

CHiLD POVERTY ACTION GROUP

Child Poverty Action Group

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Submission: The Auckland Plan

Child Poverty Action Group thanks the Council for the opportunity to submit on this important plan. Child Poverty Action Group (CPAG) comprises a group of academics and workers in the field dedicated to achieving better policies for children. The aims of our organisation are:

- The development and promotion of better policies for children and young people.
- Sharing information and connecting with other groups with similar concerns.
- Elimination of child poverty in Aotearoa New Zealand by 2020

The implications for children of urban spatial planning are often overlooked by planners and policymakers, however children are not only active members of communities in the present, they are tomorrows citizens. This submission focuses on Auckland as a child-friendly city, with healthy neighbourhoods and safe streets.

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We wish to speak to our submission at the Children and Young Person's hearing, December 3rd.

Introduction

[1] The Auckland Plan ("the Plan") is a requirement of the Auckland Council ("the Council") pursuant to ss79-80 of the Local Government (Auckland Council) Act 2009. The purpose of the Plan is to contribute to Auckland's growth and development for the next 20-30 years, as well as its social, economic, environmental, and cultural wellbeing. This includes timing and location of infrastructure, and the identification of future locations of housing, industrial and other activities.

[2] While the Act and the background legislation and policy documents (for example the National Infrastructure Plan) are heavily skewed towards infrastructure and utilities development and developers, the Plan offers an opportunity for the Auckland Council to put the needs of the region's children first – as it purports to do. CPAG is concerned, however, that the priority on children will be undermined by the existing, largely undemocratic Council structure, including the council-controlled organisations that will be charged with implementing the Plan. At its heart, the child-friendly city is a democratic city that enables citizens, and children, to have a real say in how their cities and neighbourhoods are run.

[3] This submission will consider key chapters, including submissions on how it can be improved to ensure Auckland really is a liveable city for its youngest citizens.

Children, young people, and reducing inequality

[4] CPAG strongly supports both the Council's commitment to Auckland's children and young people, and to reducing inequality in the Auckland region. The Royal Commission on Auckland Governance identified socioeconomic inequality as a major barrier to Auckland's economic growth and social cohesion.

[5] CPAG also welcomes the Council's stated aim of working with community groups and other stakeholders to ensure the best interests of children and young people are prioritised. CPAG understands that a child impact assessment framework that is adapted to New Zealand conditions is being worked on, and we would encourage the continuation of this work.

[6] **CPAG submits that the Council continue with work to establish a youth council, and that young people be encouraged to participate at a local level, for example as happens at present with the Otahuhu Steering Group.**

[7] A key component of the Council's relationship with children and young people must include the opportunity for them to engage with the Council, and for the Council to listen to children and take that engagement seriously, including providing feedback. This must include the Council advocating on behalf of the region's children and young people in its dealings with central government where required.

[8] Research, including that conducted by UNICEF for their Child-Friendly Cities project, shows clearly that children and young people value equality of opportunity, and research by Child Poverty Action Group (in the context of food in schools) has confirmed that children will share resources rather than see their peers go without. Children also value cultural diversity and public spaces where they can play safely on their own. **CPAG encourages the Council to make equality of opportunity for all children a cornerstone of its projects and its engagement with the region's children and young people.**

[9] Council projects must include facilities, including safe and accessible public spaces, for children and young people. This includes flagship projects such as the waterfront redevelopment. Facilities must be no- or low-cost so they are accessible by all children and young people regardless of their socioeconomic status.

[10] **CPAG submits that as part of the process of reducing socioeconomic inequality within the region projects in low-income areas such as the Wesley Community centre and Otahuhu library and community centre, be given priority.**

[11] **CPAG submits that all Council developments include a specific budget for children's needs, for example early childhood centres, and safe cycling and walking access to social services and recreation areas.**

[12] Unless the Council is going to get actively involved in the provision of early childhood facilities, it is difficult to see how the number of ECE facilities in low-income areas can be increased (target, p. 40). **CPAG submits this target be replaced with a commitment to ensuring that all developments include children's facilities, including ECE centres.**

[13] The prevention of hospitalisation for communicable diseases such as rheumatic fever is a function of housing and adequate and appropriate funding by DHBs and the Ministry of Health (target, p. 40). The Council must concentrate its efforts on affordable housing, especially given the correlation between poor quality housing and communicable diseases such as rheumatic fever.

[14] The Council has focused on education as the key theme of Transformational Shift number 1 (dramatically accelerate the prospects of Auckland's children and young people). CPAG notes that the measures here are not only outside the Council's control, but that there is a very real risk that this will add to the pressure many children and young people feel under. **CPAG submits that rather than placing pressure on children about an increasingly unpredictable future, the Council replace this with a commitment to genuinely engaging with and listening to children, as outlined in the Implementation Framework.**

[15] There is evidence that children across the region feel that the cost of education is a burden on their families. **CPAG submits that the Council improve the prospects of the region's children and young people by lobbying central government to ensure all schools are adequately resourced so that children's education is not a burden on families.**

[16] CPAG suggests that the targets and measures for children focus on ensuring children are registered with primary health care providers prior to leaving hospital at birth, something that can be done in conjunction with relevant DHBs. That way, children are in the system and if they are not getting regular medical checks this will alert health providers that there may be problems that require attention (assuming the system is adequately funded and monitored). Children who are not registered with a general practitioner will not show up as not having completed a B4 school check so this target is likely to miss the most at-risk children.

[17] Children and young people's perception of safety in urban areas is a significant issue. Children don't like drunk teenagers and adults in public areas or violence within the family home or in schools, they do not like the lack of safety engendered by heavy traffic and the danger traffic creates when they walk or cycle to school.

[18] **CPAG submits that as part of its commitment to improving children's perception of safety, the Council set targets for the following these measures through the relevant parts of the Plan:**

- **A cap or reduction in the number of liquor stores in the region, particularly in Manukau City;**
- **a cap or reduction in the number of Class 4 gaming machines in low-income areas;**
- **lowering and enforcing speed limits in urban areas particularly around schools, shopping centres and recreation areas;**
- **improving cycling and walking infrastructure around neighbourhoods and shopping areas; and**
- **ensuring long-term social housing is available for low-income families thereby contributing to neighbourhood stability and cohesion.**

[19] **CPAG also submits that Council policy documents be required to give an assessment of the short and long term effect of the policy on children.** For example housing development plans should state the proportion of affordable family housing (if any), the amount of space to be set aside for parks and recreation areas, arrangements for moving around the neighbourhood by foot and bicycle, and ease of access to schools, medical facilities and social infrastructure including libraries and community centres. Currently there is a disconnection between the needs of many families with children and easy access to services (for example the Manukau Super Clinic is on a poorly served bus route and there are no pedestrian facilities to safely cross a four lane arterial road with a 60kph speed limit).

The Southern Initiative

[20] CPAG endorses the Southern Initiative in principle. The four local board areas covered by the Initiative are among the most economically deprived urban areas in New Zealand, and we are pleased the Council has recognised this and has made a commitment to addressing this deprivation.

[21] CPAG does, however, question how great this commitment is given the proposed budget – nothing – for the Initiative. Instead, what the Council appears to be proposing is a scoping exercise.

[22] The plan lists the priorities for the Initiative as education, housing and improved health outcomes. At present these are funded by central government. Unless the Council is prepared to dedicate funds to this Initiative, particularly in the critical area of housing, this is nothing more than a wish-list.

[23] The Plan argues that South Auckland needs community-driven “transformational change”. As these communities presently stand, this is nonsense. Many of South Auckland’s residents do not have the time or energy to become involved in leading community transformation. Many parents work multiple jobs and lack time to even be involved in their children’s education; a high proportion of families are on benefits, including Sickness and Invalids benefits; overcrowded and substandard housing are significant contributors to children’s poor health and educational outcomes, and transience undermines community stability and cohesion.

[24] Directive 1: **CPAG submits that the priority for the Initiative be housing, which is something the Council can deal with directly through the provision of social housing and/or requirements for developers to provide affordable housing as part of their developments** (also, see section on housing below).¹ We also submit that this be allocated a budget to scope how the Council can most effectively and efficiently assist in improving access to housing across the southern wards of the region. While the emphasis on education is welcome, this needs to be adequately and appropriately funded by central government. The Council can play a role in working with central government to ensure adequate appropriately targeted funding, and this should be a priority.

[25] **There are no targets or monitoring for the Southern Initiative. CPAG submits that if the Initiative is kept as part of the final Plan, then some relevant targets that relate directly to the outcomes sought be set to ensure that the Initiative is given the priority it needs.**

[26] Directive 2: **CPAG endorses an immediate review of public transport in South Auckland with the proviso that *the findings of the review result in concrete action to improve the public transport network in South Auckland.*** South Auckland’s public transport has been run down for years, despite the growth in

¹ See *Infinity Investment Group Holdings Ltd and ors v Queenstown Lakes District Council*, [2010] NZ EnvC 234.

population and significant greenfields housing development. Poor public transport makes South Auckland's predominantly low-income residents very vulnerable to rising fuel costs and disruptions in the roading network.

[27] **CPAG further submits that ease of cycling and walking around South Auckland, particularly the crucial areas of Otahuhu, Manurewa and Manukau City, is reviewed, again with a budget allocated aimed at improving ease of cycling and walking in these areas.** Auckland is not going to meet its greenhouse reduction emissions targets if one quarter of the region's population remains highly dependent on private motor vehicles for day-to-day travel. Traffic-related air pollution in Auckland is also a significant contributor to children's asthma.

[28] South Auckland has a young population structure and has a large number of NEETs (young people not in employment, education or training). This is an appalling waste of potential. As the Royal Commission on Auckland Governance noted, it is a drag on Auckland's economy, and heightens the sociospatial divisions within the region.

[29] Otorohanga has implemented a successful model whereby the Council has worked with local businesses, the education sector and the community to actively engage young people. Clearly, this has necessitated abandoning the assumption that markets alone will create opportunities for young people. CPAG urges the Auckland Council to work with relevant central government agencies, local businesses and training providers to initiate a scheme similar to that in Otorohanga in the Southern wards. We understand the challenges of such a project will be multiplied many times over simply as a matter of scale. South Auckland is not a homogeneous mass, and projects must be attentive to the needs and conditions of the communities in which they are implemented.

[30] **CPAG submits that as part of the Southern Initiative a pilot project replicating that in Otorohanga would be a practical first step. We further submit that this needs a budget, a commencement date, measurement, evaluation, and flexibility to change if improvements are required.**

Auckland's economy

[31] The Plan notes the poor performance of Auckland's economy, especially low GDP per capita, relative to other metro regions in the OECD. This reflects New Zealand's low-wage economy, lack of private sector investment in productive sectors of the economy, and the fact that Auckland is essentially a service economy, even more so than the rest of New Zealand.

[32] Transforming urban economies into "export-driven", internationally competitive, innovative "new" economies has been the holy grail of cities across the globe since at least the late 1980s. Auckland too has attempted this with such initiatives as Creative Auckland, and failed to overcome the structural burden of loss of manufacturing offshore, the privatisation and subsequent lack of competition and investment in the utilities sector, stagnant incomes for most wage and salary earners,

the fastest rising income gap in the OECD, and high levels of child poverty. These factors are largely beyond the purview of local government.

[33] Auckland cannot compete for skilled workers on the basis of economics alone – the region must offer more than low wages and a poorly funded research and technology, and venture capital sector. The Council must focus on using the opportunity provided by this Plan to enhance and protect Auckland’s natural environment, including easy access to recreational areas, and to make Auckland a preferred environment for families to raise children.

[34] Strategic Direction 4: **CPAG submits that the unconstrained supply of land for business purposes risks adding to Auckland’s sprawl, further reducing access to recreation opportunities, and stands in direct contradiction of the desire to provide opportunities for active recreation.** Presently in Auckland there is land available for brownfields development and there is a great deal of commercial and industrial land vacant that would be suitable for redevelopment. In reality, most commercial and industrial land will be used for storage and distribution of imports, and there is no justification for greenfields development for this essentially low-value economic activity.

[35] We note that short of direct investment in productive businesses the Council has little or no leverage over productivity growth, regional export industries or GDP growth. We further note that given current macroeconomic policy settings, the likelihood that Auckland will achieve 5% p.a. average growth over the next 30 years is unrealistic. **CPAG submits that the Council pays closer attention to the spatial aspect of the Plan, including reducing reliance on motor vehicles and greater access to parks and green spaces, especially for children and young people, rather than striving for growth targets subject to conditions beyond its control.**

[36] **CPAG submits that the construction of a prison is not “a major infrastructure project that supports the development of Auckland” (p.188) and it should be removed from the Implementation Framework.**

Transport

[37] Given the pivotal role transport plays and will continue to play in Auckland’s liveability, this section appears to have little that links it to the rest of the document. For example there is no mention of transport’s contribution to reducing climate change, nor any mention of transport’s role in preserving biodiversity or the creation of ecological corridors along transport routes (something for which cycleways with their lack of emissions and low noise levels are well suited).

[38] The “picture this” part of the chapter outlines an optimistic vision of integrated multi-modal transport, but the reality is likely to be far less picturesque. According to the draft capital expenditure budgets, roading still receives the bulk of transport funding (\$9.2 billion. Note this does not include spending on the Puhoi-Wellsford link or the airport road upgrades); public transport receives \$6.8 billion, of which a quarter is the Central City rail link, and a further \$3.6 billion is deferred until 2016 at the

earliest; and cycling and walking, which will be critical to meeting so many of the targets set in the Plan (including health improvements) are budgeted to receive a mere \$200 million to complete the regional cycling network (see Table 1).

[39] **CPAG strongly supports moves to make Auckland safer for children by getting cars off the road, improving public transport facilities and making it easy and safe for them to walk and cycle around their neighbourhoods.** Thus, while we support the completion of the regional cycling network, we are disappointed that the opportunity offered by the Plan to move towards a genuinely child-friendly urban environment appears to be being squandered by a business-as-usual emphasis on motorways and parking facilities (as evidenced by the recent Annual Plan and the Draft City Centre Master Plan). Moreover, at a cost of \$9.2 billion, spending on roads represents a major opportunity cost, including the acquisition of more green spaces and the upgrading of existing community facilities.

Table 1: Proposed capital expenditure on different transport modes (pp. 186-187)

Funded or part-funded by Auckland Council	Motorways/roading and carparks	Start date	Public transport	Start date	Cycling and walking	Start date
	(\$million)		(\$million)		(\$million)	
Integrated ticketing			58	2011		
Electric train units			640	2011		
Western Ring route	2,200	2011				
City rail link			2,200	2011		
City Centre improvements (split 50/50 between PT and roading)	260	2011	260	2011		
AMETI	1,500	2011				
East-West link	1,250	2011				
Arterial improvements	3,018	2011				
Regional cycle network					200	2011
Ferry improvements			41.6	2011		
Rail to Ak airport			1,180	2021		
Northern busway extension			600	2016		
3rd rail line to Papakura			700	2021		
Busway extension Botony-Manukau			90	2031		
Avondale/Onehunga rail extension			1,000	2031		
Henderson-Constellation bus lane			40	2016		
Improved port access	1,000	2016				
TOTAL	\$9,228.0		\$6,809.6		\$200.0	

[40] **CPAG submits that more investment needs to be made in cycling and walking infrastructure, and that in particular the proposed East-West link to**

Onehunga be scrapped (it is, after all, a relic of Auckland's 1950s roading plans), and the rail link to the airport (in tandem with a cycleway) be brought forward. "Transformational shift" in transport will not come about through a non-transformational emphasis on roading over other transport modes.

[41] Given the capital expenditure priorities listed in the draft Plan, CPAG is extremely concerned that the Council is considering the possibility of congestion charges and similar instruments to fund much-needed public transport improvements. This is because the group most likely to bear the burden of congestion and other charges is the group with the worst public transport, namely low-income households in West and South Auckland. Imposing unavoidable congestion charges on the regions most vulnerable households flies in the face of the Council's stated aim of reducing inequality in the region, especially when these charges are funding an uncertain future benefit.

[42] **CPAG submits that the Council strongly lobby central government to (1) bring metro rail projects back under the funding available from the Land Transport Fund, and (2) increase the funding available for public transport and cycling and walking infrastructure available through the Land Transport Fund.**

[43] For children and young people, easily accessible non-commercial public spaces are key to a liveable urban environment. Children do not drive, and many young people cannot afford to. Nor should young people be encouraged into purchasing cheap cars using fringe lenders charging high interest rates through lack of viable transport alternatives. Public space must therefore be accessible by walking and cycling, and affordable public transport.

[44] CPAG is extremely concerned that changes to the government's farebox recovery policy will increase the cost of public transport for all sections of the community, but is particularly concerned about its impact on the mobility of young people. **CPAG submits therefore that the Council lobby the government to review the decision by the New Zealand Transport Agency to increase the farebox recovery ratio required from passengers using public transport.**

Infrastructure

[45] Under the legislation setting up the Auckland Council, infrastructure and utilities have been given a privileged position – indeed it is possible to argue that the whole process has been a gift to infrastructure developers at the expense of the general public.

[46] There is no doubt that the era of unregulated utilities has not brought about the improvements in investment that were promised, and we now, for example, have the situation where the government is handing out cash for broadband investment which should by rights be undertaken by the – largely unregulated – private sector. At the same time governments (including New Zealand's SOEs) have cut back on infrastructure spending. The result has been the now precarious state of Auckland's

electricity supply (and, it transpires, its gas supply), and its woeful underinvestment in public transport, water and wastewater infrastructure and social housing.

[47] The Plan refers to 'other funding mechanisms', including public-private partnerships (PPPs) to finance the city's infrastructure improvements. We note the Council superficially refers to PPPs as simply a means of procurement.

[48] **CPAG is strongly opposed to the use of PPPs to fund public infrastructure.** Access to infrastructure should not be restricted to those who can afford it. On the contrary, pricing of infrastructure moves us further down the road to the 'toll-booth economy' that is highly unequal and inequitable. This is totally inconsistent with the Council's desire to reduce inequality within the region.

[49] PPPs are not a more economical way of providing infrastructure (as the Plan admits). Infrastructure should be funded through borrowing via central government because government's can get cheaper rates of interest than that demanded by private sector investors.

[50] PPPs are popular with investors as they provide a steady, reliable cash stream from the public sector while the risks associated with investments almost always remain with the public. This is unacceptable for a region such as Auckland which has many families on low incomes who already pay excess for utilities, including base levels of household water.

[51] CPAG recognises that resources, including water, are never free, but submits that the cost of basic provision should not be inflated by the additional return demanded by private investors. Moreover, these returns are paid well into the future, so a child born in say 2012 would be 30 years old before they had any say in an infrastructure project for which they had been paying – directly or indirectly – for their entire lives if the PPP had been initiated in 2012.

[52] Public infrastructure also tends to be monopolistic in nature (for example water reticulation networks). CPAG strongly opposes income flows from monopolies to enrich the private sector at the expense of the region's citizens.

[53] In the US, the use of PPPs has created a perverse incentive for private investors to hawk unnecessary infrastructure projects on municipalities. These 'gold-plated' projects seldom address core problems such as water conservation and flood control, for example, but provide expensive utilities networks that encourage consumption. CPAG strongly objects to the Council putting ratepayers, and our children, at risk in this way.

Housing and the compact city

[54] This section has drawn extensively from the submission by the Salvation Army. The Salvation Army provides some social housing and emergency accommodation in Auckland, and is well placed to understand the depth of the housing crisis facing many Aucklanders, particularly low-income residents of South Auckland. CPAG's own research has also found high levels of sub-standard and

overcrowded housing in socioeconomically deprived areas of Auckland. The lack of quality affordable housing is an issue the Council must address as a priority.

[55] **CPAG supports the overall targets set down in Chapter 9 of the Plan as well as the focus of these targets; namely increasing housing supply and the diversity of the housing stock and improving affordability and quality.** While these targets or objectives are worthy in themselves, CPAG would argue that the Plan offers no tangible solutions to plausibly meeting the challenges outlined in Chapter 9. Because housing is so critical to children’s wellbeing, the failure to meet the challenges posed by Auckland’s lack of housing will undoubtedly undermine many other of the Plan’s ambitions and assumptions. Because housing is so critical, CPAG, along with the Salvation Army, argues that it should be accorded a great deal more attention in terms of interventions and budgets than has been proposed in the Plan.

[56] The recent decline in housing building in Auckland which is referred to in the Plan is not the result of insufficiently zoned land, as stated, but is the inevitable outcome of a number of imbalances around house prices and household incomes on one hand and housing related debt on the other. Housing related debt across all of New Zealand stands at 86% of GDP whereas a decade ago this debt was just 57% of GDP. Clearly households are already heavily geared. It is probably unwise to expect or to plan for additional investment into housing by so-called “mum and dad investors” or established home-owners to provide affordable housing for new home buyers. This is reinforced by the fact that the medium Auckland house price is still nearly nine times the average annual wage.

[57] This suggests that Auckland’s housing affordability problem is not a land use problem but a broader structural problem arising mainly from taxation and monetary policies. While some commentators have claimed that restrictive land use zoning on the urban edge is in part at least responsible for Auckland’s high house prices² the evidence elsewhere on the link between such zoning approaches and higher house prices is mixed³. Indeed, on the evidence of developments in Silverdale and Karaka (which were outside the then existing MUL), it is unlikely that more liberal zoning policies will make housing more affordable.

[58] The limitations to the Council planning affordable housing, including those inherent in legislation such as the Resource Management Act, are recognised in Chapter 12 of the Plan that considers options for implementation. CPAG concurs with the Salvation Army that the chapter offers a wide range of ideas, and we share the Council’s regret that many of these options are not feasible in the present political

² Department of Building and Housing (2008). *Adequacy of Auckland Region’s Residential Land Supply*. Grimes, A. (2006). *Housing Supply in Auckland Region 2000-2005* Centre for Housing Research Aotearoa. Grimes, A. (2007). *Impacts of Land Availability, Housing Supply and Planning Infrastructure on New Zealand House Prices*, Motu Research.

³ Buxton, M. and Taylor, E. (2010) *Urban Land Supply, Governance and the Pricing of Land*. Urban Policy and Research 29(1) pp. 5-22.

environment. Thus, **CPAG submits that the Council must lobby for legislative change which will provide the Council with the tools it needs to properly manage Auckland's large and growing urban area in a comprehensive and credible way.**

[59] The need for legislative change is obvious. There is ample evidence, especially from Australia, that there are significant risks to relying on lightly regulated markets to deliver desirable social outcomes such as good quality affordable housing.⁴ The hideously expensive leaky homes fiasco here in New Zealand provides an example of such folly.

[60] CPAG supports in principle the sentiments and ambitions around affordable housing which have been expressed in the Auckland Plan. However, we suspect that those responsible for the Plan have little appreciation of both the extent of the challenges and complexity Auckland faces around affordable housing. Along with the Salvation Army, CPAG is keen to work with Auckland Council and other parties with a stake in providing Aucklanders with affordable housing in working toward viable solutions. We believe that these solutions should include the following specific proposals and we ask that these be considered for inclusion in the final version of the plan.

- *An urban development corporation.* CPAG supports the suggestions made by Grey and Hill⁵ and proposed in Chapter 12 of the Plan (Figure 12.1) of the need for an urban development corporation to provide development and re-development opportunities for affordable housing.
- *A specific Affordable Housing Plan.* A second way of ensuring that Auckland has a sufficient stock of affordable houses is to deliberately plan for this. Such a plan is not a strategy but a more deliberate and quite specific set of policies, programmes and budgets which set out where, when and how affordable housing will be provided.
- *Develop affordable housing tools.* In anticipation of both an urban development corporation and master planning in greenfields developments, it is important that Council develops robust policy tools to assist with the development of affordable housing. These tools might include such initiatives as inclusionary zoning, betterment levies and density controls which promote greater housing stock diversity. The implementation of such measures most likely will require statutory change so part of the background policy work needed is the development of the policy case for such changes.

⁴ For example see Dodson, J (2010). In the Wrong Place at the Wrong Time? Assessing Some Planning, Transport and Housing Market Limitations to Urban Consolidation Policies. *Urban Policy and Research* 28:4 pp.487-594. See also Healy, E and Birrell, B (2005). *Housing Community and the Compact City*. Australian Urban and Housing Research Unit

⁵ Grey, N and Hill, G (2010). *Planning Auckland's Housing Future* Auckland Regional Council.