/localboards



Executive leadership team

Our executive team is made up of the chief executive and senior managers from each of our business groups.



Stephen Town
Chief Executive



Katherine Anderson
General Counsel



Dr Roger Blakeley
Chief Planning
Officer



Alan Brookbanks
People & Capability
Director



Wilma Falconer
Communications
and Public Affairs
Director



Dean Kimpton
Chief Operating
Officer



Clive Manley
Civil Defence
and Emergency
Management
Director



Andrew McKenzie
Chief Finance
Officer



Patricia Reade
Transformation
Director



Grant Taylor
Governance
Director

For more information go to
aucklandcouncil.govt.nz/ELT



People and capability

How we operate

In July 2014, we launched a new HR operating model which will assist the council in delivering operational excellence and customer centricity. This model will also be a cost-effective means of delivering our HR strategy, with specialist teams working alongside the organisation as it seeks to become a high performing culture. We also rebranded HR to People and Capability to more accurately reflect our role within the council.

Employee engagement

Increasing employee engagement brings a direct benefit because it lifts the council's performance and productivity and, therefore, the services that Aucklanders receive. It also increases our likelihood of achieving the Auckland Plan outcomes.

Our employee engagement score increased from 66 per cent in 2013 to 68 per cent in 2014. We were particularly pleased to see noticeable gains in employee understanding of, and support for, our organisational values and common purpose, as well as for improving our communications and building leadership capability.

Career pathways

Attracting diverse, young talent to work for Auckland Council and developing them into future leaders and specialists is critical in building a high performing organisation, and aligns with our commitment to improving the prospects of Auckland's youth. Our programme includes a graduate, intern and cadet programme. In 2014, we had 17 graduates in our two-year accelerated-learning graduate programme and this will increase to 46 for 2015. We are currently recruiting 12 talented people with minimal qualifications and experience into a one-year cadet programme, helping them gain valuable work experience and a qualification. We are in the early stages of recruiting summer interns for our graduate programme.

Leadership

A high performance culture needs leadership capabilities. Our People Leader Programme targets middle managers and team leaders while the Senior Leadership Programme is tailored to our senior and executive leaders. We are now delivering a new version of this programme to the next leadership tier.

Relationship with unions

We continue to work constructively with our two major union partners – the New Zealand Public Service Association (PSA) and the Amalgamated Workers' Union of New Zealand. All collective negotiations in 2013-2014 were successfully and constructively concluded.

The council and the PSA have put considerable effort into 'the way we work', our wider work programme that supports our high performing focus. We are reviewing how employee performance is supported, developed and recognised across the council and how we recognise and reward performance. This programme will continue into 2014/2015.

Workforce diversity

Diversity initiatives focused on plans to increase Māori employment at Auckland Council, building understanding of the challenges and benefits of lifting diversity across the Group, and how we can use our graduate and cadet recruitment to build diversity. For example, we organised an Auckland Conversations – free keynote speakers – presentation on unconscious bias. We actively support employee networks that support different groups across the organisation.

Auckland Council actively supports external diversity-focused organisations, including DiverseNZ, the EEO Trust and Be.accessible, who have assisted us to design our workplace environment and new contact centres.

Health and safety

We improved our key lag metric (lost time injury frequency rate) which dropped from 12 to 4.18, exceeding our target of five. We continue to engage our people and their union representatives to lift health and safety awareness and performance.

Awards

External awards

- City Parks Services (CPS) won gold at the 2014 Media Communications Association-International (MCA-I) Media Festival in the United States. They produced a video to showcase their core business and demonstrate how they help make Auckland a better place to live and a prime destination for tourists.
- Janet Petersen, Team Leader Air Quality in our Environmental Strategy and Policy department, received a Distinguished Service Medal for her services to the Clean Air Society of Australia and New Zealand.
- For the third consecutive year, Treasurer Mark Butcher was named *KangaNews' New Zealand Treasurer of the Year* for 2013.
- Treasury won in the *mtn-i 2013 Global & European Awards* as a Global Landmark Deal for the Norwegian Bond issue in September. The Norwegian deal was also voted as *Nordic Currency Bond Deal of the Year* in the EuroWeek 2013 Awards.
- The Martyn Wilson Reserve stormwater project won the *Excellence in Environmental Practice* (projects under \$2 million) at the Institute of Professional Engineers New Zealand awards in Wellington.
- The Auckland Art Gallery–Toi o Tamāki was a multiple winner at the World Architecture Festival held in Singapore in October, winning the *Interior Award*, Culture Category and *World Building of the Year*.
- The rejuvenated Hurstmere Green in Takapuna won a prestigious accolade at the 2013 Auckland Architecture Awards in the Planning and Urban Design category. The award is the project's fourth accolade.
- Auckland Council International Relations, Waterfront Auckland and the mayor promoted the Waka Guest cultural tourism event to Auckland-based Chinese media and tourism companies and the Chinese market. They won runner-up in the Air New Zealand April 2014 Sister Cities *Commercial and Business Project* award category for it.
- Our work on the Proposed Auckland Unitary Plan won four awards. We took the *GHD Supreme Award* at the Society of Local Government Managers' (SOLGM) Excellence Awards for our engagement programme and also won the council-community relationships category. The plan website won the *Best New Feature Website* over 50,000 population at the 2013 Association of Local Government Information Managers (ALGIM) Online Services Awards and was also a finalist in the Public Relations Institute of New Zealand (PRINZ) Awards.
- Our Capacity for Growth study also won the *Building Organisational Capability Award* at SOLGM. This technically innovative project uses two models to analyse 480,000 parcels of land to produce a census of land supply and potential development.

- ATEED won the New Zealand Business Excellence Foundation government category at the AUT Excellence in Business Support Awards.
- Ark in the Park won two awards in the annual Green Ribbon Awards: runner-up in the protecting biodiversity category and winner of the stewardship champions category. Intensive pest control and careful translocations have transformed this unfenced area of native forest in the Waitākere Ranges into a sanctuary for native species.
- The new Wellsford War Memorial Library picked up two merit awards at the Property Council New Zealand awards – one for sustainable design and the other for the incorporation of aspects of Wellsford's rich agricultural history.
- For the second year in a row, Auckland Transport won *Te Wiki o Te Reo Māori*, the Māori Language Week Award from the Māori Language Commission/Te Taura Whiri i te Reo Māori. Activities focussed on Māori names and Auckland Transport responded with posters and screens giving the Māori version of English place names. Auckland Transport also took the Māori language message in-house with bilingual signage and pronunciation guides in all office locations.
- Watercare's annual report won two awards in the Australasian Reporting Awards – a Gold Award and *Best Sustainability Reporting Award (Public Sector)*. The report was also recognised with two awards by the New Zealand Institute of Chartered Accountants (NZICA) – *Best Public Benefit Entity* in the Annual Report Category and the Supreme Award.
- The Point Resolution Bridge linking Auckland's Parnell Baths to the waterfront won the prestigious International Architecture Award. The award is jointly run by Chicago Athenaeum Museum of Architecture and Design and the European Centre for Architecture Art Design and Urban Studies. Architects Warren and Mahoney designed the bridge with pungarungaru designs by local artist Henriata Nicholas.

Internal awards

- Communications and Public Affairs won the *Innovation Award* for its use of Shape Auckland and the housing simulator for the Unitary Plan engagement at the 2013 Consultation and Engagement Awards. The Unitary Plan engagement team won the *Supreme Award* for their overarching Enhanced Engagement entry.
- The Ko Au Te Awa (KATA) project won the Empower category in the same awards. This community-initiated idea combined riparian plantings, local history sharing, rubbish collections, artwork and environmental education around the Omaru Creek Catchment in Glen Innes.

Council committees and members

Committees of the whole

All councillors are members of these committees

The Independent Māori Statutory Board (IMSB) has a representative on each committee

Auckland Development Committee

Chairperson: Penny Hulse

Deputy Chairperson: Chris Darby

Independent Māori Statutory Board members:

Liane Ngamane

Josie Smith

Budget Committee

Chairperson: His Worship the Mayor, Len Brown

Deputy Chairperson: Penny Webster

Independent Māori Statutory Board members:

David Taipari

John Tamihere

Finance and Performance Committee

Chairperson: Penny Webster

Deputy Chairperson: Ross Clow

Independent Māori Statutory Board members:

David Taipari

John Tamihere

Regional Strategy and Policy Committee

Chairperson: George Wood

Deputy Chairperson: Arthur Anae

Independent Māori Statutory Board members:

Glenn Wilcox

Kris MacDonald

Other committees

Arts, Culture and Events Committee

Chairperson: Alf Filipaina

Deputy Chairperson: John Watson

Members:

- Dr Cathy Casey
- Ross Clow
- Linda Cooper
- Hon Christine Fletcher QSO
- Wayne Walker
- John Watson
- George Wood

IMSB members:

- Precious Clark
- Liane Ngamane

Audit and Risk Committee

Chairperson: Sir John Walker KNZM, CBE

Deputy Chairperson: Dr Cathy Casey

Members:

- Cameron Brewer
- Bill Cashmore
- Sharon Stewart
- Penny Webster
- Roy Tiffin (independent)

CCO Governance and Monitoring Committee

Chairperson: Penny Hulse

Deputy Chairperson: Calum Penrose

Members:

- Arthur Anae
- Cameron Brewer
- Dr Cathy Casey
- Ross Clow
- Linda Cooper
- Chris Darby
- Denise Krum
- Dick Quax
- Penny Webster
- George Wood

IMSB members:

- Glenn Wilcox
- Precious Clark

CEO Review Committee

Chairperson: Christine Fletcher QSO

Deputy Chairperson: His Worship the Mayor, Len Brown

Members:

- Bill Cashmore
- Penny Hulse
- Penny Webster
- George Wood

Civil Defence and Emergency Management Committee

Chairperson: Sharon Stewart

Deputy Chairperson: Bill Cashmore

Members:

- Alf Filipaina
- Denise Krum
- Calum Penrose
- Sir John Walker KNZM, CBE
- George Wood

IMSB members:

- Karen Wilson
- David Taipari

Community Development and Safety Committee

Chairperson: Dr Cathy Casey

Deputy Chairperson: Sir John Walker KNZM, CBE

Members:

- Arthur Anae
- Linda Cooper
- Alf Filipaina
- Calum Penrose
- John Watson
- Wayne Walker
- George Wood

IMSB members:

- Kris MacDonald
- Josie Smith

Economic Development Committee

Chairperson: Arthur Anae

Deputy Chairperson: Ross Clow

Members:

- Cameron Brewer
- Bill Cashmore
- Linda Cooper
- Hon Christine Fletcher QSO
- Denise Krum
- Dick Quax
- Penny Webster

IMSB members:

- Precious Clark
- Kris MacDonald

Environment, Climate Change and Natural Heritage Committee

Chairperson: Wayne Walker

Deputy Chairperson: Linda Cooper

Members:

- Dr Cathy Casey
- Ross Clow
- Chris Darby
- Christine Fletcher QSO
- Mike Lee
- John Watson

IMSB members:

- Liane Ngamane
- Karen Wilson

Hearings Committee

Chairperson: Linda Cooper

Deputy Chairperson: Penny Webster

Members:

- Arthur Anae
- Chris Darby
- Calum Penrose
- Wayne Walker

IMSB members:

- Glenn Wilcox
- David Taipari

Where to find the full annual report 2013/2014

You can find the full report at all:

- Auckland libraries
- service centres
- local board offices.

For more information go to
aucklandcouncil.govt.nz/annualreport



How to contact us

We can help you 7 days a week, 24 hours a day.

Telephone	09 301 0101 (toll-free for residential landlines within Auckland Council boundaries. Note that toll-free calls are not allowed by all service providers)
In person	At our customer service centres
Via our website	Using our online form at aucklandcouncil.govt.nz
Fax	09 301 0100
By post	Auckland Council Private Bag 92300 Auckland 1142
By courier	Mail room Auckland Council Civic Building 1 Greys Avenue Auckland 1010



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**Auckland
Council**
To Kaurihera o Tāmaki Makaurau

