



Insights

Topical commentary on the Auckland economy

July
2020

How Aucklanders use and value council amenities

- Auckland Council group provides a huge array of well- and lesser-known services to Aucklanders.
- Understanding how well these are used and valued can be a challenge.
- A recently completed study shows how Aucklanders use and value eight major categories of council services, using an approach that can be broadened to consider other services.
- Libraries, parks and pools are used most and valued most highly among the eight services.
- The challenge is to constantly strive to match services with the needs and aspirations of Aucklanders so that we provide the right services in the way that is best for our region.

Auckland's changing patterns

The Auckland Council group provides a huge number of services. Water quality monitoring, civil defence, park rangers, cemeteries, harbourmaster, public transport, drinking water, wastewater, roads,

stormwater, rubbish collection, libraries, parks and museum services are just the tip of the iceberg.

How do Aucklanders use and value these services? And how does that inform how or to what extent we provide those services, particularly in such financially-constrained times?

It would be a mammoth (and expensive) task to quantify how Aucklanders use and value each of the literally hundreds of services the council group provides. But for some time, several teams at Auckland Council have grappled with trying to understand how Aucklanders value particular amenities in a statistically robust way.

This paper sets out the headline results of a new study commissioned by Auckland Council that looked at how Aucklanders use and value eight major types of community infrastructure - neighbourhood parks, libraries, pools/aquatic centres, community centres, arts centres, leisure centres, indoor courts, and sports fields.

Why and how we did it

The original objectives of the study included:

- improving the quality of policy advice on amenities we provide across Auckland by better understanding the value people place on them, and how much they use them
- providing empirical values we could use to improve business cases on specific infrastructure decisions, such as when we evaluate specific proposals for new pools or indoor courts.

But the work included a wide range of other valuable information including usage data by sub-region, ethnicity, income band, housing tenure, and age. Some usage data existed for some of these amenities, but not with the level of detail and comparability the new study provides.

The study surveyed 2,000 individuals. Where they were confident to do so, they answered on behalf of others in their household, meaning the survey provided data on 4,964 Aucklanders. The sample was weighted for age, geographic distribution and gender.

The study used stated choice experiments where respondents were presented with different mixes of amenities, sometimes with different service levels, at different distances from their home, and for different price points. By using combinations like this, it makes it harder for results to be “gamed”, whereby respondents presented with a simple stated preference question on how much they value a certain amenity may choose to under or over-state the value they derive from that amenity.

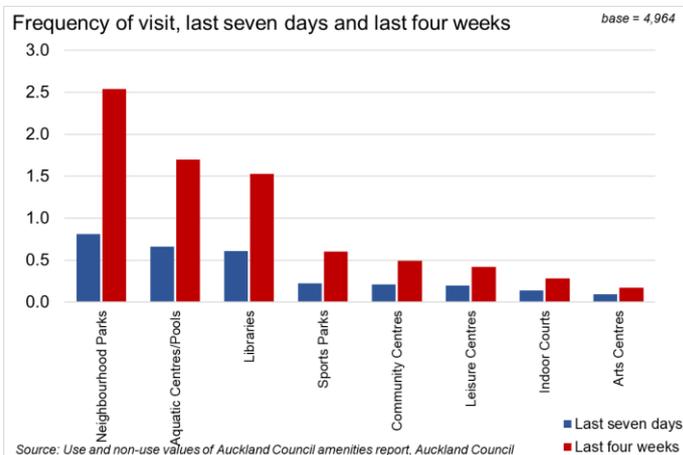
The size of the sample and the rigour of the methodology gives us a high level of confidence that the results accurately reflect the relative value people place on these amenities.

Swim, run, read

The 135-page final report provides highly detailed breakdowns of usage by geographic sub-region, income group, gender, age, ethnicity, housing tenure and household composition.

Some of the key points on how much people **use** facilities are:

- By far the most used of the eight amenities were neighbourhood parks, followed by pools and libraries.¹
- Sports fields, community centres, and leisure centres were used at a rate one-third that of libraries.



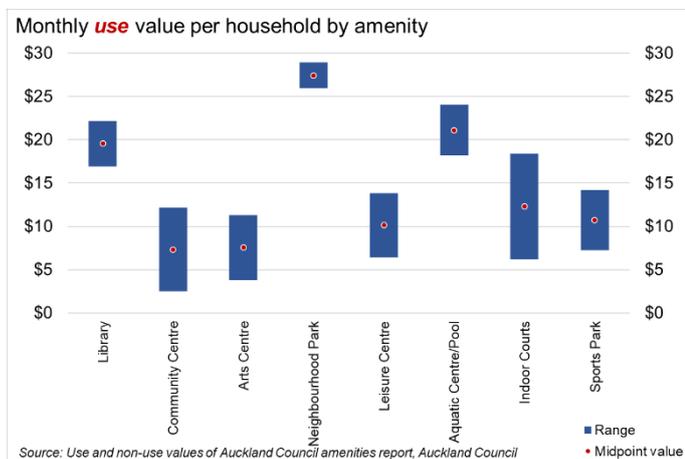
- Indoor courts and arts centres were used at a level lower again, around 1/4 to 1/8 of the use of libraries.

The study also calculated the **use value** Auckland households place on these amenities, and the **non-use value** they derive from being able to access them if they choose (even if they don't) or in the case of parks and perhaps sports parks, being able to visually enjoy the nearby greenspace.

For some amenities, there were stark differences in the value derived by **frequent** use households (defined as at least five times a month) and less frequent use households. Where this difference is material, the use values for all users, frequent and less frequent users are provided.

- By far the highest value from **use** for all households was from neighbourhood parks, pools and libraries, ranging in midpoint value from \$19.55 per month to \$27.44 per month in value.
- Neighbourhood parks, pools, libraries and sports parks also had high **non-use values**. Households value having them even when they don't use them; they value the option of being able to use them or possibly the visual amenity of neighbourhood or sports parks.
- In the case of non-use, three amenities had no statistically robust non-use value at all – arts centres, leisure centres and indoor courts. In the case of the latter two, this could be because of the cost associated with entry, which is often significantly higher than a pool, and certainly not free like a library or park.

Note that in simplistic terms, a shorter bar on the graphs below is good because it means that more



households use that amenity, and that because more people use it, the margin of error on the value they derive is smaller.

The values here are for amenities located within 20 minutes' travel. The research showed that the value derived falls sharply when travel time is beyond 20 minutes, an important consideration in considering access.

What this work does and doesn't say

This work provides a step change in understanding who uses these amenities, how often, and the value they derive from them. This will help in providing more robust advice to elected members on investment decisions related to these assets.

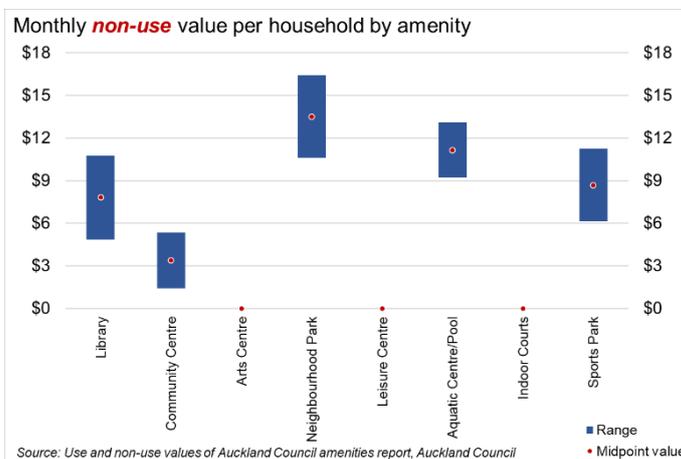
A simplistic review of the data could conclude that it shows that we should provide X services and cancel Y services. However, while the study is an extremely important addition, it doesn't provide all the answers, including:

- public good benefits that accrue from amenities, such as improved health from using a pool (a private benefit) leading to less demand on the healthcare system (a public benefit). This value has to be calculated separately in business case work.

1 Timing of the survey in March may boost outdoor amenity usage relative to indoor amenities, but the difference in usage is so significant that it cannot be explained away solely by weather-related factors. Library use is helpful in this regard – it is an *indoor* amenity that is still used three times more than other *indoor* amenities at that point in the calendar.

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- how we apply these learnings to amenity provision. For instance, for arts centres, the implication of a low amount of usage, a relatively low use value and no statistically robust non-use value could be:
 - we should spend less on arts centres
 - we should try to increase use by better aligning offerings with what Aucklanders value
 - we should try to reduce cost or increase revenues
 - a combination of these
 - something else not in this list.

Nevertheless, this work will provide a strong base for future policy and infrastructure decisions and can also be expanded in time to consider other types of services that the council group provides.

The [full report can be found here](#).

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