Super City?
State of Auckland
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Introduction

Auckland is New Zealand’s bold experiment in local government. Is the Super City a success, a disappointment or something in between? The local government elections in 2013 provide an opportunity to assess the state of Auckland. How is New Zealand’s largest city measuring up three years on from the unique governance reforms that created it?

This report examines various areas of living in Auckland; its people and communities, democratic participation, the economy, the state of the built and natural environment, transport and other infrastructure, public services, confidence in Auckland’s regional and local governance and value for money. It aims to help citizens make informed decisions when they vote in the 2013 local government elections. It also allows them to be involved in a continuing research project that assesses the city they live in.

The monitoring of the Super City provides an objective and authoritative reflection on trends and change over time. It has been written by researchers from the new School of Social Sciences and Public Policy at AUT University and is based on a framework developed by the Department of Internal Affairs in 2010. An online survey of Auckland residents commissioned by AUT in April 2013 revealed that the most pressing current and further issues were public transport, law and order, health, housing availability, the economy, and population growth/sustainability.

This report uses a wide variety of data sources, some already published, some from the Auckland Council, and information generated by new research. More information is available on the Super City? State of Auckland website. It provides insights into Auckland Council’s performance during its first term but also acknowledges that much of the quality of daily life in Auckland relies also on central government policies, the public and private sectors, and voluntary activity.

Super City? State of Auckland has been produced at a time of heightened public debate in and about Auckland. This has been prompted by:

- The Auckland Unitary Plan and a contest of ideas over urban intensification
- The degree of authenticity of consultation and participation in Super City planning processes
- The relationship between Auckland Council’s elected representatives, the bureaucracy and citizens
- The balance of power between central and local government and autonomy of decision-making
- Housing affordability and intergenerational differences
- The persistence of inequalities and the deepening structural divide between parts of Auckland in employment, health outcomes, wellbeing and prosperity.

The amalgamation of the region is only three years old and is in a consolidation phase. This provides the AUT research project team with an opportunity to develop a programme of monitoring and evaluation. The Super City warrants continuing research. It will be judged in future by whether Auckland is more democratic and Aucklanders are happier, richer, greener and safer.

Professor Charles Crothers, Michael Fletcher, Dr Kirsten Hanna, Professor Judy McGregor, Dr Carol Neill, and David Wilson, School of Social Sciences and Public Policy, AUT University

1. http://www.aut.ac.nz/supercityproject
Confidence in Auckland

The jury on the Super City is still out as far as Aucklanders are concerned. In mid-2013 a moderate-sized survey of 350 Aucklanders showed that those surveyed are still unsure whether the governance reforms have benefitted the region or their local community.²

The Aucklanders surveyed are still unsure whether the governance reforms have benefitted the region or their local community

Traditionally, local government attracts only limited public interest but the formation of Auckland Super City saw interest increase, as measured by voting turnout figures. However, the heightened interest has yet to be consolidated. Most respondents think that the reforms have made little difference (so far) to either the region as a whole or their local community. In terms of the impact on the region specifically, substantially more Aucklanders surveyed felt the reforms have been beneficial compared to those saying they have had the opposite effect. In terms of the impact on local communities, the trend is reversed: 30 percent felt the effects have been negative and 20 percent felt they have been positive.

Familiarity with the Council’s Auckland Plan and/or Draft Unitary Plan was low. Of the Aucklanders surveyed who ventured an opinion, around half were unsure whether the plans were right for Auckland

Nearly two-thirds of respondents had heard of the Council’s Auckland Plan and/or the Draft Unitary Plan. Only ten percent claimed a high degree of familiarity with the plans, while a similar-sized grouping claimed no familiarity at all. The remainder of responses, 80 percent, were equally divided between “some” or “slight” familiarity. When asked whether these plans are right for Auckland, a quarter of respondents disagreed, a quarter agreed, and half were unsure.

Most Aucklanders surveyed reported middling confidence in Auckland’s system of regional and local government

Confidence in Auckland’s system of regional and local government was mixed, with 33 percent of Aucklanders surveyed reporting confidence, around 16 percent reporting a lack of confidence, and around 50 percent reporting middling confidence.

A third of Aucklanders surveyed believed that the Mayor is an effective leader for the Auckland region

The Mayor’s leadership in the Auckland region was positively evaluated by a third of respondents. A quarter of respondents felt he is not an effective leader for the Auckland region while the remainder of respondents were ambivalent.

A minority of the Aucklanders surveyed felt they received value for their rates

Although a quarter of the Aucklanders surveyed felt they got value for their rates, a third felt they did not and 40 percent were ambivalent.

Around half of the Aucklanders surveyed felt that the distribution of power between central and local government is about right

A sixth of Aucklanders surveyed felt that Auckland Council is too powerful and that central government needs more power. One third felt that central government is too powerful and that Auckland Local Government needs more power. The remaining 50 percent of respondents felt the balance was about right.

The Aucklanders surveyed felt the number of local boards was about right

The vast majority of the Aucklanders surveyed felt that the number of local boards is about right; around 20 percent felt there were too many and 10 percent felt there were too few.

² The moderate-sized random telephone sample was conducted by Phoenix Research. The confidence interval is +/- 5%. It is important that we are able to compare the views of stakeholders who ought to have more operational knowledge with those of the public which is informed largely through the media, but partly affected by personal experiences. However, the collection of stakeholders’ viewpoints is still underway and will be reported later.
People and communities

Auckland is New Zealand’s demographic dynamo. It continues to grow from 1,373,000 people in 2006 to 1,507,600 today, an increase of 9.8 percent or approximately two percent each year. Compared to the rest of New Zealand, Auckland’s population has a higher proportion of young people and a smaller proportion of over-65s, ten percent. It is marked by considerable ethnic diversity and its growth is influenced by migration patterns. Auckland households tend to be larger than elsewhere in New Zealand and fewer Aucklanders proportionately live in rural communities. Auckland also has a higher concentration of tertiary qualified and a smaller proportion of unqualified residents. More Aucklanders work fulltime in professional and clerical occupations.

Auckland Council has little direct influence over outcomes which are the primary responsibility of central government, but can exert indirect influence through Auckland Council planning processes. Aucklanders’ perceptions of the liveability of their city do not generally distinguish between the responsibilities of central government and those of the Auckland Council. The Super City is judged by whether daily living in Auckland is better or not. The vibrancy of Auckland’s communities is measured here by looking at quality of life, health, housing, crime and safety, and attitudes to the city. Auckland Council shares its responsibilities with a variety of other authorities: e.g. three District Health Boards (DHBs), Auckland, Waitemata and Counties Manukau, service the Super City.

Quality of life

Nearly 80 percent of Aucklanders rate their quality of life positively. While the majority of Aucklanders rate their quality of life as extremely good or good, Wellingtonians were even more likely to do so, 88 percent. Those Aucklanders least likely to rate their quality of life positively were living in Henderson-Massey and Manurewa, were of Pacific, Māori or Asian/Indian ethnicity, or in households with an income under $70,000 per annum.

Just under a quarter, 23 percent, of respondents living in Auckland said their quality of life had increased compared to 12 months prior, with 3 percent saying it had increased significantly and 20 percent saying it had increased to some extent. Those more likely to say their quality of life had increased were living in Otara-Papatoetoe, 35 percent. Those less likely to say their quality of life had increased were living in Rodney, 14 percent, perhaps indicating they were previously satisfied.

Although Auckland households have substantially higher incomes, Aucklanders feel slightly less affluent than other New Zealanders. Aucklanders are slightly more deprived at both neighbourhood and household levels and are more likely to consider themselves as being in financial difficulties. Auckland street-areas in the most deprived category total 14 percent as opposed to 12 percent for the rest of New Zealand; 5.1 percent are in the highest category as opposed to 5.5 percent elsewhere in New Zealand. Having said that, in terms of the Economic Living Standard Index (ELSI), which has been developed to describe the living standards of New Zealanders, there is no major difference. Aucklanders tend to rate their standard of living slightly lower than other New Zealanders, 48 percent as high/fairly high versus 50 percent. A related measure of satisfaction with standard of living has a similar proportion, 80 percent versus 82 percent, and more Aucklanders claim they do not have enough money, 18 percent versus 14 percent.
Household income for Aucklanders averaged (mean) just under $100,000 for the 2008-2010 period, increasing very slightly from 2009 to 2010. Personal income remained fairly constant at $40,000. Household incomes, and to a lesser extent personal incomes, are considerably higher than those for non-Aucklanders. However, household income inequality increased for Aucklanders from 60 percent in 2008 to 62 percent in 2010 (Coefficient of Variation). For individual incomes, the increase was from 100 percent to 109 percent over the same period. This same pattern was evident across New Zealand.

Health

The majority of Auckland adults, 82 percent, rate their overall health positively, but this figure masks significant inequalities. In 2012, those least likely to rate their health positively were of Māori, Pacific or Asian/Indian ethnicity; aged 65-plus; or had a household income below $40,000. For example, over 40 percent of adult residents in Auckland’s most deprived local board area, Mangere-Otahuhu, gave a negative health rating. Aucklanders’ self-ratings of overall health were similar to those from residents in four other New Zealand cities (Porirua, Hutt, Christchurch, Dunedin). However, Wellingtonians were more likely to rate their health positively, 86 percent. A negative rating of one’s health strongly predicts the use of health services in the future or of mortality and is strongly linked to overall quality of life.

Nearly one in five Aucklanders did not visit a general practitioner (GP)/doctor when they wanted to in the previous year, mostly because of cost. Some Aucklanders were more likely than others to not see a GP when they wanted to. For example, in Mangere-Otahuhu, the rate was one in three in 2012. Nearly half, 46 percent, of Aucklanders who did not visit a GP said it was because of the cost; around a third said the issue was minor or not serious enough to warrant visiting a doctor; one in five said they could not get an appointment. Rates of not seeing a GP were similar across Auckland, Porirua, Hutt, Wellington, Christchurch and Dunedin. Having timely access to a GP is important in terms of treating and preventing poor health.

Age-standardised suicide rates in the Auckland-region DHBs were below the national rate (2006-2010), but higher than in the Capital and Coast (Wellington-region) DHB. Over the five-year period from 2006-2010, the age-standardised suicide rates for the Auckland, Waitemata and Manukau DHBs were below the national rate (9.5, 9.3, 10.4 and 11.6 per 100,000 population respectively). Only Capital and Coast DHB (8.2) recorded a lower rate than Waitemata DHB. In the partly overlapping period of 2002-2006, the Auckland and Waitemata rates were similar to the more recent figures (9.2 and 9.7 per 100,000 population respectively), but the Counties Manukau rate was somewhat higher at 12.1.

Across New Zealand, the 2010 suicide death rate was highest for males, Māori, male youth, residents in the most deprived areas and those in rural locations. The rates for Māori youth and Māori males were particularly high. Suicide is an indicator of a population’s mental health and social well-being.

There were proportionally fewer births to teenage mothers in Auckland compared to the national rate. The age-specific fertility rate for teenage mothers in Auckland was below the national average of 27.8 births per 1,000 teenagers in 2011. However, the Auckland rate of 24.9 was higher than those for Wellington, 22.5, Canterbury, 18.9, and the rest of the South Island, 19.3. As Auckland’s population is large, the actual number of births to teenage mothers is correspondingly high. For example, between 2005–2009, 30 percent of live births to teenage mothers in New Zealand were in the Auckland region. Teenage parenthood, and being the
child of a teenage parent, is associated with a range of negative outcomes, for example, in terms of income, employment and educational achievement.  

The proportion of low birthweight babies in Auckland and Waitemata DHBs was similar to the national rate, but the Counties Manukau rate was slightly higher.  

In 2010, 1.8 percent of full-term babies born in New Zealand were low birthweight, weighing less than 2.5kg at birth. The rates in the Auckland region DHBs were similar to the national rates, but Counties Manukau was slightly higher, Waitemata 1.8 percent, Auckland 1.9 percent, Counties Manukau 2.2 percent. In the same year, the rates in, for example, Canterbury, 1.3 percent, and Capital and Coast, 1.6 percent, were below those recorded by Auckland DHBs. Low birthweight “is associated with fetal and neonatal mortality and morbidity, as well as inhibited growth and cognitive development.” The infant death rate, the number of infants who die before their first birthday per 1,000 live births in Counties Manukau DHB was markedly higher than the national rate in the 2005-2009 period, 6.9 and 5 respectively. By contrast, the Waitemata DHB rate was markedly lower, while the Auckland DHB rate hovered just below the national rate.  

Housing  

The pace of housing construction in Auckland has slowed in recent years, and the proportion of apartments compared to single-dwellings has increased. The unaffordability of Auckland housing is high but has slightly decreased.  

Australians are generally satisfied with where they live in terms of their homes. Eighty-seven percent said they are very satisfied or satisfied. For non-Australians, ratings were very similar (86 percent very satisfied or satisfied).  

In 2006 there were 437,000 occupied private dwellings (and 465,500 dwellings), an increase of 45,000, 11.4 percent, between 2001 and 2006, compared with 12.4 percent population growth during that time. The 2011 estimate was 514,000 occupied dwellings and a population of 1,507,600, increases of 10.4 percent and 9.8 percent respectively. Occupied dwellings, as expected, slightly exceed population growth given that household size is falling.  

Separate, detached houses are the predominant type of housing at 75.6 percent in 2006, with the remaining 23.9 percent flats, townhouses and apartments. Auckland had a lower proportion of separate houses than the rest of the country at 81.2 percent in 2006.  

Within Auckland, the Waitemata local board area had the highest proportion of flats, townhouses and apartments at 65.5 percent. The local board areas on the edges of the urban area tended to have the highest proportions of stand-alone houses such as Waiheke Island, Waitakere Ranges, Rodney and Franklin.  

About two-thirds, 62.3 percent, of the increase in the number of private occupied dwellings between 1996 and 2006 were separate houses, and about a third, 37.4 percent, were flats, townhouses and apartments. Since 2001 the proportion of new housing permits granted for apartments has been around 20 percent but with a peak of 30 to 40 percent in 2004–2005, which was also a period of particularly high construction, or at least permit issuance. In 2011 just over 3,500 permits were issued and the proportion for apartments was down to 10 percent. The number of apartments built in Auckland grew rapidly from 2001 to 2005 and has fallen dramatically since.  

Housing affordability in Auckland is an issue of considerable concern. According to the Demographia survey, the Auckland housing market, along with other New Zealand markets, is severely unaffordable with a “median multiple” of 6.7 in 2012. That is, the median house price ($506,800) is 6.7 times the gross
median New Zealand household income of $75,200. However, the median multiple has come down slightly since 2008 when it was 6.9. Nonetheless, only slightly fewer Auckland residents own their own dwelling compared to other New Zealanders at 53 percent versus 55 percent.

Nine percent of Aucklanders lived in overcrowded housing in 2008 and 2010, but 17 percent of Auckland's children were in this situation. More recent data showed that 17 percent of children in Mangere’s Harania West neighbourhood were living in overcrowded homes in 2011. A high proportion of children in overcrowded housing is of particular concern given the association between overcrowding and poor health.

“Houses in Auckland are affordable, just not in the areas most would-be-first-home buyers seem to want to buy.”

Crime and perception of safety

Reported rates of crime are steadily decreasing. Slightly fewer Aucklanders reported they were victims of crimes compared to residents in other New Zealand cities.

Reported rates of crime are steadily decreasing, as shown in Table 1.

Table 1:
Reported offences per 10,000 population for the three Auckland Police Districts

<table>
<thead>
<tr>
<th></th>
<th>Waitemata</th>
<th>Auckland</th>
<th>Counties Manukau</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>660.6</td>
<td>1,265.0</td>
<td>965.8</td>
</tr>
<tr>
<td>2012</td>
<td>570.2</td>
<td>1,098.5</td>
<td>845.5</td>
</tr>
</tbody>
</table>

Slightly fewer Aucklanders, 18 percent, than non-Aucklanders, 20 percent, reported they were victims of crimes. Compared to residents in other New Zealand cities, Aucklanders feel less safe in their city centre and safer at home or in public areas.

Seventy percent of Aucklanders surveyed reported feeling safe or very safe awaiting public transport during the day, compared to 53 percent of other New Zealanders. Thirty-three percent of Aucklanders reported feeling safe or very safe while awaiting public transport at night-time, compared to 25 percent of non-Aucklanders. Perceptions of safety while walking in one’s neighbourhood during daytime was similar between Aucklanders, 94 percent felt safe or very safe, and non-Aucklanders, 95 percent felt safe or very safe. In contrast, only 54 percent of Aucklanders, and 58 percent of non-Aucklanders, felt safe or very safe walking in their neighbourhood at night. Finally, the perceived safety of children playing unsupervised concerns more Aucklanders, 25 percent, than city-dwellers elsewhere in New Zealand. In Porirua, Hutt, Wellington, Christchurch, and Dunedin, it was 21 percent.

Feelings of being safe are central to people’s wellbeing, but may be quite unrelated to reported rates of crime. Auckland Council can assist with keeping crime low through encouraging appropriate built environment design and supporting community organisations such as Neighbourhood Watch. Community Safety Auckland is an arm of Auckland Council that encourages support for crime reduction.
Attitudes to the city

Aucklanders' attitude towards their city is more positive compared to residents in other New Zealand cities. However, Aucklanders' attitudes towards their own neighbourhood are more negative.

That “Auckland is a great place to live” was a viewpoint agreed to by 77 percent of Aucklanders responding to the Quality of Life Survey, compared to 75 percent of non-Aucklanders living in other cities, and their sense of pride in the way their city looks and feels is considerably higher. Aucklanders have a slightly lower sense of community in their neighbourhood compared to non-Aucklanders, 52 percent versus 55 percent, and are less satisfied with the look and feel of their neighbourhood. However, of particular concern is the finding that only 46 percent of Aucklanders felt that cultural diversity makes their area a better place to live, compared with 62 percent of non-Aucklanders.

Auckland Council can encourage high quality design of public spaces and encourage high quality design of visible private spaces in order to enhance residents' feelings about living in their community and also in the city more widely.

6. There is a large international literature arguing that inequality can itself have a major effect on social outcomes even when controlling for income level (see e.g., the debate around Wilkinson, R. G., & Pickett, K. (2009). The spirit level: Why more equal societies almost always do better. London: Allen Lane).
9. Wanting to see a GP in the last 12 months but not doing so. ACNielsen. (2013a, b) (see endnote 7).
10. That is, there was no statistically significant difference at the 95% confidence level.
15. Statistics New Zealand's Demographic Trends: 2012 states that the 2011 teenage birth rate was 26 per 1,000.
20. Data from Statistics New Zealand, Population Censuses and population estimates.
23. A December 2012 Television One Colmar Brunton public opinion poll found that New Zealanders want the government to act to lower housing prices. By an almost 2 to 1 margin, respondents indicated that the nation’s government should be “doing something” about housing affordability. The support for reforms to make housing more affordable was significantly stronger in the 18 to 34 age group.
FOR SALE
BY PUBLIC AUCTION (NIGHT AUCTION)
Monday, October 19th and Tuesday 20th, at 7.30 p.m. each evening.
At Chamber of Commerce, Swanson St., Auckland.
Democratic participation

Elected representation

The diversity of elected representation in Auckland is disappointing with few Māori and Pacific Islands members on Auckland Council and the 21 local boards, a small number only of ethnic councillors or board members, and not many female directors of council-controlled organisations (CCOs). While voter turnout was higher in 2010 at 51 percent, almost half of Aucklanders eligible to vote in the local authority elections did not exercise their fundamental democratic right to vote.

“For the citizens of Auckland local boards will be an important gateway into the work of local government in the region.”

Women comprise 40 percent of Auckland Councillors and 39 percent of the members of local boards are women.

Auckland Council has 40 percent women’s representation with eight out of 20 councillors and 39 percent female representation in the 21 local boards. Nine local boards are chaired by women and eight have deputy chairs who are female. Two local boards have women as both chair and deputy chair. Women represented 33 percent of the candidates for local boards, 140 females put themselves forward, and they were proportionately more successful than men. By comparison with 12 other New Zealand cities which recorded the lowest number of elected women candidates (52) since the 1989 restructuring of local government, Auckland is faring better in terms of women’s representation at the two levels of governance.

There were a number of other local authorities with a greater female representation than Auckland Council in terms of elected representation, including Wellington City Council and Christchurch City Councils, at the last elections in 2010. Five councils achieved 50 percent or above female representation of councillors. Auckland remains ahead of the overall national percentage of women as elected representatives in local government (including mayors, regional, city and district councillors) which was around 28.3 percent in 2012.

The female representation in the seven substantive council-controlled organisations (CCOs) of Auckland Council continues to be of concern to women’s groups such as the Women’s Health Action and to the New Zealand Human Rights Commission. In March 2013 it was 29 percent with 15 women out of 51 board appointments. There are no women chairing any of the seven CCOs, while four have female deputy chairs.

The Council’s CCOs provide many of the services that usually form the core activities of local authorities in New Zealand, including roading, public transport, water and wastewater, economic development, tourism and events and regional facilities. Substantive CCOs deliver services and activities that are funded by more than 35 percent of the Council’s total rates, and these CCOs also manage $25 billion of assets owned for the benefit of the public, which makes up 70 percent of the Council’s consolidated total assets.
Table 2: Women’s representation: Auckland Council 2013

<table>
<thead>
<tr>
<th>Representative</th>
<th>Total No.</th>
<th>No. of women</th>
<th>% women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mayor</td>
<td>1</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Council</td>
<td>20</td>
<td>8</td>
<td>40%</td>
</tr>
<tr>
<td>Local boards</td>
<td>148</td>
<td>58</td>
<td>39%</td>
</tr>
<tr>
<td>CCO appointments</td>
<td>51</td>
<td>15</td>
<td>29%</td>
</tr>
<tr>
<td>Chief Executive</td>
<td>1</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Senior management</td>
<td>8</td>
<td>4</td>
<td>50%</td>
</tr>
</tbody>
</table>

In the 2010 Auckland Council governing body and local board elections the proportions of women candidates and female councillors/mayors were similar to those in the 2007 elections.

Table 3: Representation of women in Auckland elections, 2007–2010

<table>
<thead>
<tr>
<th></th>
<th>Auckland Regional Council 2007</th>
<th>Auckland area TAs 2007</th>
<th>Auckland Council 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women council/governing body candidates</td>
<td>13 (32%)</td>
<td>101 (30%)</td>
<td>32%</td>
</tr>
<tr>
<td>Women councillors</td>
<td>6 (46%)</td>
<td>36 (37%)</td>
<td>8</td>
</tr>
<tr>
<td>Women community/local board candidates</td>
<td>–</td>
<td>123 (39%)</td>
<td>147 (39%)</td>
</tr>
<tr>
<td>Women board members</td>
<td>–</td>
<td>55 (39%)</td>
<td>58</td>
</tr>
</tbody>
</table>

Incumbency is a strong feature of the Auckland Council, despite its newness, and three-quarters of the councillors elected to the Auckland Council governing body in the 2010 elections were members of former Auckland area councils, including many well-known female local body personalities. Incumbents who were members of former Auckland area community boards, also represented more than half, 57 percent, of Auckland local board members elected in 2010.
There are few Māori elected representatives on Auckland Council and approximately five percent only on local boards. There is one Māori council member, one who identifies as having Māori heritage and one who identifies as Pacific/Māori elected to Auckland Council. A tiny number of Māori are members of local boards, approximately five percent, with one female Māori local board chair. Given that at the 2006 Census more than 130,000 of Auckland’s population of 1.3 million people, 10 percent, identified as Māori, the level of Māori representation is of concern.

While the Royal Commission on Auckland Governance, the precursor to Auckland’s local governance reforms, recommended three Māori members, two elected by voters on the Māori Electoral Roll and a representative from a proposed Mana Whenua Forum, the recommendation was not included in the eventual Auckland governance legislation. Instead an Independent Māori Statutory Board (IMSB) was established through the enactment of the Local Government (Auckland Council) Amendment Act 2010 and is without precedent in central or local government. The board membership comprises seven mana whenua group representatives and two mataawaka representatives appointed by an iwi selection body. It has a statutory role to provide leadership and direction to Auckland Council to make decisions, perform functions and exercise powers by:

- Promoting the cultural, economic, environmental and social issues that are significant to Māori in Auckland; and
- Ensuring that the Council complies with statutory provisions that refer to the Treaty of Waitangi.

The Office of the Auditor-General’s report in 2012 states that the relationship between the IMSB and the Council is “generally working, with everyone trying their best.” The report states the IMSB is challenging the Council to improve its decision-making to be responsive and effective for Māori.

There are several elected representatives of Pacific heritage, approximately 10 percent, on Auckland Council. By comparison with Māori, Pacific Islanders have better local body representation in Auckland. Two councillors have Pacific heritage, 10 percent of elected council representation, excluding the Mayor, and at least one local board, Mangere-Otahuhu, has a majority of Pacific elected representatives with four of seven members. Pacific Islanders represented 14.4 percent, 177,936, of the Auckland region population at the 2006 Census. Population estimates from Statistics New Zealand indicate a slight increase for Pacific Islanders to 17 percent in 2012. The settlement pattern of migrants from the Pacific Islands sees the greatest concentration in Manukau City around the suburbs of Otara, Manukau and Mangere, as well as in Auckland City in Otahuhu and Glen Innes. According to ethnicity by local board in 2006, 50 percent of people living in Mangere-Otahuhu were Pacific and 46 percent living in Otara-Papatoetoe were Pacific, which has the potential to influence representation at a local level.

“Pacific communities desperately need voices and policies that address the acute and serious issues confronted by Pacific communities”

There are no reliable data on ethnic candidates and elected representatives but what information is available shows ethnic peoples’ representation is very low. Auckland is the most ethnically diverse region in the country with over 150 ethnic identities and more than 120 languages listed in the last census. Identification of ethnicity of elected representatives in Auckland is difficult because it is based on self-identification and is often not sufficiently disaggregated in official data sets. However, there appears to be no ethnic peoples’ representation on Auckland Council. There also appears to be a tiny number
only of ethnic candidates on local boards. To meet the needs of ethnic peoples, the Auckland Council established in 2010 an Ethnic Peoples Advisory Panel (EPAP) which defines its constituency in the tradition of the Office of Ethnic Affairs: “People whose culture and traditions distinguish themselves from the majority of people in New Zealand, i.e., those who are not of Māori, New Zealand European/Pākehā or Pacific Island heritage”. Census data in 2006 indicated that 18.9 percent of Auckland region's population was Asian and 1.5 percent was Middle Eastern/ Latin American/African. Local board areas with high Asian populations include Puketapu, 40 percent, Howick, 32 percent, and Whau, 31 percent.

Voter turnout

The voter turnout for the Auckland Council elections in 2010 was 51 percent.

The voter turnout at 51 percent for Auckland Council was second only to the 52.2 percent turnout for Christchurch City Council in 2010. It was higher than the 38.5 percent overall turnout for seven Auckland Territorial authorities in 2007, and compares to the 49.1 percent turnout for all territorial authorities in 2010. Voter turnout in Auckland Council elections reflects heightened public interest in local government activity in Auckland, and the high profile mayoralty contest. Enrolled non-resident ratepayer electors in Auckland had a 97 percent turnout in the 2010 Auckland Council election. Non-resident ratepayer turnout is consistently higher than residential voter turnout and the Department of Internal Affairs says this is “likely to be because ratepayer electors must take specific steps to confirm their enrolment, which is likely to be a strong intention to exercise their vote”. The September Canterbury earthquake is credited for increasing the voter turnout overall as well, 52.2 percent in Christchurch compared to 42 percent in 2007.

The voter turnout for Auckland Council at a little over 50 percent is, of course, a glass half empty/half full scenario, given that it represents almost every second person of the 1.4 million eligible Auckland voters not exercising a vote. Political participation is declining particularly amongst young people. In 2010 there was media debate questioning whether the local body elections may represent a turning point in the steady decline of voter turnout since the 1989 restructuring of local government. Turnout peaked in 1989 with 56 percent voter turnout for regional councils and 65 percent for district councils. The general decrease in turnout between 1989 and 2007 was relatively consistent across all types of local body elections including DHBs and Trusts.

Support for democracy

Auckland residents report a slightly lower level of satisfaction with the operation of local government in their region compared to residents in other New Zealand cities. A higher proportion of Aucklanders are interested in further opportunities for participation. The percentage of Aucklanders who agree that they have a good understanding of how Council made decisions has declined in recent years from 46 percent in 2008 to 27 percent. Just 34 percent of Aucklanders agree they have confidence that Council decisions are in their best interests. This is lower than for the other urban areas and also lower than 2008. Over a third, at 36 percent, see the public as having some/large influence over Council decision-making which is less than other major cities. Over 58 percent of Aucklanders want more say in their city decision-making, again slightly above other cities. Reported levels of satisfaction with advice and support for elected representatives provided by Council officers have slightly
improved from 2011 to 2012. However, they are some way from the target of 70 percent set by Auckland Council. Services that provide support for democracy are important in providing an inclusive governance system for Auckland.

Information on council activities needs to be freely available to Auckland residents so they can be well-informed about services and activities available to them. The Council provides information through a range of media, including online, print, through call centres and in physical service centres. Measures of Auckland region’s residents’ satisfaction with the availability of information to them, and how well they feel they can access information, has not yet become available in consistent form through the Auckland Council.

However, in the Peoples’ Panel survey on communicating with Council, questions were asked about information availability on website, call centre and face-to-face visits to the Council. The responses to this survey indicated that information availability could be significantly improved.

Residents who had interacted with the Council were surveyed and a total of 64 percent of the respondents (n=1663) indicated that they were satisfied or very satisfied with their last contact with Council. Suggestions made for improvement in Council services included having more knowledgeable staff in the call centre, Council staff being more direct, and providing accurate and complete information, and for records to be updated so information does not have to be repeated. Making processing less complicated and bureaucratic, and improving the website so that information was more accessible, and up to date were other suggestions.38

“Local boards will be pivotal if communities are to have a say in their future, rather than being part of a one-size-fits-all prescription”

29. Data compiled by AUT research team from publicly available information.
34. Department of Internal Affairs (2010). Local Authorities Election Statistics. (See endnote 30).
36. ACNielsen. (2013a) (see endnote 7). Although there are difficulties in comparing 2010 and 2012 data from this survey because of their changed methodology this seems unlikely to be merely a ‘methodical effect’.
37. The most frequently mentioned reason for the lack of confidence that Council decision making was in the best interest of the city/district is that respondents “do not like specific decisions, or outcomes of the decisions the Council has made” (51 percent). This was followed by “do not agree in general with decisions the Council has made” (30 percent), “unhappy with rates/rating structure” (5 percent), and “not looking after all areas/suburbs/too much emphasis on central area” (5 percent).
A prosperous regional economy

The new Auckland governance structure provides the “foundation stone upon which we will make Auckland a great place to live, and drive New Zealand’s economic growth.”

The Auckland economy is doing as well as, or slightly better than, New Zealand as a whole but there is little evidence of it capitalising on its dominance in the national economy or of it playing a major role in leading the rest of the country’s economic performance. Recent trends suggest modest recovery since the 2008/09 recession, although productivity growth in particular remains weak.

The other concerning aspect evident in the data presented here is the inequality in outcomes. For example, while the overall Auckland unemployment rate is 7.2 percent, the rates for Māori and Pacific Islands youth aged 15–24 are 26 percent and 31 percent respectively. Similarly, although early childhood education (ECE) attendance is generally high in Auckland, over 40 percent of 5 year olds who did not attend ECE are enrolled in Decile One schools. Disparities like these have long-lasting impacts on social and economic outcomes.

In short, the Auckland economy is a long way from the Council’s Economic Development Strategy vision of delivering “opportunity and prosperity for all Aucklanders and New Zealand”.

Auckland’s GDP per capita is higher than across New Zealand as a whole but is below many other first world cities. Auckland was 69th out of the 85 metropolitan regions ranked by the OECD. Income per person in Auckland was more than 25 percent below that in Sydney, and around 40 percent below Dublin, London and Paris based on the 2003 data. The Council’s 2012 Economic Development Strategy set a target of raising this ranking by 20 places by 2031. Council can have some long-term impact on regional GDP per capita through its economic development, infrastructure and related policies but central government policies and international factors are also influential. GDP per capita is a common, albeit imperfect, measure of a region’s or nation’s economic prosperity. It does not show how income is shared across the population.

Auckland’s real GDP has grown at an average of approximately 2.6 percent per annum over the last 12 years.

While Auckland was more affected than the country as whole by the recession in 2008-2009, it has recovered more quickly and has been growing at an average of 2.4 percent per annum in the three years to 2012, compared with 1.2 percent for New Zealand. Growth rates remain substantially below the Council’s target figure of 5 percent per annum average over the next 30 years. Real GDP growth is a common measure of the trend in economic performance.

Over the last 10 years average labour productivity growth in Auckland has been on a downward trend and has been negative for three of the four years to 2012.

The recent declines may be due to slow GDP growth since 2009 as in most countries labour productivity growth tends to decrease during recessions although this does not explain the declining trend from 2004 to 2008. Auckland Council has set a target of doubling labour productivity growth from an average of 1 percent per annum to 2 percent per annum. Treasury and Statistics New Zealand have estimated that between 1978 and 2008 labour productivity in New Zealand grew at an average rate of 1.4 percent per annum. An increase in output per hour worked provides a measure of growth in the regional economy’s ability to use people’s paid working time to produce goods and services.
The unemployment rate for Auckland was 7.3 percent in the March quarter 2013, double that of five years ago.\textsuperscript{44}
The downturn since 2008 had a somewhat larger effect on the Auckland economy compared with New Zealand as a whole. By December 2012 Auckland’s unemployment rate remained slightly worse than the national average and is heavily concentrated among certain groups. In particular, the rate for youth aged 15–24 is 19.8 percent, compared with 5 percent for people aged 25–64. The rate for Māori youth is 26 percent and for Pacific Islands youth even higher at 31 percent. In total, youth make up more than 40 percent of all unemployed in the Auckland region. The unemployment rate is an internationally comparable indicator of the state of the labour market and the ability of people to obtain employment. Although Auckland Council does not have an unemployment rate target, access to employment is fundamental to its Economic Development Strategy’s purpose of ‘opportunity and prosperity for all Aucklanders’.\textsuperscript{45}

Approximately 28,700 Auckland youth were classified as Not in Employment, Education or Training (NEET) as at December 2012. This represents one in eight of all 15–24 year old Aucklanders.\textsuperscript{46} Although Auckland’s NEET rate is lower than the nation-wide figure of 13.9 percent, of particular concern in Auckland are the high rates for Māori and Pacific Islands youth: one in five of whom are not in employment, education or training. This difference is partly explained by the higher percentage of Māori and Pacific under-25 year olds who are engaged in caring responsibilities at home but even excluding this group a large disparity still remains. There is also considerable variation between Wards, ranging from 5.4 percent in the Waitakere and Gulf Ward to 29.1 percent in Manurewa–Papakura Ward (June 2012 figures).\textsuperscript{47} Auckland Council has a target to ‘improve the proportion of youth who are in education, employment and training’.

There has been no improvement in NEET rates in recent times. The most recent figures are somewhat worse than four years ago and roughly the same as in 2004. A notable change over the period, however, is the apparent convergence between rates for males and females. There has been some improvement in NEET rates for young women in Auckland but a deterioration for young men. It is likely that the worsening situation for men is due to the weakness of the labour market since 2008.

The youth NEET indicator is a measure of the number of young people who have left the education system but are not in employment. While often this is a temporary situation, or is because of parenting or other caring responsibilities, it can be an indicator of disengagement associated with poor longer-term employment and earnings outcomes.

One quarter, 24.3 percent, of Auckland’s adult population has a Bachelor’s degree or higher qualification (March 2013).\textsuperscript{48} This proportion is higher than for New Zealand as a whole, 19.4 percent, and has been rising steadily—the Auckland figure was 19 percent in 2006 and 13 percent in 2001. The proportion of people with degrees is higher among those aged 25–64, 31 percent, than among people aged 65 and older, 12 percent, reflecting the growth in tertiary education and its increased importance for employment and earnings. Women’s participation in university education has been growing faster than men’s so that by 2013 in Auckland the proportion of women with degrees is now higher than that of men, 26 percent compared to 23 percent.

Forty-six percent of the Auckland population aged 15 and over have no post-school qualifications, including 19 percent who have no educational qualifications at all at March 2013.\textsuperscript{49} This indicator has, however, been improving rapidly. For example, the equivalent 1996 Census figure was 63 percent. Nonetheless, the number of young people lacking qualifications remains a serious issue for Auckland with 28
percent of Auckland 2009 school-leavers not gaining NCEA Level 2. This compares with a New Zealand-wide figure of 34 percent. Fifty-two percent of Māori and 42 percent of Pacific Islands school-leavers in Auckland who left school that year had not obtained Level 2, compared with 22 percent of Pākehā and 17 percent of Asian school-leavers.

A lack of tertiary education or training increases an individual’s chances of unemployment and is linked to lower earnings. A well qualified workforce is important for the economic development of the Auckland region.

**Ninety-five percent of Auckland children starting school have previously attended ECE (year to June 2012).**

This figure is slightly higher than the national average of 93 percent. The figure for Pākehā/European children in Auckland was 98 percent, compared with 84.4 percent of Pacific children and 87.4 percent for Māori. A Ministry of Education report shows the very strong socio-economic gradient in ECE participation—41 percent of first-year school children who had not participated in ECE attend Decile 1 schools and a further 37 percent attend Decile 2–4 schools.

Participation in quality formal ECE is linked to better school outcomes which in turn can lead to better employment and earnings in later life. A New Zealand longitudinal study found that “high-quality [early childhood] centres had a positive, long-lasting association with [16 year old] students’ literacy, numeracy and logical problem-solving competencies, and also with their social skills”.


40. Annual percentage change in real GDP per annum. Auckland Council (2013) (see endnote 39), derived from customised regional GDP estimates prepared by Infometrics Ltd.

41. Annual percentage change in GDP per hour worked. Auckland Council (2013) (see endnote 39), derived from customised regional GDP estimates prepared by Infometrics Ltd.


44. The proportion of the labour force aged 15 years and over that is not in paid employment, is available to work, and is actively seeking work. Statistics New Zealand, Household Labour Force Survey. Figures reported here are not seasonally adjusted.


46. The proportion of the population aged 15–24 years that is not in education, employment or training. Statistics New Zealand, Household Labour Force Survey. The ‘Core NEET’ refers to those not in employment, education or training and not engaged in caregiving activities at home.


48. The proportion of the population and over with a Bachelor’s degree or equivalent or higher. Statistics New Zealand, Household Labour Force Survey.


50. The proportion of children entering primary school who had previously participated in early childhood education (see Education Counts at http://www.educationcounts.govt.nz/statistics/ece2/participation). In nearly all cases ‘attendance’ means for at least six months during their pre-school years. Data are ‘apparent participation rates’, i.e., measured through school enrolment records as at 30 June.


A healthy built and natural environment

Auckland’s natural and built environment is measured in this report by examining land capacity or its availability, air and water quality and waste management. These directly relate to the performance of the council, for example, through the provision of services such as water and waste management; regional planning including growth, zoning and land availability; consenting processes such as resource and building consents and regulation relating to water and air quality.

The lack of available land for both residential and business use is driving up the cost of land and housing. Health and environmental problems follow from long term industrial and agricultural use and deforestation that impact on fresh water quality. A lack of incentives for waste minimisation increases the costs of long term environmental effects and also increases the costs associated with managing waste. On the positive side significant progress has been made in recent years on air quality and reduced water usage across the Auckland region.

“Love it or hate it, the Unitary Plan is an essential part of the development programme that Auckland needs to implement to meet the objectives of the Auckland Plan, which is designed to provide an acceptable environment for the increasing population.”

Land capacity

Across the whole of Auckland’s urban and rural areas there is capacity for between 250,000 and 345,000 more dwellings. Auckland’s problem is not the quantity of land but choices about zoning, timing for the release of land, and the amount and quality of urban intensification.

This, combined with brown-field (land already built upon) and green-field (vacant) land for development under the draft Unitary Plan, and “special housing areas” in the Government’s Housing Accord, will go some way to addressing the supply of land for residential development.

Land supply on its own will not resolve housing affordability issues in Auckland.

Over half, 53 percent, of residential land capacity lies within just five of the 21 local board areas, Franklin, Howick, Hibiscus and Bays, Rodney and Waitemata. The contrast between Waitemata and Rodney illustrates differences in land capacity in the Super City. The Waitemata local board area encompasses the central business district which has the potential to accommodate large numbers of new dwellings through high-density apartment living, whereas almost all residential capacity in the Rodney local board area can come from green-field developments.

Many commentators point to regulations, consenting costs and processes, taxation issues and poor productivity in the construction sector as significant contributors to the short supply of land and high cost of construction in Auckland.

The boom and bust nature of Auckland’s housing market continues.

The number of consents for apartments in Auckland grew rapidly from 2001 to 2005 to just over 12,000 per annum; but fell dramatically to around 3,500 in 2011. Total residential consents followed a similar trend. Subsequently there has been growth in residential consents to a monthly high of 431 consents in April 2013.
The housing shortage in Auckland is partly a legacy of the global financial crisis affecting the construction sector. A slow-down in residential construction has resulted in a shortage in the supply of housing, which in turn has affected housing affordability. While consenting has increased since 2011, there is still a large gap between housing supply and demand.

“I would rather live in a city with well thought out spacious and liveable apartments.”

Across the whole of Auckland's urban and rural areas there is 7122 hectares of zoned business land. This is thought to be insufficient to cope with Auckland’s expected growth and the capacity to provide new jobs in the next 20 years. New business land is designated in the draft Unitary Plan with new Rural Urban Boundaries mainly in the North-West and the South of Auckland. Auckland has relatively few larger vacant business land parcels. These factors put pressure on the Council to deliver well planned, large-scale green-fields developments like Westgate and Hobsonville.

“We cannot let 20 planners sitting in the Auckland Council offices make decisions that will wreck the macro economy.”

Air quality

Each year about 3,000 tonnes of PM10 is emitted into Auckland’s air. The most prevalent and dangerous substances emitted into our air are PM10 particles (less than 10 microns in diameter) and PM2.5 particles (less than 2.5 microns). PM10 emissions in winter are more than triple those in summer. This is because wood burners used for heating in winter are polluting, while in summer transport is the main source of air pollution. The other main concern for Auckland has been nitrogen dioxide levels caused by car pollution.

PM10 and Nitrogen dioxide levels have dropped. An important indicator of air quality is counting the number of days concentrations exceed relevant national environmental standards and targets. The good news for Auckland is that on average the number of days that exceed those standards has been dropping from at least 18 days in 2005 to two days in 2011. Nitrogen dioxide levels in particular have dropped thanks to reductions in transport emissions.

Water consumption

In 1980 per capita fresh water usage in Auckland was over 400 litres per day. Since 1994, this has steadily reduced to stabilise at around 275 litres per person per day in 2010. While Auckland’s total water consumption has steadily increased over the last thirty years from 280,000 cubic metres per day to approximately 460,000 m³ per day in 2010, per capita consumption has markedly decreased indicating significant gains in awareness and action to conserve water.

Water quality

Seventy seven percent of Aucklanders see themselves as having less access to lakes, rivers, harbours, oceans and coastlines than non-Aucklanders, 85 percent.
Aucklanders are more likely to be satisfied with the state of their lakes, rivers, harbours, oceans and coastlines than non-Aucklanders, 78 percent versus 72 percent, even though they have less access to these natural environments.58

Only five lakes in the Auckland region were rated excellent (one) or high (four) condition lakes. These were Mangatawhiri Reservoir in the Hunua Ranges (excellent), Tomarata, Ototoa and the Wairoa and Waitakere Reservoirs (high). A remaining 25 lakes were considered to be in ‘moderate’ condition or below. A lower proportion of Auckland lakes fall into the high and excellent categories compared to lakes nationally, and there are a higher proportion of lakes in the poor category in Auckland. This is reflected in LakeSPI (Submerged Plant Index) scores59 with a number of lakes extensively invaded by the worst ranked invasive submerged weeds, egeria (Egeria densa) or hornwort (Ceratophyllum demersum).60

In 2010 only five streams and rivers in the Auckland region were considered in excellent condition. A further eight were considered in good condition with eighteen considered either fair (six) or poor (twelve).61

The majority, 63 percent, of rivers and streams within the Auckland region drain non-forested rural catchments (pastoral farming, horticulture and rural residential), followed by native forest catchments, 21 percent, with exotic forest and urban catchments accounting for eight percent each. However disproportionately those in the fair or poor category are in urban catchments.62

Auckland residents’ satisfaction with the overall quality and maintenance of beaches is high, at 77 percent.

Residents’ satisfaction with the overall quality and maintenance of Auckland beaches increased from 69 percent in 2011 to 77 percent 2012, but did not meet the target of 85 percent. This was significant given the reported high use of beaches with 90 percent of respondents to Auckland Council’s residents survey visiting a beach in the Auckland region in the past year. Levels of satisfaction with beaches ranged from 62 to 86 percent across the local boards. The lowest levels of satisfaction were reported by Papakura at 62 percent, and Mangere-Otahuhu residents at 65 percent. The highest levels of satisfaction were reported by Otara-Papatoetoe, 86 percent, Henderson-Massey, 84 percent, Great Barrier and Orakei residents, 83 percent.63

The vast majority of beaches were found to be safe for swimming, while five, Cox’s Bay, Meola Reef, Weymouth Beach, Little Oneroa Lagoon and Wairau Outlet, have water quality issues.

In Auckland, most of the problems related to marine water quality are due to overflows of sewage from the wastewater network and significant pollution from the storm-water system. Consequently the sites with the most warnings for contamination are the central Waitemata Harbour and the Tamaki estuary. The Manukau Harbour has improved markedly to have the fewest warnings between 1998 and 2010.64

During 2012 and 2013, however, bathing spots on the Northern side of the Manukau Harbour (the more populated side) have had high risk pollution warnings at Foster, Wood, French and Green Bays and Laingholm beaches.

Long dry summers may improve water quality due to decreased run-off but placid lagoons and pools can have increased risk of pollution. Popular swimming lagoons at Piha, Bethells and Karekare beaches had many “no swimming” warnings in the 2012/2013 summer with South Piha lagoon posting 22 red alerts.

“I was more than delighted to read that our beaches feature so highly in the Global Beach Review. Particularly gratifying is that the best beach of all—ours, just down the road—does not feature at all.”

Letter to NZ Herald, June 2013
Waste

Waste per capita to landfill in Auckland region is notably higher than the national average at 0.987 tonnes per capita per year.\textsuperscript{65}

The Auckland Council produced an estimate of the total waste to landfill disposed of at four landfills servicing Auckland; Redvale, Hampton Downs, Whitford and Claris on Great Barrier Island. A key feature of Auckland’s waste stream is that it is controlled almost entirely by private waste companies. Of the four landfills, Auckland Council owns only a part share of the least important ones. The Council owns three minor and one major facility of the 17 refuse transfer stations and therefore, control has to be exercised indirectly through regulation.

Over 30 percent of material in landfill could be recycled or composted.

Eighty five percent of waste material that ends up in landfill is generated by commercial activity.\textsuperscript{66}

Due to the ownership structure, the council has little influence over most of the commercial and industrial waste in the region. The bulk of Auckland’s waste management assets are owned by two competing privately-owned companies: Transpacific Industries Group (NZ) Ltd and EnviroWaste Services Ltd. These two companies also control nearly the entire commercial and industrial waste stream providing the potential for conflicting profit maximisation and waste minimization goals.

Over 1.6 million tonnes of waste was diverted from landfill in 2010.\textsuperscript{67}

This includes materials like plastics, glass, paper and cardboard, cans, wood, organic waste, building materials and scrap metal, which in many instances can be recycled. In June 2012, the Auckland Council approved the first region-wide plan for tackling waste. The Waste Management and Minimisation Plan is a blueprint for reducing the amount of waste sent to landfills. It has an aspirational goal of zero waste by 2040 and three key targets of 30 percent reductions in domestic kerbside rubbish (per person per year) to landfill by 2018, total waste to landfill (per person per year) by 2027, and Council in-house waste by 2018.


\textsuperscript{56} Statistics NZ, Building Consents Issued April, 2010.


\textsuperscript{58} Statistics NZ, Building Consents Issued April, 2010.


\textsuperscript{62} Neale (2012), (see endnote 61).


\textsuperscript{66} Auckland Council. (2011), (See endnote 65).

\textsuperscript{67} Auckland Council. (2011), (See endnote 65).
Auckland Council's provision of a range of public services across planning and regulatory services, community, arts and recreation services, infrastructure services and asset management and economic development appears to be satisfactory and improving, according to Council information and rating of residents.

**Planning and regulatory services**

Processing times for planning and regulatory services experienced an average overall improvement with the establishment of Auckland Council. Success rates in processing of notified resource consents continue, however, to be below target. Legacy councils had high rates of success in completing the processing of resource consents within statutory periods. By 2012 Auckland Council had successful completion rates of 95.2 percent for building consents and 95 percent of non-notified resources consents, improvements on 2011. This compared well with Wellington City Council reports of 96 percent successful completion of building consents within 20 days, and Hamilton City Council which reported 99.1 percent.

However, notified resource consents completions under Auckland Council are an issue. Legacy councils in 2010 had successful completion rates within the statutory period of 70 days between 67 and 98.4 percent. This dropped significantly lower under Auckland Council in 2011 to 65 percent, improved to 84 percent in 2012, but remained well below the target of 100 percent.

Success rates in the Council’s consent processing times are important for assessing the effectiveness of Council in facilitating building development. The data suggest that straightforward building developments are being processed largely within acceptable timeframes, but more complex developments have experienced delays in gaining consent.

**Community, arts and recreation services**

Access to and satisfaction with community, arts and recreation services are important factors in influencing notions of liveability for Auckland residents. These provide the opportunities and space for recreational enjoyment, community interaction, connectivity and support, and the development of social capital.

The vast majority of Auckland residents, 91.5 percent, report high ease of access to local facilities.

Access to local facilities such as shops, schools, post shops, libraries, and medical services was reported in the New Zealand General Social Survey (2010) as being easy all of the time for 61.8 percent of Auckland residents. This was lower than for non-Aucklanders, at 67 percent. Another 29.7 percent of Aucklanders reported it was easy to access such facilities most of the time, compared with 25.7 percent of non-Auckland residents.

A very high proportion of Auckland residents, 88.3 percent, are satisfied with the conditions of their local facilities.

In 2012, 88.3 percent of Auckland residents reported being satisfied or very satisfied with the condition of the facilities in their local area. This was higher than that of residents outside of Auckland at 87.6 percent. Levels of dissatisfaction at 2.9 percent were also lower than the national average, 3.4 percent.

Use of services and facilities is contingent on access and perceptions of
the conditions of facilities. This is high for most Auckland residents, but lack of access and dissatisfaction with the condition of local facilities clearly represents a barrier for use to a small but significant 3 to 4 percent of the population.

**Less than half of Aucklanders are satisfied that there are opportunities to participate in arts related activities.** Satisfaction with the availability of arts related activities is quite low, with just 45 percent of those polled in 2012 indicating satisfaction. This was an increase from the 2011 figure of 35 percent, but still well below the target of 65 percent. The low satisfaction rates may be related to low participation in community arts programmes, with on average 24 people in 100 participating in such programmes across Auckland, but in some areas this being as low as one person per 100.

Satisfaction levels varied across local boards in this respect, in a range from 29 percent to 67 percent. The lowest rates of satisfaction were reported by respondents in Papakura, 29 percent, Manurewa, 36 percent, Maungakiekie-Tamaki, 37 percent and Rodney 39 percent. The highest levels of satisfaction were reported by Great Barrier, 60 percent, and Waiheke residents, 67 percent. Of those across the Auckland region who did participate in arts programmes, 93 percent expressed satisfaction, and 87 percent were satisfied with arts facilities.

**Satisfaction with Council community halls and community centres was high to very high, at 69 to 87 percent.** Residents who in the past 12 months had hired a hall or centre was higher (and above target) at 87 percent, whereas satisfaction of those who had used a community hall or centre was lower and below the 80 percent target at 69 percent.

Use of community halls and centres was reportedly quite low, with an average of 45 percent usage across all local board areas. Waiheke residents reported the highest usage rate at 85 percent, and Franklin residents reported the lowest usage at 20 percent. Those who did use community halls and centres expressed a range of levels of satisfaction with the facilities, from 75 to 98 percent across Auckland’s local board areas. Satisfaction rates above 90 percent were reported by residents of Devonport-Takapuna, Franklin, Howick, Kaipatiki, and Waiheke local board areas. Lowest satisfaction rates were reported by residents of Henderson-Massey area, 75 percent.

**Satisfaction with city-wide events was very high in 2012 at 83 percent for Auckland Tourism, Events and Economic Development (ATEED)-run events** and at 89 percent for Council-run events. It was estimated that there were 980,519 attendees at city-wide events in 2012. The satisfaction rates were similar to 2011 figures at 88 percent (events not differentiated between Council-run or ATEED-run), and the targets of 85 percent. This is an important performance indicator for ATEED, who report that from their surveying, 78 percent of Aucklanders ‘agree that events make Auckland a great place to live’.

Participation in smaller scale, local events ranged across local board areas mainly between .05 to .92 attendees per capita, although it was markedly higher in Otara-Papatoetoe with 1.7 attendees per capita which may reflect the popularity across Auckland of the regular Otara markets. Satisfaction levels with local events ranged across local board areas between 78 to 96 percent, with all but one having 83 percent satisfaction or more. Highest satisfaction with events was expressed by attendees of local events in Manurewa and Orakei, 96 percent. The lowest rate of satisfaction was expressed by attendees of local events in Kaipatiki 78 percent.
Satisfaction with Auckland libraries is generally very high, but varies in relation to satisfaction with services, collections, and information technology and tools. Use of libraries and their services also varies quite widely across the local board areas.

Libraries had a high reported usage in the Auckland region, with 14 million visitors in 2012 and an average of 9.6 library visits per capita. The usage ranged across the region, however, with between three and 23 visitors per capita across the local board areas. Satisfaction with the overall services provided by Auckland region’s libraries was very high, at 91 percent in 2012, up four percent from 2011. This appears to have increased slightly since amalgamation, as average satisfaction levels with library services reported across legacy councils from 2007 to 2010 were between 82 and 87 percent. There are no consistent data available before 2010 to compare other areas of satisfaction with the library collections, information technology or programmes.

In local board areas, satisfaction with library services was correspondingly high with a range of 81 to 100 percent satisfaction reported. Highest levels of satisfaction were reported by users in the Great Barrier area, 100 percent, Upper Harbour and Waitakere Ranges local board areas, 95 percent. All other local board areas reported 88 percent satisfaction or above, except for Mangere-Otahuhu where the satisfaction level was 81 percent.

Satisfaction with specific areas of the library services was high, but tended to be lower than overall satisfaction. Satisfaction with the content and condition of library services was between 81 and 94 percent across the Auckland local boards. Satisfaction with tools and technology to access information was lower, at between 60 and 91 percent over the region.

Participation in library reading and information skills programmes varied across the region between one in twenty and just over one in three people, and tended to loosely correlate with library usage per capita across local boards. Satisfaction with these programmes also varied but was generally quite high at between 70 and 100 percent.

The vast majority of visitors to Auckland’s regional parks (96 percent) are satisfied with the services and facilities overall. Lower proportions of residents are satisfied with the overall provision, quality and maintenance of local parks and reserves, but this is still high at 73 to 75 percent.

There are 4000 local parks throughout the Auckland region, and 224 sports parks, and the Auckland Council reports that 93 percent of urban residential properties live within 500 metres of a local park. This proximity is reflected in high reported use of parks, with 93 percent of respondents to the Auckland residents’ survey reporting they had visited a park or reserve in the last year.

Overall satisfaction with regional parks and reserves was very high at 96 percent in 2012. The reasonably high level of satisfaction with the overall provision of local parks and reserves, 73 percent, reflected a variation across the local board areas, ranging between 60 and 82 percent. Lower levels of satisfaction with provision were reported by residents of Great Barrier at 60 percent, Manurewa and Otara-Papatoetoe at 61 percent, Franklin at 65 percent and Papakura at 66 percent. Satisfaction was reportedly highest in Howick and Devonport-Takapuna, both 82 percent, Hibiscus and Bays at 81 percent and Kaipatiki, 80 percent. Residents of Waiheke had the highest reported levels of satisfaction with the overall quality and maintenance of local parks and reserves and sports fields at 88 and 87 percent respectively. Lowest satisfaction with local parks and reserves quality and maintenance was reported by Mangere-Otahuhu residents at 58 percent and Manurewa residents reported the lowest satisfaction with the quality and maintenance of sports fields at 50 percent.
A very high proportion of customers, 84 percent, is satisfied with Auckland's local recreational centres and programmes overall. High usage of Auckland’s recreation facilities is reported, with 6.1 visits per capita in 2012, up on 4.4 percent per capita in 2011. High satisfaction with centres and programmes overall is reported, at 84 percent, although this is slightly lower than 2011 (target is 85 percent). Across the local board areas, reported satisfaction levels ranged between 76 and 86 percent. Lowest levels of satisfaction were reported by Henderson-Massey users at 76 percent. All other local board areas had 80 percent satisfaction or above, with the highest levels of satisfaction in users from Devonport-Takapuna, Franklin, Kaipatiki, Mangere-Otahuhu and Orakei, all 86 percent.

Region-wide facilities

Satisfaction of users with Auckland’s region-wide facilities was high across all facilities, but had some variations in terms of satisfaction with and access to facilities, and in the social outcomes reported. Under the Auckland Council structure, facilities intended for region-wide use are administered and maintained by the Regional Facilities Auckland (RFA) CCO. Under RFA’s statement of intent, performance objectives include optimising service to facilities visitors. In 2012, 5,659,313 visitors were recorded to these facilities, which include the Aotea Centre, The Civic, Viaduct Events Centre, Mt Smart Stadium, Western Springs Stadium, North Harbour Stadium, North Shore Events Centre, TelstraClear Pacific Events Centre, Bruce Mason Centre and The Trusts Stadium and other facilities such as Auckland Art Gallery Toi o Tamaki, Auckland Zoo and museums.76
There was very high reported satisfaction of visitors with their experiences at Auckland Zoo, 98 percent, and Auckland museums at 90 to 98 percent. Users of the Centre for Performing Arts and Auckland Conventions reported very high satisfaction with the facilities and collections, at 91 percent and 80 percent respectively. There was also very high satisfaction with access to the Centre for Performing Arts, 89 percent, and Auckland Zoo, 91 percent. Satisfaction with access to and use of the Mt Smart facilities was high but somewhat lower than the other facilities, at 74 percent.

Reporting on the levels of positive social outcomes that occurred as a result of visits to facilities was higher for the Art Gallery, 95 percent and Auckland Zoo, 92 percent, and more moderate for Mt Smart Stadium 78 percent and the Centre for Performing Arts, 65 percent. The high level of positive social outcomes from visiting the zoo may have been caused by the outcomes of engagement in Zoo education programmes, which had 56,736 participants in 2012. Satisfaction of participants that their learning outcomes were achieved was reported at 98 percent.

Satisfaction with Auckland Council’s services and access to and the experiences of using regional and community facilities and attending events are important influences on perceptions of quality of life for Aucklanders. The generally high levels of satisfaction are accordingly important indicators that Auckland Council is successful in its service provisions.

The most room for improvement is in the provision of community facilities and in developing opportunities for arts related activities. Satisfaction with region-wide facilities in relation to arts and culture was on the other hand very high.

**Infrastructure services and asset management**

A high proportion of Auckland residents, 72 percent, are satisfied with the quality of Council services relating to water supply, drainage, rubbish collection and roads.

Perceptions of the quality of core council services in relation to water supply, drainage, rubbish collection and roading were reasonably high for Auckland residents, with 72 percent of residents reporting that they were satisfied or very satisfied with the overall quality of those local services. This was slightly higher than the national average of 69.6 percent.\(^7\)

**Water charges for Auckland users are estimated by Watercare to comprise 0.72 percent of average Auckland household incomes.**

In the case of water services, Watercare has stipulated household affordability as a Statement of Corporate Intent target. The target is to keep average water bills below 1.5 percent of the average Auckland household income of $7,219 monthly. Watercare reported that household water bills averaged 0.72 percent of this figure in 2012.\(^8\) Affordability is an important factor influencing access to services.

**Very high proportions, 85 percent, of Auckland's public transport passengers are satisfied with public transport services overall.**

Public transport patronage in Auckland is reported as being 71,087,755 for 2012.\(^7\) This was an increase of eight percent on 2011 numbers. Increases were across all areas of public transport, including buses, rail and ferries. Satisfaction with overall public transport services amongst users is very high, meeting the target of 85 percent. This was down just one percent on 2011 figures.

Auckland Transport also report on customer service enquiries timeframes, and showed that in 2011 (8 months), 79 percent of enquiries were answered within 20 seconds, and with an average wait time of 16 seconds. This was reportedly lower than the previous system under the Auckland Regional Transport Authority, which showed 85 percent success in this indicator. Responses to calls to the MAXX call centre were reported as having been better in 2012, with 86 percent of the 580,046 calls answered within 20 seconds.\(^5\)
Aucklanders are moderately satisfied with the quality of roads and footpaths. In 2012, 50 percent of Auckland residents were satisfied or very satisfied with the quality of roads and 46 percent were satisfied with the quality of footpaths. Auckland Council reports very high standards of road maintenance.

Auckland Council responses to stormwater service requests show very high success rates, with targets exceeded for non-urgent and urgent requests. However, residents’ reported satisfaction with stormwater services is moderate, at 51 percent in 2012. Responses to service requests, both non-urgent and urgent, were well met in terms of targeted response times. The targeted timeframe for responding to non-urgent service requests is three working days, which was met for 99.5 percent of requests in 2012. Ninety-eight percent of urgent service requests were attended to within the targeted time frame of four hours.

Auckland residents’ satisfaction with Council’s stormwater service provision was, however, more moderate. Reporting on surveys measuring satisfaction with the council’s effectiveness in providing stormwater services reported only 47 percent satisfaction in 2011, and a slight improvement to 51 percent in 2012.

Public satisfaction with overall wastewater services is very high at 82.2 percent, and Watercare reports targets being met on service requests and closure of complaints.

High levels of satisfaction by Auckland customers were reported for wastewater services in 2012, at 82.2 percent. This may have been related to response times for water and wastewater issues, and high compliance levels in urban wastewater treatment plants. Watercare reported high levels of success in response times for urgent wastewater blockages, with 99 percent of notifications of blockages responded to within one or two hours in 2012, an improvement on the 2011 figure of 93 percent. Compliance in major urban wastewater treatment plants with discharge consents was 99 percent in 2012, but this was much lower for rural wastewater treatment plants, at 64 percent. Of the 1355 complaints registered in 2011/2012, 96.4 percent were reported to have been closed within 10 days.

The stipulated indicators for determining the quality of Council services in relation to infrastructure, transport, roading, water and wastewater services are very mixed. They make assessment of what these mean for liveability in Auckland difficult. Access and ease of transport and roading is an especially important factor given commuters on average spend more time travelling each week than others in New Zealand.

Quality of Life survey data show that Aucklanders are slightly more likely to be very satisfied with the quality of council services such as water supply, drainage, rubbish collection and roads in their area than those living outside of Auckland. Auckland Council reporting shows that residents’ satisfaction with services provided by council in terms of public transport, road quality and wastewater are reasonably high, but for stormwater there is room for improvement.

When 80 percent is 100 percent......Watercare’s method of assessing performance involves scoring the organisation on its ability to meet targets. Customer satisfaction scores of 100 percent across a number of indicators suggest great performance. The fine print shows, however, that the score is calculated on the success rate of meeting the designated targets—for example, 80 percent of customer satisfaction with water and wastewater services. Accordingly, scoring 80 percent or above actually scores Watercare 100 percent.
Economic development services

Stakeholder satisfaction with ATEED’s business support services is very high, at 87 percent in 2012. Events have also enjoyed very high rates of satisfaction. Awareness of Brand Auckland is low, however, with only 34 percent success with key audiences.

Satisfaction of stakeholders with ATEED’s business development services is high at 87 percent, but improvement will help it meet the target of over 88 percent satisfaction. Satisfaction with events held by ATEED is also high at 83 percent against the target 85 percent. ATEED’s work in developing an Auckland brand with key audiences appears to have struggled somewhat, with only 18 percent awareness recorded in 2011. This significantly improved in 2012 to 34 percent, but is still a long way from the 75 percent target.

Economic development services should be provided to support Auckland residents and business people in contributing to development throughout the local and regional economies. ATEED’s areas of work in terms of business development and events appear to be receiving a high level of stakeholder satisfaction. As a regionally focused organisation with a broad strategy towards economic development, a much wider set of indicators needs to be developed to assess ATEED’s service delivery and performance.

“We all know New Zealand requires Auckland to do well. All New Zealanders stand to gain from our only world-class city of scale.”

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68. The statutory period for processing of building consents and non-notified resource consents is 20 days and 70 days for notified resource consents.
72. Unless otherwise stated, data for this and the sections dealing with satisfaction with community, arts, and recreation services and with infrastructure and asset management is accessed from reporting in the Auckland Council Annual Reports 2010/2011 and 2011/2012.
79. Refer also to pp.35–36.
82. Aucklanders spend on average 8.3 hours per week travelling compared with between 5.7 and 7.3 hours per week for the rest of New Zealand residents. Statistics New Zealand, New Zealand Household Travel Survey. Retrieved from: http://www.transport.govt.nz/research/travelsurvey/

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Transport and infrastructure

“Rapid rail has resulted in tremendous development and increases in prosperity and social and amenity values”

Auckland’s transport infrastructure system includes 7000 kilometres of roads and footpaths. It is supplemented by train, ferry and bus services and a more limited cycleway and walkway system. An increasing population means growing numbers of cars on the road and more transport trips. Apart from transport a full range of other infrastructure services is supplied to households and for other land uses.

Traffic congestion, delays in the adequate provision of infrastructure, and lack of reliability of public transport influence Auckland’s reputation as a world class city. Transport has been of critical concern to Aucklanders for some time in terms of patterns of use, road congestion and public transport difficulties. Major infrastructure development over the decade such as motorway extensions, bus lanes, railway development and cycle-ways pathways has improved the system. But new transport and other infrastructure requirements continue to emerge and old ones continue to grow. Infrastructure investment remains well below the level required to catch up on previous decades of under-investment. Although transport is a central issue for Aucklanders its administration is primarily the responsibility of the CCO, Auckland Transport, together with central government agencies, NZ Transport Agency and Ministry of Transport, with relatively limited oversight from Auckland Council, through its Transport Committee. Electricity is dispersed through an array of companies and the international airport is governed by Auckland Airport. Broadband and its roll-out are provided by private companies with regulatory responsibilities lying with the Ministry of Business, Innovation and Employment.

“I would rather live in a city where an hour stuck in the traffic every day is forgotten.”

Transport

Public transport and cycling are up after a long period of declining relative usage offsetting a long-term trend towards increased car usage.84 Traffic congestion and travel costs are reportedly static. According to census data the overall trend over several decades has been one of relative steady decline in use of public transport which only attracted 6.9 percent of travel to work trips in 2006.85 However, annual total public transport trips have increased over recent years, as well as cycling and walking trips to the Central Business District and in general. Between 2000 and 2010 walking trips increased from 12 to 19 percent, although they decreased to 16 percent in 2012. Cycling involves a similar volume of trips and pattern of increase. Ferry traffic has increased although it remains small in volume.86
The Government is signalling an intention to fling more than $10 billion at Auckland Transport over the next decade..... what cycle advocates want is for cycleways and a seamless integration of cycling into public transport networks to be part of that planning.

The perception that public transport is good for most or all trips to work or study is improving but not consistently. In 2012, 64 percent rated private transport good for most or all of their trips to work or study, compared with 29 percent who rated public transport as a good option, down from 33 percent in 2010 but well up from 24 percent in 2008.

Despite continuing widespread concern with traffic congestion, in fact time lost to congestion per km travelled (seconds) remained steady at 30 seconds from 2011 to 2012. Although a demand on roads has increased, this has been offset by improvements in the roading system.

Improvements in facilities on buses have been a great help to many people, but when will all buses provide facilities for pushchairs, mobile walkers, and wheelchairs?

Perceptions of affordability and feelings about satisfactory access and the condition of public transport are high in Auckland. Nearly half of Aucklanders consider public transport affordable, echoing a New Zealand-wide pattern. Aucklanders are significantly more satisfied, 60 percent, with their access to Public Transport than other New Zealanders. Satisfaction with access to and the condition of public transport are also both high, although nearly a third considered these questions not applicable, mainly because of non-availability of service in their area.

Interruptions to public transport, the number of planned and unplanned interruptions, continue to plague the rail system, although some of these are ‘teething problems’ as the system and services expand. Free-flowing traffic is central to Auckland’s operation. Auckland Transport is a CCO with responsibilities for the facilitation of road and public transport in Auckland. Central government agencies are also involved in the provision of roading infrastructure but the overall coordination is provided by Auckland Council.

The grandiose designs for a world-class Super City need to go back to basics, starting with a weatherproof bus shelter at Manukau.

Airports

Both international and domestic air passenger numbers are up over the last year. At March 2013 international passenger volumes, excluding transit passengers, at Auckland Airport was up eight percent over the previous year. Airport traffic is an indirect measure of the level of economic activity. Auckland Council retains approximately 22 percent of shares in Auckland Airport, yielding a continuing revenue stream, but has limited involvement in its operations.
Internet

The proportion of Auckland households with access to broadband and super-broadband is increasing. In 2011 nearly 90 percent of Aucklanders who have internet connection at home access it through broadband as opposed to about 80 percent of non-Aucklanders. Good internet service is important in allowing Auckland households and businesses to connect. Although this is not a direct responsibility of Auckland Council, it has a unit aimed at facilitating internet use in Auckland.

Electricity

Despite serious interruptions to Auckland’s electricity supply a decade ago, no further major difficulties have occurred more recently. Continuous supply of electricity is essential to a city’s functioning. The fragility through a lack of sufficient redundancy of supply to Auckland is aggravated by the tight geographical convergence of power-lines from the generation areas in the South. Serious supply interruptions over the last decade demonstrate the vulnerability of Auckland. Transpower has responsibility for delivering power to Auckland and Auckland Council has a minor facilitating role. The imperative of a stable electricity supply for business and households, though, make electricity a critical risk factor for Auckland’s economic prosperity.

“The planet is already overpopulated. For Auckland to design for more than a million new people in the next 30 years is like an ostrich with its head in the sand.”

Letter to the editor, NZ Herald, July 2013

86. Annual trips increased from 65 million in 2011 to 71 million in 2012—an increase of 8 percent. Cycling and walking trips into the CBD per day also increased slightly (by 2 percent). According to the General Social Survey Auckland public transport usage mirrors that of rest of New Zealand (which is surprising given the limited Public Transport services in much of New Zealand). In 2012, Aucklanders spent 12.6 percent of their household income on transport costs, unchanged from the previous year. In 2006, commuters in the four cities of Auckland travelled the furthest of New Zealand urban regions with a median distance of 6km which had barely increased from 1996 (Statistics New Zealand, (n.d.), Distance travelled by commuters. Retrieved from http://www.stats.govt.nz/browse_for_stats/people_and_communities/Geographic-areas/commuting-patterns-in-nz-1996-2006/distancetravelled-by-commuters.aspx#distance.
87. Statistics New Zealand, New Zealand household travel survey.
89. ACNielsen (2013a) (see endnote 7) and Statistics New Zealand, General Social Survey.
90. The Auckland Airport March 2013 “Monthly traffic update” comments that “This growth was driven by strong performances on Australian routes (visitor arrivals from Australia up 13.0 percent) and assisted by the Easter holidays falling partially in March in 2013 (compared to wholly in April in 2012”). At March 2013 domestic passenger volumes had increased 10 percent over the past year and aircraft movements had also increased significantly at Auckland Airport. Report retrieved from http://www.aucklandairport.co.nz/~media/Files/Corporate/Monthly_Traffic_Reports/2013/MTU.Month%2009_March_2013.pdf
‘Value for money’ is a term used frequently throughout Auckland Council reports in relation to its service provision and handling of ratepayer funding. This section considers whether Auckland Council is providing ‘value for money’ ranging across its income and debt reporting, staff levels, and perceptions of residents.

The pattern shown is difficult to interpret given that ‘transition costs’ had to be absorbed. Overall there seems to have been an increase in areas of income, expenditures and staff costs, but these were uneven, especially from 2010 to 2011. Suggestions from the data are that increases will continue from year to year, but a longer time period is required for certainty. Should cost increases become the set trend, the perception of Council providing value for money may be better found in resident feedback and indicators of satisfaction with services alongside cost considerations, rather than from cost calculations alone.

**Rates revenue**

“We need hard thinking about the costs imposed on ratepayers. There will have to be trade-offs between the services wanted by communities and the services councils can afford to provide in the future.”

Auckland Council revenue from rates increased more significantly from 2010 to 2011 than from any previous year, while the increase from 2011 to 2012 was minimal.

Total rates revenue increased across the legacy councils annually by approximately six to eight percent from 2008 to 2010, from an average of $91m per month in 2008 to $104m per month in 2010. There was, however, a significant increase of 12.5 percent in total rates received by Council from 2010 to 2011. The increase was less from 2010 to 2011 for the Council Group, however, at 3.6 percent. Rates revenue was reasonably constant from 2011 to 2012.

Table 4:
Total rates received as reported in Council annual reports, 2008 to 2012 ($millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Council</th>
<th>Group</th>
<th>Council</th>
<th>Group</th>
<th>Council</th>
<th>Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>1088</td>
<td>1174</td>
<td>1170</td>
<td>1267</td>
<td>1660</td>
<td>1786</td>
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<tr>
<td>2009</td>
<td>91</td>
<td>98</td>
<td>98</td>
<td>106</td>
<td>104</td>
<td>112</td>
</tr>
<tr>
<td>16 months to 31/10/2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2008</td>
<td>1088</td>
<td>1174</td>
<td>1170</td>
<td>1267</td>
<td>1660</td>
<td>1786</td>
</tr>
<tr>
<td>2009</td>
<td>91</td>
<td>98</td>
<td>98</td>
<td>106</td>
<td>104</td>
<td>112</td>
</tr>
<tr>
<td>16 months to 30/06/2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>1088</td>
<td>1174</td>
<td>1170</td>
<td>1267</td>
<td>1660</td>
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</tr>
<tr>
<td>2009</td>
<td>91</td>
<td>98</td>
<td>98</td>
<td>106</td>
<td>104</td>
<td>112</td>
</tr>
<tr>
<td>16 months to 30/06/2012</td>
<td></td>
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<td>2008</td>
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<td>106</td>
<td>104</td>
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</tr>
<tr>
<td>16 months to 30/06/2012</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

When water rates are removed from the rates revenue totals, the increase between 2010 and 2011 is shown to be even more significant. Data on total rates received is inconsistent across the legacy councils and the new Auckland Council especially given variations in reporting for water charges. In some Councils water rates were included as part of total rates revenue but in other cases water charges were reported separately, especially where water was delivered by a CCO. Since amalgamation, Watercare’s charges for water usage and wastewater have not been deemed as rates nor included in rates revenue calculations. Graph 1 shows the total rates received by all Auckland councils from 2003 to 2011 with water and wastewater charges excluded, providing the opportunity to consider trends in totals of all other (targeted and general) rates. This shows annual increases of between six and 12 percent from 2003 to 2010, but a more significant change from 2010 to 2011, when total rates received (excluding water and wastewater) increased 16 percent from $1,161m to $1,343m. The 2012 data from Table 4 taken from Auckland Council’s annual report suggest, however, that the significant increase from 2011 to 2012 was somewhat countered by a minimal increase (0.25 percent) the following year.
Table 5: Auckland council rates charges per capita

<table>
<thead>
<tr>
<th>Year</th>
<th>Estimated population</th>
<th>Total rates without water charges ($000s)</th>
<th>CPI adjusted total rates (to Q2, 2012) ($000s)</th>
<th>Rates per capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>1,373,000</td>
<td>$858,850</td>
<td>$1,003,137</td>
<td>$730.62</td>
</tr>
<tr>
<td>2007</td>
<td>1,396,100</td>
<td>$934,650</td>
<td>$1,070,266</td>
<td>$766.61</td>
</tr>
<tr>
<td>2008</td>
<td>1,416,800</td>
<td>$993,550</td>
<td>$1,093,748</td>
<td>$771.99</td>
</tr>
<tr>
<td>2009</td>
<td>1,438,600</td>
<td>$1,096,819</td>
<td>$1,185,092</td>
<td>$823.78</td>
</tr>
<tr>
<td>2010</td>
<td>1,461,900</td>
<td>$1,161,811</td>
<td>$1,234,755</td>
<td>$844.62</td>
</tr>
<tr>
<td>2011</td>
<td>1,486,000</td>
<td>$1,343,211</td>
<td>$1,355,981</td>
<td>$912.50</td>
</tr>
<tr>
<td>2012</td>
<td>1,507,600</td>
<td>$1,394,000</td>
<td>$1,394,000</td>
<td>$924.65</td>
</tr>
</tbody>
</table>

Rates revenue per capita verifies that there was a much greater increase from 2010 to 2011 than for any other year from 2006 to 2012.

Table 5 focuses on the Department of Internal Affairs' suggested indicator for rates revenue, rates revenue received on an average per capita basis. If population estimates for the Auckland region in 2006 through to 2012 are considered alongside overall annual rates revenue, excluding water rates, and with CPI adjustment, it is apparent that rates revenue received per capita of the Auckland region population increased by 15.6 percent over the five years from $730.62 in 2006 to $844.62 in 2010, and jumped by 8.0 percent to $912.50 in just one year to 2011. The increase from 2011 to 2012 was 1.3 percent.

Rates revenue comprises about half of Auckland Council Group's total operating revenue.

Revenue from rates is by far the largest component of income from operations for Auckland Council and compared with other councils across New Zealand, given that much of the operating revenue that other councils would include as part of their total revenue is sourced by the wider Group entities of Auckland Council; for example water charges, grants and port operations income. In councils across New Zealand, rates comprised approximately 55 percent of total operating revenue in 2011/12. By comparison rates revenue comprises nearly half, or 49.1 percent of Auckland Council Group’s total operating income. Another significant source of revenue for the group is water and wastewater charges, which comprised a further 10.9 percent of the Group’s operating income for 2011/12.

Rates revenue data are important to consider in ascertaining perceptions of local government’s ‘value for money’ given that levels of rates charges have been an issue of on-going concern in local government in New Zealand. Rates were also debated as the implications of changes to Auckland’s governance were anticipated by the public. It is also an important indicator of the burden of costs of local government on Auckland residents. Rates revenue is shown to have increased significantly from 2010 to 2011, especially in terms of the costs per capita. It remains to be seen whether this will create an increasing burden on Auckland’s residents in future years.
Financial and development contributions

Financial and development contributions are currently a small but important proportion of Auckland Council revenue, and likely to grow in importance in future.

Reporting on financial and development contributions in Auckland Council annual reports shows that these are a small but growing proportion of the Council’s operating income since amalgamation. Financial and development contributions totalled $52m or 2.8 percent of Council’s total operating income in 2012, and $69m or 2.4 percent of Council Group’s total operating income.\(^98\)

Reporting on financial and development contributions received prior to 2010 is unreliable given that the legacy councils’ naming of development contributions appears inconsistent.\(^99\) Reporting suggests that policies for development contributions have only been established and/or reviewed in 2009, and were possibly still incompatible up until the establishment of the Auckland Council. Revenue from financial and development contributions that was reported by legacy councils from 2007 to 2010 is suggested as higher than for 2011 and 2012, being estimated as totalling $61m to $105m per year across the region.\(^100\)

Financial and development contributions have been recognised as important sources of revenue which will aid Council to meet demands on existing and new infrastructure as the result of building developments in the region.\(^101\) The change to a single Auckland Council has provided a more uniform system of financial and development contributions than the previous system. The current data suggest that development and financial contributions will become an increasingly important source of Council revenue in future years. It will be important to assess how much these contributions in future ameliorate the costs of development in terms of the burden on infrastructure and services, and if they enable the provision of region-wide benefits for all Aucklanders as housing developments plans roll out under the new Auckland Council planning system.

Council debt

There was a significant increase in total liabilities of the Auckland Council from 2011 to 2012.

From 2008 to 2010 total liabilities for all Auckland region councils increased at varying rates, between four and 62 percent, but declined in total from $4,864m, Council, and $5,748m, Group, in 2010 to $4,146m and $6,302m respectively in 2011. There was another large increase both in Council and Group total liabilities from 2011 to 2012, to $5,113m, Council, and $7,449m, Group.\(^102\)

Increases in total liabilities over the past decade were mainly driven by growth in term debt and non-current liabilities levels, especially from 2009 to 2012.

Consideration of council debt needs to be put in context of the composition of total liabilities. Graph 2 shows totals for current and term debt in comparison with other current and non-current liabilities, across all councils for 2000 to 2012.\(^103\) This shows that most growth in total liabilities was in term debt and other non-current liabilities, especially from 2009 to 2012.

Increases in Auckland Council’s term debt suggest that there would have been correlated growth in debt servicing costs for local authorities. Totals of debt servicing costs under the former council structure are difficult to calculate with certainty, but since amalgamation Auckland Council’s reporting shows that current and non-current borrowings mainly comprised fixed-rate bonds and floating-rate notes in 2011 and 2012. Finance expenses for the Council were reported as totalling $169m for the eight months to 30 June 2011, and $227m for the 12 months to 30 June 2012. Correspondingly, Group finance
expenses totalled $221m and $300m respectively. For the Council, these expenses represented 12.8 percent of total expenses in the eight months to 30 June 2011, and 10.5 percent of total expenses for the 12 months to 30 June 2012. Council’s finance expenses were only moderately offset by finance income in both years, with Council finance income amounting to 24.3 percent of finance expenses in 2011 and 23.4 percent in 2012. Group finance income was more minimal, being only 4.1 percent and 3.3 percent respectively.\textsuperscript{104}

To ascertain Council’s financial soundness, liability levels should be considered in relation to assets and equity. From 2005 to 2010 reported total assets of all councils increased steadily from $21,375m to $29,749m. This growth correlated with increases in reported equity over that period. There was then a substantial jump in total assets in 2011 to $43,812m.\textsuperscript{105} This was caused by the transfer of assets from Auckland Regional Transport Network Limited to Auckland Transport, and was accompanied by an increase in equity.

The greater growth in asset levels than liabilities suggests that the levels of assets may serve to lessen the burden of debt on Auckland’s residents, but Council reports show that income from vested assets, derived from interest in subsidiaries, was just $31m in 2011 and $32m in 2012. Approximately 93 percent of Auckland Council Group assets are property, plant and equipment.\textsuperscript{106}

**Staff costs**

Numbers of local government staff in Auckland have increased steadily since 2000 and are greater in 2012 than ever before.

Employment identified as in local government administration in the Auckland region has steadily increased from 2000, with only a one-off dip in the trend for 2011.\textsuperscript{107} New Zealand as a whole has had a steady increase in that category of employment, although in the Wellington region this has declined since 2010. The increase in Auckland in local government administration employees from 2000 to 2012 was 69.3 percent, which was a much higher rate of growth than all of New Zealand, 40.7 percent and Wellington, 38.2 percent.
Auckland Council reported employee numbers have increased and total personnel expense has also increased to 2012. Employee costs have significantly increased for Auckland’s local authorities over the past two decades. Graph 3 shows substantial rises in Auckland’s local authority employee costs over the decade 2001 to 2011 across all of the legacy councils. This correlates with the growth in numbers of employees, but growth in costs has in fact been steeper than that of employee numbers. Total annual employee costs across all councils more than doubled in that decade from $222m to $498m. Reporting from the Auckland Council annual reports (Table 6) suggests that employee costs for the Council reduced slightly from 2011 to 2012, but Council Group costs showed growth from an average of $51m per month in 2010/11 to $56m per month in 2011/12.

Graph 3:
Auckland local authority employee costs, 2001–2011 ($000s)
Personnel costs comprise a greater proportion of Auckland Council’s total operating expenditure than average across New Zealand local authorities. In 2011/12 personnel costs comprised 23.5 percent of Auckland Council’s total operating expenditure. This was higher than the average proportion across local authorities in New Zealand, where personnel costs were 20 percent of total operating expenditure.

Remuneration rates for Auckland Council employees are reasonably high, but significant numbers of employees are also paid below the “living wage”. Over 2011/2012, 601 Auckland Council employees, 10.7 percent, received remuneration of $100,000 or more. Further, 103 staff members were paid above $150,000 and 41 above $200,000 per year. On the other hand, over 1500 employees, estimated at 20 percent, were paid less than $18.40 per hour.

Across the Council group the proportion of employees receiving over $100,000 per year was higher than for Council, at 14.5 percent with 255 above $150,000 and 123 above $200,000. This suggests that on average staff members in Auckland Council’s CCOs enjoy higher remuneration levels than those specifically employed by the Council.

Costs to Auckland Council for consultants and professional services averaged $9.3m per month in 2012, and $16.2m per month for the Council Group. Another concern expressed about amalgamation and the downsizing of staff numbers was that permanent staff may be replaced by short-term contract staff; and accordingly, costs for staffing would be more likely shifted than actually saved. Reporting on payments to consultants and for professional services is inconsistent through the legacy councils’ annual reports, with some councils explicitly reporting these in annual reports and others not doing so. Where such costs are reported, they have at times been high. For example, Auckland City Council reported paying $98.5m to External Advisers and Contractors in the 16 months to 31 October 2010, and $76.5m in the previous year. Manukau City Council also reported paying Professional Services fees of $13.4m and $10.1m in those respective time frames. Franklin District Council further reported paying $30.5m and $23.3m respectively.

Reported costs to Auckland Council over the first two years of operation for consultancy and professional services suggest that relatively high use of consultants has taken place, especially for the Auckland Council Group. The costs of consultancy and professional services added between 23 and 29 percent to Auckland Council and its subsidiaries’ employee expenses in 2011 and 2012. The combined personnel expenses and consultancy and professional services in 2011/12 comprise 29.4 percent of Auckland Council’s total operating expenditure. It should be noted that the total costs reported by Auckland Council are actually similar or lower than the totals of the payments for such services across those councils that did report in 2009 and 2010.

Declines in local government staff numbers in Auckland from 2010 to 2011 suggest there was some impact from the change to Auckland Council in reducing staffing numbers across the old system. However, the greater increase in numbers and cost from 2011 to 2012 challenges the argument that amalgamation would reduce staffing costs. Evidence of significant costs of consultancy and professional services to the Council since amalgamation similarly undermine this argument, even if the costs of such services are lower than they were under the previous structure.

“Auckland Council and its assorted council controlled organisations employ more than 143 inhouse communication and marketing staff, along with many outside contractors in the same field.”

Columnist Brian Rudman, NZ Herald, 2013
Perceived value for money

There are no consistent data on how much Auckland residents perceive that they receive good value for money from their rates.

The only available information comes from Auckland City Council, which reported in their 2009/2010 Annual Report that:

When asked about the value for money they receive from the Auckland City Council, 40 percent of residents gave ratings of 7 or more while 27 percent of businesses gave ratings of 7 or more out of 10.117

There is a compelling need to develop valid and authoritative indicators relating to value for money from rates. This could include residents’ perceptions of the value they receive and objective and comparative measures with other local authorities of value for money.

92. Most of the data in the Value for Money section are from Auckland Council’s Annual Reports, from 2010 to 2012 (see endnote 63). Where possible, comparable data giving a longer term view of data have been obtained from the annual reports of the legacy councils prior to restructur- ing, and from Statistics New Zealand’s Local Authority Financial Statistics data. Data from the existing CCO’s annual reporting has also been referred to.
99. In one case contributions were reported as ‘subdivision contributions’ in another ‘cash contribution’. All payments need to be reported in one form or another.
100. Compiled from Statistics New Zealand, Time Series Financial Statistics Local Authorities across New Zealand.
102. Compiled from legacy council annual reports, 2007/2008 to 2009/10, and Auckland Council annual reports 2010/11 and 2011/12 (see endnote 63).
109. Compiled from Statistics New Zealand, Time Series Financial Statistics Local Authorities across New Zealand. 2011 data shows costs from legacy councils and the new Auckland Council because Statistics New Zealand reporting is on year ending June 30th, therefore cutting across the council re-structuring period.
110. This correlates with an increase in local government employee numbers from 2011 to 2012 as recorded in both Statistics New Zealand data and Auckland Council’s reporting on FTEs.
114. The estimated proportion is based on the assumption that the 1,544 employees earning less than $18.40 per hour are full-time employed. Data from Auckland Council, Auckland Plan Committee, Open Agenda, 12 March 2013, retrieved from http://www.aucklandcouncil.govt.nz/EN/AboutCouncil/meetings_agendas/committees/Pages/aucklandfuturevisioncommittee.aspx.
Super City? State of Auckland represents a snapshot of living in Auckland and gives residents insights into some aspects of the city’s performance. It complements many other measurements and scorecards of liveability in Auckland and of the Auckland Council in its first term. The unique governance reforms that created the largest territorial authority in Australasia will continue to attract critical attention both internationally and domestically from other regions considering the benefits and drawbacks of amalgamation.

Auckland Council has produced a research strategy for 2013-2016 that aligns with Council’s priorities and focuses on people, infrastructure and land use, the environment, housing, the economy, climate change and energy.

The AUT project team will continue with independent monitoring and research on critically important issues for the future of those who live in Auckland.

The following areas require significant future research:

- Sustainability and “long term futures” research tends to extrapolate from the past. More exploration is needed of people’s expectations and aspirations for the future and to understand changing preferences and trends.
- Cross-cutting social and economic issues such as inequality in Auckland, the wide disparities in employment outcomes, especially for young people, differences in health outcomes and inequalities in the school system.
- Housing including intensification and affordability policies. It is currently difficult to ascertain how residents view their housing choices over their lifetimes and wider policy options are need in relation to housing affordability.
- The role and function of The Social Policy Forum and its interaction with economic development.
- The role of local boards given on-going structural and functional tensions between consulting on behalf of the council and representing community aspirations and voices.
- Increasing Māori, Pacific and other ethnic peoples’ as elected representatives on the Auckland Council and local boards along with further evaluation of the advisory boards.
- Auckland’s relationship with Wellington and the rest of New Zealand.
- The distribution of rates in relation to household income.
- The value for money of rates.
- Monitoring and analysing Auckland Council services and financial performance and establishing better assessments for local government performance in providing services to Auckland citizens and communities.
- Monitoring of changes to transport infrastructure and services in Auckland to ensure improved quality of living, working and doing business in the Super City.

Cross cutting and innovative academic and applied research about Auckland’s unique governance structure has domestic and international relevance. It is a vital component, too, in raising the level of informed public debate, an important measure of participatory democracy.