

## 12 NEW FOOTPATH CONSTRUCTION BUDGET ALLOCATION

### PURPOSE OF THE REPORT

This report has been prepared in response to resolution 2437/2002 which is detailed below and requests the Council to select and adopt an option for determining the budget allocation for each Ward for the purposes of constructing new footpaths.

### BACKGROUND

A report titled "New Footpath Construction: Budget Allocation" was submitted to the Finance and Operational Performance Committee at their April 2002 meeting. The committee resolved the following:

"2. *That the annual city wide budget for the construction of new footpaths is allocated to each Ward using the New Footpath Budget Allocation formula.*"

"4. *That this report and the Finance and Operational Performance Committee's resolutions thereon be reported to each Community Board for its information and action, by the Committee Secretary.*"

737/2002

The New Footpath Construction: Budget Allocations Report was submitted to each Community Board with three Board's adopting the new allocation and one rejecting it. The Waitakere Community Board at its July 2002 meeting resolved the following:

*"That it be recommended to Council that the Waitakere Community Board reject the formula set out for the New Footpath Construction Budget Allocation and that the Board wish to pursue the formula as outlined in the Boards Annual Plan submission based on equity, need and safety issues"*

2194/2002

This resolution was submitted to the Council at its July 2002 meeting, the Council resolved the following:

*"That as the Waitakere Community Board rejects the formula set out for the New Footpath Construction Budget Allocation, Council pursues the formula as outlined in the Waitakere Community Boards Annual Plan Submission based on equity, need and safety issues."*

2437/2002

### STRATEGIC CONTEXT

Safety for pedestrians is a key objective of the Urban Villages pathway to a sustainable city, 'that people can get easily and safely to where they need to go by walking, cycling, passenger transport, or private vehicle'.

In this context it is important that the backlog of footpath construction is addressed equitably with regard to the whole city. This means taking into account the overall distribution of the backlog and the overall distribution of pedestrian activity.

### ISSUES

### Existing Budget Allocation

Under the existing system a citywide priority list is drawn up, to the value of the citywide new footpath budget, and those footpaths at the top of the list are recommended to the relevant Community Board. The list of lower priority sites within the Wards is also considered and the Boards may change priorities depending on their experience and perception of conditions within the Ward.

Under this procedure the size of the individual Ward budgets can vary considerably from year to year, and it is possible that a Ward may receive no budget. No account is taken of the existence of roads without footpaths, for which requests have not been made.

### Transport Assets Proposal

The option presented to the Board's by the Transport Assets section was that the Citywide budget would be allocated equitably to the Boards and each Board would allocate its assigned budget to particular roads based on the priority list and a supplementary report from Transport Assets.

The proposed formula is:

$B = B1 + B2 + B3 + B4$  where B is the citywide budget, and B1 the budget for Ward 1 etc.

$$B1 = \frac{X1 \cdot Y1}{\sum XY} \times B$$

The proposed formula to allocate the citywide budget makes use of the following measures:

$$X1 = (\text{kilometre of road with no footpath} \cdot 3 + \text{kilometre of road with 1 footpath} \cdot 1) / 4$$

where X is the total practical backlog of new footpath within each Ward (which excludes road sections where provision of a footpath would not be sensible, for example most of Piha Road).

Y1 = the total dollars of residential rates collected for that Ward.

The rationale is that the Ward budgets should reflect the total practical backlog and the total rates, becoming larger or smaller as each of these measures become larger or smaller.

### Waitakere Community Board's Proposal

The Waitakere Community Board's proposal uses the Transport Assets formula except for the total dollars of residential rates collected for that Ward ("Y" in the formula). Their proposed formula is as follows:

The proposed formula is:

$B = B1 + B2 + B3 + B4$  where B is the citywide budget, and B1 the budget for Ward 1 etc.

$$B1 = \frac{X1}{\sum X} \times B$$

$$X1 = (\text{kilometre of road with no footpath} \cdot 3 + \text{kilometre of road with one footpath} \cdot 1) / 4$$

where X is the total practical backlog of new footpath within each Ward (which excludes road sections where provision of a footpath would not be sensible, for example most of Piha Road).

The rationale is that the Ward budgets should reflect the total practical backlog only. The total rates collected has been omitted due to the rates differential applied throughout the City.

### Formula Comparison

The proposed City Wide new footpath construction budget for 2002/2003 is \$450,000. The table below compares the allocation of this to Wards using the two proposed formulae and the existing procedures:

WARD	Road with No Footpath (km)	Road with One Footpath (km)	Total No Footpath (km)	X (km)	Y (\$M)	BUDGET 2002/2003 (existing method) (\$)	BUDGET 2002/2003 (TA method) (\$)	BUDGET 2002/2003 (WCB method) (\$)
Henderson	6.10	19.78	31.98	9.52	22.825	0	26,785	23,747
Massey	58.90	35.44	153.24	53.04	25.516	50,859	166,815	132,290
New Lynn	25.90	43.60	95.40	30.33	29.983	264,466	112,080	75,642
Waitakere	105.54	33.48	244.56	87.53	13.376	134,675	144,319	218,321
<b>TOTAL</b>	<b>196.44</b>	<b>132.30</b>	<b>525.18</b>	<b>180.41</b>	<b>91.701</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>

The Transport Assets Proposal and Waitakere Community Board formula both utilise a weighting system where a road that does not have a footpath is given a weighting of three times more than a road that has a footpath on one side. This part of the formula takes into account the need and safety aspects.

The Transport Assets Proposal formula includes the rates collected for each Ward. Its purpose was to indicate to the Community that a small portion of their rates was being used to fund the construction of new footpaths within their Ward.

The Waitakere Community Board formula excludes the rates collected for each Ward. The Waitakere Community Board were concerned about the rates differential applied throughout the City and that it was not equitable.

### RESOURCES

Either method would be simple to apply and uses information already available in the RAMMS and GEMS databases. No further staff resources or funding would be required to administer either method over the existing method.

### CONCLUSION

The difference between the proposed methods is the inclusion or exclusion of the "Y" element of the formula i.e. rates collected. As the formula comparison table shows, this has a major impact on the allocation to each Ward.

Further alternative formulae could be developed, each giving somewhat different allocations; however, the simplicity of and sensible results from either proposed formulae supports their adoption. The advantages of the proposals are the provision of a fixed method whose outcome would not be susceptible to argument.

**RECOMMENDATIONS**

1. That the information be received.
2. That the Council adopts either Transport Assets proposal or the Waitakere Community Board's proposal as detailed in the report for determining the budget allocation for the construction of new footpaths.
3. That this report and the Council's resolutions thereon be reported to each Community Board for its information and action, by the Committee Secretary.

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