

Attachment B: Response to questions and recommendations

Productivity Commission Questions and recommendations	Auckland Council Comment
Trends in local government revenue, expenditure, prices and debt	
<p>Question 3.1 Is the current methodology for preparing the Local Government Cost Index sufficient for forecasting the prices that local authorities are likely to face? If not, should the methodology be improved, such as by one or more of:</p> <ul style="list-style-type: none"> • carrying out more frequent reweighting; • including output indices; and • disaggregating by council type? 	<p>It is important that each council critically assess whatever index they use to inform budgeting decisions to ensure that they are appropriate to their particular circumstances.</p> <p>Auckland Council makes use of BERL indices, other public economic projections, and our in-house economist unit to inform inflationary impacts on cost projections.</p>
Pressures on funding and financing	
<p>Question 4.1 To what extent are the Treaty-related costs associated with fulfilling the obligations and requirements under local government statutes "business as usual" for councils? And to what extent should they be considered costs incurred to fulfil obligations on behalf of the Crown under the Treaty of Waitangi?</p>	<p>The council is committed to meeting its responsibilities under Te Tiriti o Waitangi –Treaty of Waitangi and its broader legal obligations to Māori. The goals under its Maori Responsiveness Framework are embedded into business as usual activities.</p> <p>The council is also committed to supporting the implementation of Treaty settlement redress in a fair manner.</p> <p>There are currently three arrangements provided through Treaty settlement legislation in Auckland requiring the establishment of permanent co-governance bodies. The council participates in and provides support for these bodies. When all Treaty settlement negotiations are completed, Auckland Council will likely participate in and be responsible for supporting no fewer than six co-governance bodies with iwi. Other co-governance arrangements will also be provided, but these will not require establishing permanent bodies.</p> <p>Current Crown policy limits Crown funding for Treaty settlement co-governance outcomes at most to one-off set-up costs for the co-governance body, the cost of preparing plans not timetabled in a council's long-term plan and ongoing costs for up to three years. The Crown does not consider costs beyond three years. This is despite co-governance entities being permanent statutory bodies.</p> <p>The cost of administering co-governance entities are almost entirely placed with local councils. The Crown justifies this by arguing that co-governance arrangements are 'business as usual' for councils and exist as an extension to their responsibilities under the LGA and RMA to involve Māori in local decision making.</p> <p>The Council has a different view, believing co-governance bodies are provided by the Crown as Treaty settlement redress to settle long-standing historical grievances of Māori, including grievances relating to the loss and degradation of natural resources over 152 years. Treaty settlement legislation is used to establish the co-governance bodies. Local body authorities are not the Crown and undertake these arrangements on the Crown's behalf.</p> <p>The Council nevertheless recognises co-governance bodies can provide an effective vehicle for partnership between councils and Māori, in particular to enhance Māori participation in natural resource decision-making. This means the council has an interest in supporting co-governance entities.</p> <p>The Crown also benefits from and has a significant and ongoing interest in the success of co-governance bodies to protect the durability of Treaty settlement outcomes, to ensure Māori are able to effectively participate in partnership with councils, and to support natural resource management outcomes which align with government policy objectives.</p> <p>This means a cost-sharing approach between councils and the Crown is more appropriate than the current approach of modest and one-off Crown contributions to cost.</p> <p>In addition, placing long term funding for Treaty settlement co-governance arrangements solely on ratepayers is a significant risk to the success and longevity of co-governance entities. It assumes ratepayers will support the establishment of new rates to provide funding to support the co-governance bodies through the Long-term Plan consultation process. If this does not occur this could result in co-governance entities that do not have the financial resources they need to fulfil their functions.</p>

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	<p>The council suggests that the Crown should consider Treaty settlement co-governance entities as both valuable Treaty settlement outcomes, and as a means to promote integrated and effective public policy outcomes with national benefits. The council further suggests that the Crown should be committed to supporting the ongoing costs of Treaty settlement co-governance bodies in a manner that is fair to local government and supports participating iwi/hapū.</p>
Improving decision making	
<p>Question 5.1 The Commission is seeking more information on the advantages and disadvantages of reducing the frequency of Long-Term Plan (LTP) reviews, while retaining the requirement for annual plans. What would be the benefits, costs and risks of reducing the frequency of LTPs, from every three years to every five? What if five years were a minimum, and local authorities were free to prepare LTPs more frequently if they wished?</p>	<p>Advantages:</p> <ul style="list-style-type: none"> - Staff time and effort is reduced - Reduction in audit fees - Consultations could be improved with an increase in available budget - AuditNZ resources could be better spread as councils are producing LTPs at different times - Reduces public consultation fatigue - More able to focus on long term decisions if they are addressed every five years. <p>Disadvantages:</p> <ul style="list-style-type: none"> - New incoming elected members may want to make significant changes to a newly adopted LTP, requiring a further LTP process to be carried out. - Elected members may not wait 5 years as their term may run out or, they may not consider longer term financial decisions if there are only annual plans within their three-year term – may consider it to be a caretaker role. - It may be more difficult for councils to share information as their LTPs will be carried out at different times - Limits opportunities for the whole council to propose big ideas which are not considered during Annual Plan rounds.
<p>Question 5.2 Is it appropriate for local authorities to include an adjustment for anticipated price inflation when they set rates each year? If not, what disciplines could be applied to the rate-setting process, to encourage local authorities to seek to manage cost and price pressures through productivity improvements? What would be the benefits and drawbacks of such an approach?</p>	<p>Rates setting is a political decision. This is informed by our financial strategy which seeks to balance the need for investment in assets and services with ensuring that the costs of that investment are acceptable.</p> <p>When setting budgets for individual cost lines an inflation factor is appropriate to reflect market movements. The council separately sets efficiency savings targets, either centrally or by service area, to ensure productivity improvements and the best use of ratepayer funds.</p>
<p>Question 5.3 Would establishing a capital charge for local authorities be an effective way of incentivising good asset management? What would be the advantages and disadvantages? Are there other, more effective ways of encouraging better asset management practices in local government?</p>	<p>While a recognition of the opportunity cost of ratepayer investment may assist with decision-making the advantages of this would need to be balanced against the costs of maintaining such a system (identifying all assets and liabilities by activity, and increased focus on overhead allocations).</p>
<p>Recommendation 5.1 The Department of Internal Affairs, Local Government New Zealand (LGNZ) and the New Zealand Society of Local Government Managers should work together to improve basic governance, including financial governance, skills and knowledge across elected members. In undertaking this work, they should consider:</p> <ul style="list-style-type: none"> • a range of mechanisms, such as formal training; peer support, mentoring (e.g., via “sister council” links), and networking; and sharing of resources and best practice; and • a variety of delivery platforms, including online media and collaboration tools. <p>LGNZ should ensure that resources and initiatives are well evaluated.</p>	<p>Support</p> <p>The council actively works with LGNZ, SOLGM and DIA on many matters of shared interest. In addition, the council has a structured elected member induction and development programme known as Kura Kawana. Our induction programme already covers funding and financing matters, we will ensure a particular focus on this post the 2019 Local Government Election and also within our next Long-Term Plan process.</p>

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<p>Recommendation 5.2 Local Government New Zealand should work to achieve greater participation in ongoing professional development by elected members, including new and existing members, to ensure skills and knowledge are built and periodically refreshed.</p>	<p>Support</p> <p>The council is happy to assist LGNZ as necessary.</p>
<p>Recommendation 5.3 The Local Government Act 2002 should be amended to require all local authorities to have an Audit and Risk Committee (or equivalent assurance committee).</p> <ul style="list-style-type: none"> • Audit and Risk Committees should have an independent Chair, and ideally include at least one other external expert, to ensure they span the full range of necessary skills and experience. • Independent members should be appropriately skilled and qualified. • Councils should draw on the good practice guidance and resources that are available to develop and run their committees. 	<p>Support</p> <p>Auckland Council has an Audit and Risk Committee in place. The council's committee has an independent chair and two independent members who are appropriately skilled and qualified.</p>
<p>Recommendation 5.4 The local government reporting framework (including the financial disclosures, Funding Impact Statement and performance measures for service delivery) should be subject to a fundamental, first principles review. This review would:</p> <ul style="list-style-type: none"> • identify financial disclosures of low value to users of financial statements; • examine the mix of financial and non-financial disclosures, and recommend a revised framework that provides the most efficient, coherent and accessible way of reporting the range of information sought by both types of users; • consider the potential for new forms of external reporting, including integrated reporting, to shape changes in the reporting framework; and • be undertaken by a working group comprising the Department of Internal Affairs, the External Reporting Board and representatives of the local government sector and information users. The Office of the Auditor-General would be consulted. 	<p>Support</p> <p>The council agrees with a first principles review.].</p> <p>Currently, a lot of the reporting requirements are too prescriptive. This impacts on our ability to tell a more relevant performance story for both “customers”, the community, and “owners”, elected members. A simplification of the reporting requirements is desired where a more meaningful story can be told in fewer words.</p> <p>The review should consider the relevance of the content. This will ensure consideration is given to helping stakeholders understand and use reports better; especially from the resident's perspective. The focus should shift from compliance to providing more relevant information.</p> <p>The review should consider providing guidance on the principle-based approach e.g. on how we could achieve this approach along with setting out some key minimum reporting requirements rather than mandate a framework like integrated reporting.</p> <p>The review should also consider enabling organisations to shift towards digitalisation (allows depth of information at the hand of user instead of paper-based information which will facilitate a common platform across different authorities).</p> <p>It might appear that the FIS and cashflow statement show the reader similar information, however they serve quite different purposes. The FIS is presented on an accrual basis and also more clearly differentiates operating and capital items (such as capital grants from NZTA). Given the importance for councils of aligning operating revenue sources with operating expenditure (balanced budget tests) and explaining how they fund their capital investment the FIS serves an important purpose in financial planning and reporting.</p> <p>Councils should have some flexibility in determining the structure and presentation to enable them to most effectively communicate their financial story to the community. For example, where Development Contributions are used to fund interest costs on investment this portion should be able to be shown as an operating funding source.</p> <p>The council agrees that the proposed Working Group should be truly collaborative, and councils and customers should be part of any core group.</p>
<p>Recommendation 5.5 The Department of Internal Affairs, Local Government New Zealand and the New Zealand Society of Local Government Managers should continue to work together to promote and encourage councils' participation in existing performance review and improvement initiatives, such as CouncilMARK™ and the Australasian Local Government Performance Excellence Program. The emphasis should be on learning for</p>	<p>Support in principle</p> <p>The council consider this would require a lot of effective collaboration and may require dedicated local authorities' resources to support.</p> <p>The purpose of the work would need to be clearly defined including whether it should formally include a benchmarking element.</p>

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<p>continuous improvement, rather than a one-off exercise. This work should include efforts to boost public awareness of initiatives such as CouncilMARK™ to increase demand for their use.</p>	
<p>Recommendation 5.6 The legislated information requirements for the consultation processes of local authorities should be amended to:</p> <ul style="list-style-type: none"> • make the terminology around the required analysis of alternative options consistent across relevant sections of the Local Government Act 2002; • clarify that Long-Term Plan (LTP) consultation documents must describe the reasonably practicable alternative options for addressing each identified issue; and • explicitly require that LTP consultation documents include high-level information on the implications for rates and future service levels associated with each of the identified options. 	<p>Support</p> <p>Consistency across relevant sections is sensible. However, it is very difficult to cover all the legal requirements while keeping consultation documents simple enough for residents to understand. Large councils have complex issues, and this should be recognised. The difficulty with explaining a potential service level reduction means staff are forced to identify areas where these should be political decisions.</p> <p>The definition of high level will need to be clearly defined to ensure the requirements are met.</p>
<p>Recommendation 5.7 The Local Government Act 2002 should be revised to clarify and streamline the required content of Long-Term Plans so as to reduce duplication, ease the compliance costs on councils, and help make them more accessible documents.</p>	<p>Support</p> <p>Any simplification will help make the documents more accessible to residents. The LTP should be relatively high level with a strategic focus. This will make it simpler for “customers” to understand. The current form is too “owners” focused. It should also be focused on the significant marginal changes for the local authority’s key activities (a reprioritisation focus rather than a reset).</p>
<p>Recommendation 5.8 The scrutiny on long-term planning provided by the audit requirements should not be considered a substitute for internal quality assurance processes. Councils should have robust quality assurance procedures across their Long-Term Plan process, including the use of expert review where appropriate (such as for significant decisions).</p>	<p>Support</p> <p>Auckland Council already follows this approach.</p>
Future funding and financing arrangements	
<p>Question 6.1 How desirable and useful would a tax on vacant residential land be as a mechanism to improve the supply of housing for New Zealanders? How would such a tax measure up against the principles of a good system of local government funding and financing?</p>	<p>Refer to paragraph 49-56</p> <p>Tax on vacant residential land</p>
<p>Question 6.2 What would be the advantages and disadvantages of a system of payments to territorial authorities based on new building work put in place in each territorial local authority?</p> <p>What would be the best design for such a mechanism? Would it be effective in incentivising councils to keep the supply of consented land (greenfield and brownfield) and local infrastructure responsive to growth pressures?</p>	<p>Refer to paragraph 35-43</p> <p>Incentive payment to territorial authorities for new building work</p>
<p>Recommendation 6.1 The Government, Local Government New Zealand and the New Zealand Society of Local Government Managers should work together to develop standardised templates both for the</p>	<p>Do not support</p> <p>Refer to paragraph 57-61</p> <p>Universal DC template</p>

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development contribution (DC) policies of councils and council assessments of DC charges for individual property developments. Councils should be required to use the standardised templates.	
<p>Recommendation 6.2 While local authorities' general approach to depreciating their infrastructure assets is satisfactory, three issues are of concern and may require action:</p> <ul style="list-style-type: none"> • councils' decisions about the best use of the large amounts of cash that depreciation funding can give rise to should be part of formulating their wider financial and infrastructure strategies; • councils should prioritise improving their knowledge of the condition and performance of their assets to, among other benefits, avoid the risk of underestimating asset lives and overestimating depreciation expense; and • the Essential Services Benchmark should be reviewed as part of the wider review of the local-government performance reporting framework referred to in Recommendation 5.4. Any reframing should avoid the implication that individual councils must invest in as much asset renewal each year as their depreciation expense. 	<p>The council agrees that a focus on asset management planning and knowledge of asset information is important in the flow through to better rate funding.</p> <p>The council also agrees that the treatment of funded depreciation and the resulting operating funding surplus should be a core feature of financial strategies.</p> <p>The council notes that depreciation is driven by major capital expenditure which is generally depreciated over around 50 years. Depreciation will not reduce with the decrease in capital expenditure. For this reason, spending on renewals should be based on sound asset management plans and viewed over a 50-year horizon rather than annually.</p>
<p>Recommendation 6.3 In choosing among funding tools, rating bases and whether to charge rates as a percentage of property values or as uniform charges or some other targeted feature, councils should emphasise the benefit principle and efficiency in the first instance. They should also balance greater economic efficiency against lower compliance and administration costs. Councils should factor in any significant concerns about ability to pay at a second stage in their decision making.</p>	<p>Do not support</p> <p>Refer to paragraph 85-96</p> <p>Weighting benefits in rates decision making</p>
<p>Recommendation 6.4 The Government should consider implementing a system of payments to territorial authorities, based on new building work put in place in each territorial local authority, to incentivise councils to increase the supply of infrastructure-serviced land to match growth in demand.</p>	<p>Support</p> <p>Refer to paragraph 35-43</p> <p>Incentive payment to territorial authorities for new building work</p>
<p>Recommendation 6.5 The Government should direct officials to continue work on how to expand the use of Special Purpose Vehicles to finance investment in growth infrastructure in fast-growth local authorities that face debt limits. If needed, the Government should promote legislation in Parliament to enable the placement of debt-servicing obligations on existing residents who will benefit from the infrastructure.</p>	<p>Support</p> <p>Refer paragraph 30-34</p> <p>Special purpose vehicles</p>
<p>Recommendation 6.6 In its review to improve the service delivery of the three waters, the Government should favour models capable of applying efficient scale and specialisation to help small communities meet the</p>	<p>Support in principle</p> <p>Refer to paragraph 106-111</p> <p>Three waters</p>

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challenges of maintaining and upgrading their water, wastewater and stormwater infrastructures.	
<p>Recommendation 6.7 The Government should legislate to enable councils in tourist centres to choose to implement accommodation levies to recover the tourism-induced costs of providing local mixed-use facilities not otherwise charged for. Councils in tourist centres should make greater use where possible of user pays for mixed-use facilities.</p>	<p>Support</p> <p>Refer to paragraph 70-79</p> <p>Coping with growth in tourism</p>
<p>Recommendation 6.8 The Government should provide funding from the international visitor levy for councils responsible for small tourist hotspots which cannot reasonably recover all their operating costs of providing mixed-use facilities from tourists through user pays or accommodation levies.</p>	<p>Support</p> <p>Refer to paragraph 70-79</p> <p>Coping with growth in tourism</p>
<p>Recommendation 6.9 The benefit principle and maintaining the integrity of local government autonomy, responsibility and accountability should guide central government funding of local government activities. This implies that central government should generally limit its funding to where there are national benefits. Central government should not expect local government to act simply as its regulatory agent. Rather, the two levels of government should seek a regulatory partnership based on mutual respect and an agreed protocol.</p>	<p>Support</p> <p>The council agrees with the approach recommended for the government taking a role in local matters. However, given Auckland's scale "local" economic benefits are often really national e.g. America's Cup. The council considers that Government should take a greater role in funding these investments. The returns to Auckland Council and its ratepayers aren't commensurate with the investments made or related to the incidence of rates.</p> <p>The council agrees on the need to develop a stronger relationship where the council is its regulatory agent.</p>
<p>Recommendation 6.10 Central and local government should strive to achieve a more constructive relationship and effective interface through:</p> <ul style="list-style-type: none"> • central and local government providing input (formally or informally) into each other's relevant policymaking processes, under an agreed set of principles or a protocol; • central government engaging in a meaningful dialogue with local government early in the process of developing relevant new regulations; • cooperative approaches to tackling problems with implementing relevant new legislation, regulations or environmental standards; • the creation of formal and informal feedback loops to identify problems with delegated regulations when they first appear; and • the spread of information through the system and the sharing of expertise and knowledge. 	<p>Support</p> <p>Refer paragraph 80-83</p> <p>Additional local government responsibilities</p>
Equity and affordability	
<p>Recommendation 7.1 The Local Government (Rating) Act 2002 should be amended to remove rates differentials and uniform annual general charges. Councils should have five years to implement their removal.</p>	<p>Do not support</p> <p>Refer paragraph 97-100</p> <p>Equity and affordability</p>
<p>Recommendation 7.2 Local government legislation should be amended to require councils to:</p>	<p>Do not support</p> <p>Refer paragraph 85-96</p>

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<ul style="list-style-type: none"> match the burden of rates to the benefits of council services, as a first step in setting rates; consider ability to pay as a second step; set out the reasons for their rating decisions in each step in a clear and transparent manner; and (in applying the ability-to-pay principle) consider coherence and consistency with the income-redistribution policies of central government. Councils should continue to have the power to determine, on reasonable grounds, the appropriate allocation of rates within their district or region. 	Equity and affordability
<p>Recommendation 7.3 Local Government New Zealand and the New Zealand Society of Local Government Managers should develop advice for councils on how to apply the benefit principle (the burden of rates should reflect the benefits received) in their rating decisions.</p>	<p>Support</p> <p>The council agrees there would be value in undertaking this work to support decision making under the current LGA</p>
<p>Recommendation 7.4 The Local Government (Rating) Act 2002 should be amended to remove the statutory cap on uniform charges.</p>	Support
<p>Recommendation 7.5 The Government should work with local government and suitable financial providers to develop and implement a national rates postponement scheme. The scheme should:</p> <ul style="list-style-type: none"> have a single set of clear and generous eligibility rules; be accessible and have provisions that are easy to understand and work with; have moderate and transparent fees; and be nationally promoted. 	<p>Support</p> <p>Refer paragraph 101-104</p> <p>Introduction of a national rates postponement scheme</p>
<p>Recommendation 7.6 The Government should phase out the Rates Rebate Scheme (RRS) over a defined period, such as five years, from when an effective national Rates Postponement Scheme is in place. In the meantime, the current income abatement thresholds and maximum payments should be maintained.</p>	<p>Do not support</p> <p>Refer paragraph 105-106</p> <p>Rates Rebate Scheme</p>
Adapting to climate change	
<p>Question 8.1 What legal options exist for placing a condition on land-use consents that would make a voluntary assumption of risk by a current owner (and any person or entity who later becomes the owner) enforceable in all future circumstances?</p>	<p>The ability for a council to impose conditions on a land-use consent is limited by the terms of sections 108 and 108AA of the Resource Management Act 1991 (RMA).</p> <p>Of particular relevance to the question are paragraphs 108AA(1)(a) and (b) which say:</p> <p>(1) A consent authority must not include a condition in a resource consent for an activity unless—</p> <p>(a) the applicant for the resource consent agrees to the condition; or</p> <p>(b) the condition is directly connected to 1 or both of the following:</p> <p>(i) an adverse effect of the activity on the environment;</p> <p>(ii) an applicable district or regional rule, or a national environmental standard;...</p> <p>In order to be able to include a consent condition having the effect of assigning future risk of harm to land resulting from the effect of natural hazards to the land owner for the time being it seems likely that s108AA(1)(a) would have to be relied upon. In the absence of agreement by the applicant it is difficult to see how such a condition could be required.</p>

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	<p>Such a condition would be most effective if it required the registration of a covenant (in gross) on the relevant record of title having the required effect. Any covenant could be subject to legal challenge by future owners and could prove costly and potentially difficult for a council to defend when measured against the purpose and principles of the RMA. Consequently, the long term security of such a mechanism in “all future circumstances” is very uncertain. In addition, legitimate questions might be raised by future owners as to whether a council had effectively fulfilled its obligations under the RMA by not seeking to apply the provisions of the Act and relevant planning documents, but by effectively contracting out of liability that might arise as a result of not applying those provisions.</p> <p>A potentially better, more effective, and nationally consistent mechanism would be the adoption of a law change to the RMA that mirrors the essential features of the provisions of the Building Act 2004 that apply to buildings located on land subject to natural hazards (sections 71-74, inclusive, in association with s392).</p> <p>In summary, the Building Act provisions mentioned above require a building consent to be issued for the construction of a building, or alteration of an existing building, where the land on which the building is located is subject to 1 or more natural hazards (erosion, falling debris, subsidence, inundation, or slippage) in specified limited circumstances.</p> <p>If such a consent is granted then a notification must be issued by the relevant territorial authority and the Registrar-General of Land must record, on the record of title to the land on which the building work is carried out, both that the building consent was issued under s72 of the Building Act and the particulars identifying the natural hazard.</p> <p>Where a building consent has been issued under s72 and the subsequent notification processes have been completed then s392 provides that civil proceedings cannot be brought against the territorial authority or its members, staff or agents in relation to damage to the building resulting directly or indirectly from the natural hazard involved.</p> <p>The effect of these provisions is that the building owner (for the time being) who accepts the risk of the building being damaged as the result of a natural hazard and they are unable to involve the territorial authority in civil proceedings and the statutory basis of the limitation provides a high degree of certainty in terms of future enforceability.</p>
<p>Recommendation 8.1 The Government and local government should work together to establish centres of knowledge and guidance about climate-change adaptation for councils. One centre should be an authoritative and up-to-date source of advice on science and data while another should be a source of specialist advice on policy, planning, risk management, legal issues and community engagement.</p>	<p>Support</p> <p>The council suggests that strict guidelines are put in place to collect, measure and provide climate change data and guidance.</p> <p>We suggest that national risk thresholds for mandated retreats will help decision-making. Guidance should also be informed by a national climate change risk assessment.</p>
<p>Recommendation 8.2 The Government should implement a review of existing legislation and policy to ensure that considerations about climate-change adaptation are integrated and aligned within that legislation and policy where relevant.</p>	<p>Support</p> <p>Ensuring we are adequately prepared for the impacts of climate change will have implications for urban development and growth needs. The two priorities are not mutually exclusive but require careful and integrated policy and planning. Key decisions need to be made about how and where development occurs as these will have significant implications for our emissions profile, our exposure to climate risks as well as the nature and scale of climate adaptation measures that will need to be implemented.</p>
<p>Recommendation 8.3 National and local authorities should adopt anticipatory and flexible approaches to climate-change adaptation, in line with recognising the constantly changing nature of the risks. Any additional funding for climate-change adaptation should be conditional on the use of such approaches.</p>	<p>Support</p> <p>Funding climate mitigation and adaptation interventions require innovative financing mechanisms, including the blending of public and private capital to address not just the evolving nature of climate risk, but also the long term and progressive impacts that result from climate change. Climate financial instruments have been discussed in the paper by David Hall and Sam Lindsay (2017), <i>Climate Finance Landscape for Aotearoa New Zealand: A Preliminary Survey</i>, Report Prepared for the Ministry for the Environment.</p>
<p>Recommendation 8.4 The Government should provide legal frameworks that give councils more backing and knowledge to make land-use planning and</p>	<p>Support</p> <p>Councils need the support of central government through legal frameworks to help with decision making when considering the development of potentially hazardous areas.</p>

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<p>infrastructure investment decisions that are appropriate in the face of constantly changing climate risks.</p>	
<p>Recommendation 8.5 The Government should extend the New Zealand Transport Agency's role in co-funding local roads to include assistance to councils facing significant threats to the viability of local land-transport infrastructure from sea-level rise and more intense storms and flooding due to climate change. The amount of assistance should reflect the size of the threat facing each council and its rating capacity. Assistance should be conditional on a strong business case and meeting engineering and environmental quality standards. It should only be available to defend existing infrastructure when business cases indicate that this option is superior to other options by a significant margin.</p>	<p>Support</p> <p>Council supports the extension of NZTA's role to support local infrastructure where councils are experiencing increasing problems with coastal assets, such as sea walls, being severely damaged during storms and roads such as Tāmaki Drive experiencing inundation on a more regular basis.</p> <p>To provide this support NZTA will require additional funding to ensure that existing projects are not compromised. The National Land Transport Fund may also require new funding sources as the impacts of climate change are not linked to current funding tools, road user charges and petrol tax.</p>
<p>Recommendation 8.6 The Government should create a new agency and a Local Government Resilience Fund. The new agency should work with at-risk councils and co-fund the redesign and possible relocation and rebuilding of wastewater and stormwater infrastructure when it becomes no longer viable because of sea-level rise and more intense flooding due to climate change. The new agency should also assist regional councils and communities to work out the best way to lessen future flood risks from rivers. This could include moving to a new, more sustainable and best-practice paradigm of giving rivers room and developing multiple innovative uses of the wider river corridors.</p>	<p>Support</p> <p>The council supports the creation of a Local Government Resilience fund. This fund could also be used to support councils responding to the cumulative impacts of roads on water quality and hydrology and stormwater mitigation of road runoff such as more frequent catch pit cleaning.</p>