

# **Finance and Operational Performance Committee**

**Thursday, 11 April 2002  
Commencing at 9.00 am**

**Part VI: General**

**Item 26: New Footpath Construction:  
Budget Allocation**

**SUPPLEMENT TO AGENDA FOR AN ORDINARY MEETING OF THE FINANCE AND  
OPERATIONAL PERFORMANCE COMMITTEE TO BE HELD IN THE CIVIC  
CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN, WAITAKERE CITY,  
ON THURSDAY, 11 APRIL 2002  
COMMENCING AT 9.00 AM.**

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**PART VI - GENERAL**

**26 NEW FOOTPATH CONSTRUCTION: BUDGET ALLOCATION**

**PURPOSE OF THE REPORT**

This report seeks approval for a new procedure to allocate the annual footpath extension budget.

**BACKGROUND**

There has been dissatisfaction among the Community Boards over their relative budgets for the construction of new footpath work. At the September 2001 Waitakere Community Board Meeting the Board resolved the following:

- “1. That the Waitakere Community Board again expresses its concern about methods used to allocate funding to new footpath construction on a Ward basis, as this disadvantages the Waitakere Ward where there is the greatest need for footpaths.
2. That the report requested at the Annual Budget on the issues of the methodology in respect of Ward allocations on footpaths in Waitakere City, be brought back to Council at its earliest possibility.”

2079/2001

**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**

**1) Overall Budget**

Council decides the citywide budget for footpath extension through the Annual Plan process. The proposed 2002/2003 budget is \$450,000.

**2) Priority List**

Council receives requests for new footpaths from the public from time to time. In each case the proposed footpath is added to the ‘priority list’.

Priority is assigned by giving points for critical factors. Safety factors include road and berm widths, visibility distances, traffic volume, etc. Usage factors include numbers of houses, schools, shops, and bus stops etc.

The priority list accounts for about 55 km of missing footpath, value about \$6.5 million, but this does not include road sections for which footpath requests have not been made. In total the footpath backlog is estimated as some 530 km.

**3) Allocation of Citywide Budget: Existing Procedure**

A citywide priority list is drawn up, to the value of the citywide 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 Board may change priorities depending on its experience and perception of conditions within the Ward.

Under this procedure the size of the individual Ward budgets is 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.

**4) Allocation of Citywide Budget: Proposed New Procedure**

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.

**Stage 1**

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

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

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).

Y = the total dollars of residential rate collected for that Ward.

The proposed formula is:

$B = B_1 + B_2 + B_3 + B_4$  where B is the citywide budget, and B1 the budget for Ward 1 etc.

$$B_1 = \frac{X_1 * Y_1}{\sum XY} \times B$$

This formula is to be referred to as the NFBA (New Footpath Budget Allocation) formula.

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.

**Stage 2**

The budget allocation is distributed to specific sites by the Community Board, based on the Ward priority list (drawn from the resident's requests prioritised by quantified safety and usage demand factors), and a supplementary report from the Transport Assets Section which focuses on additional roads not on the priority list. The Board at its discretion can alter the Ward priority list based on its own priorities or local knowledge.

### 5) Application to the Proposed 2002/2003 Budget

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

WARD	Road with No Footpath (km)	Road with One Footpath (km)	Total Missing Footpath (km)	X (km)	Y (\$M)	BUDGET 02/03 (proposed method) (\$)	BUDGET 02/03 (existing method) (\$)
Henderson	6.10	19.78	31.98	9.52	22.825	26,785	0
Massey	58.90	35.44	153.24	53.04	25.516	166,815	50,859
New Lynn	25.90	43.60	95.40	30.33	29.983	112,080	264,466
Waitakere	105.54	33.48	244.56	87.53	13.376	144,319	134,675
<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>

The proposed method clearly allocates the footpath extension budget to wards in an equitable manner.

Although, Waitakere Ward's share increases by only a small amount, the inequity perceived by Waitakere in relation to New Lynn has been greatly reduced, and Waitakere's allocation is comparable with the allocation for Massey, despite the fact that Massey contributes almost twice the amount of rates to the City.

### RESOURCES

The proposed method is simple to apply and uses information already available in the RAMMS and GEMS databases. No further staff resources of funding would be required.

### CONCLUSION

A new 2-stage procedure to allocate the annual footpath extension budget to sites is presented.

In stage 1, the citywide budget is allocated to Wards using an equitable formula, the NFBA formula, based on the total practical footpath backlog and the total residential rates collected for each Ward. This ensures that each Ward will have work done in proportion to its footpath backlog and residential activity.

In stage 2, each Ward budget is distributed to specific sites by the Community Board, based on the Ward priority list, and a professional report from the Transport Assets Section of the City Services Unit. The priority list refer to specific requests from residents prioritised by quantified safety and usage demand factors. The Unit's report may deal with additional roads, not appearing in the priority list.

Alternative formulae could be presented, each giving somewhat different allocations; however, the simplicity or and sensible results from the proposed formula supports its adoption. Once accepted it would provide a fixed method, where the outcome is not susceptible to argument.

**RECOMMENDATIONS**

1. That the information be received.
2. That the annual citywide budget for the construction of new footpaths is allocated to each Ward using the NFBA (New Footpath Budget Allocation) formula.
3. That for each Ward the budget for the construction of new footpaths is allocated to sites by the Community Board based on the priority list and the annual report from the Service Manager: Transport Assets or his delegated staff.
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.

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