

28 September 2018

Auckland Council adopts 2017/2018 Annual Report

The Auckland Council Group Annual Report for the year ended 30 June 2018 has been formally adopted by the council's Governing Body.

The report reflects how the council is continuing to deliver for a growing Auckland, finding efficiencies where possible and investing almost \$1.8 billion in projects and infrastructure.

The council has also successfully partnered with central government on major projects to tackle the growth of the city.

Auckland Mayor Phil Goff welcomed the report.

"While Auckland has grown faster in population than the rest of the country put together, we cut Council staff costs this year by \$8 million.

"We have invested heavily to meet the past deficit in spending on infrastructure for housing, transport and the environment, and at record levels.

"At the same time we have kept our annual general rate rise at 2.5%, lower than any other high growth area or metropolitan city in New Zealand.

"Over the next 10 years we will invest at record levels in infrastructure while working hard to improve both the quality and value for money in the services Council is delivering," says Mayor Goff.

Financial Management

On top of the \$1.8 billion of investment, total assets grew by \$4 billion, rising to a total of \$51.5 billion primarily made up of core infrastructure and community facilities.

Auckland Council Group Chief Financial Officer, Matthew Walker says this is clear evidence of responsible financial management.

“The trends of controlling costs, reducing reliance on rates as a funding source, and making the organisation more efficient continue, despite economic and growth pressures,” he says.

“I am very pleased that despite the large infrastructure investment, our debt only increased by \$253 million, including the \$200 million Green Bonds issue, which was a first for any New Zealand council.

“Overall, the Annual Report shows the council remains on a secure financial footing, evidenced through retaining its AA (stable) rating from S&P Global Ratings this week,” Mr Walker said.

Performance measures

The Annual Report also details the council’s performance against measures agreed through the 2015-2025 10-year Budget process.

Among the highlights, public transport scored highly, with 92 million public transport trips, 91% satisfied with the service (against a target of 85%) and 96.5% of public transport services punctual (against a target of 94%).

“We are very pleased that in this critical area of delivery, public transport use is up, and that Aucklanders are responding to the services to help them get around,” says Auckland Council Chief Executive Officer, Stephen Town.

“Projects like the City Rail Link will further enhance Aucklanders’ ability to move around the city and help to reduce congestion on our roads.”

Consenting timeframes

Of other performance measures, timeframes for consents remained a challenge that the council was working to improve.

The percentage of building and non-notified resource consents that were processed within 20 working days were significantly below targets, at 52% and 67% respectively against targets of 100%.

“In response to Auckland’s rapid growth the council processed over 20,000 building consents and 14,000 resource consents last year. These consents are becoming more complex as the market shifts to providing more multi-unit/multi-storeyed housing and the city grows,” says Mr Town.

“We are already working on a number of initiatives to improve this part of our performance, the results of which will soon be reported to the council.”

During the auditing of the non-financial measures, some issues were discovered with the councils consenting timeframe data. Steps were taken to rectify the issues, but

not in time for Audit NZ to test the new data. As a result, they modified their opinion relating to these two measures only.

Delivering more for Auckland

With more people requiring more services, plus large infrastructure projects, the council has grown accordingly. Full Time Equivalent (FTE) staff numbers for the group went up by 196, which is a two per cent increase.

“The council as a group is delivering more, especially though the CCOs, with huge transport infrastructure projects underway,” says Stephen Town.

“The biggest increases in staff numbers across the group have been in Auckland Transport, Ports of Auckland and Regional Facilities Auckland, key delivery arms of the council.

“We are delivering more for Auckland now than at any time in our history. And staff per capita has dropped from 6.20 FTE per 1,000 in 2014, to 6.04 per 1,000 in 2018.

“That shows the council operating in a prudent, effective manner that continues to deliver for a growing and vibrant city.”

Further information

For further information on the overview, service performance, local board and financial performance for the Auckland Council Group refer to the 2017/2018 Annual Report and Summary Annual Report [available on council's website](#).

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