I hereby give notice that an ordinary meeting of the Howick Local Board will be held on:

**Date:** Tuesday, 12 May 2020  
**Time:** 6.00pm  
**Venue:** This meeting will proceed via Skype for Business. Either a recording or written summary will be uploaded on the Auckland Council website

Howick Local Board  
OPEN AGENDA

### MEMBERSHIP

- **Chairperson**: Adele White  
- **Deputy Chairperson**: John Spiller  
- **Members**: Katrina Bungard, Bo Burns, David Collings, Bruce Kendall, Mike Turinsky, Bob Wichman, Peter Young, JP

(Quorum 5 members)

Vanessa Phillips  
Democracy Advisor

6 May 2020  
Contact Telephone: 021 891 378  
Email: vanessa.phillips@aucklandcouncil.govt.nz  
Website: www.aucklandcouncil.govt.nz

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**Note:** The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. Should Members require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.
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1 Welcome
The Chairperson will open the meeting and welcome those present.

2 Apologies
At the close of the agenda no apologies had been received.

3 Declaration of Interest
Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

4 Confirmation of Minutes
That the Howick Local Board:
   a) confirm the ordinary minutes of its meeting, held on Monday, 20 April 2020, as a true and correct record.

5 Leave of Absence
At the close of the agenda no requests for leave of absence had been received.

6 Acknowledgements
At the close of the agenda no requests for acknowledgements had been received.

7 Petitions
At the close of the agenda no requests to present petitions had been received.

8 Deputations
Standing Order 7.7 provides for deputations. Those applying for deputations are required to give seven working days notice of subject matter and applications are approved by the Chairperson of the Howick Local Board. This means that details relating to deputations can be included in the published agenda. Total speaking time per deputation is ten minutes or as resolved by the meeting.

At the close of the agenda no requests for deputations had been received.

9 Public Forum
A period of time (approximately 30 minutes) is set aside for members of the public to address the meeting on matters within its delegated authority. A maximum of 3 minutes per item is allowed, following which there may be questions from members.

At the close of the agenda no requests for public forum had been received.

10 Extraordinary Business
Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended) states:
“An item that is not on the agenda for a meeting may be dealt with at that meeting if—

(a) The local authority by resolution so decides; and

(b) The presiding member explains at the meeting, at a time when it is open to the public,—

   (i) The reason why the item is not on the agenda; and

   (ii) The reason why the discussion of the item cannot be delayed until a subsequent meeting.”

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,—

(a) That item may be discussed at that meeting if—

   (i) That item is a minor matter relating to the general business of the local authority; and

   (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but

(b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.”
Howick Local Board decisions and input into the Annual Budget 2020/2021

File No.: CP2020/05409

Te take mō te pūrongo
Purpose of the report
1. To seek approval for local financial matters for the local board agreement 2020/2021, which need to be considered by the Governing Body in the Annual Budget 2020/2021 process.
2. To seek feedback on the proposed regional topics in the Annual Budget 2020/2021.

Whakarāpopototanga matua
Executive summary
3. Our Annual Budget contains 21 local board agreements which are the responsibility of local boards to agree with the governing body. These agreements set out local funding priorities, budgets, levels of service and performance measures.
4. Auckland Council publicly consulted from 21 February to 22 March 2020 to seek community views on the proposed Annual Budget 2020/2021 and local board priorities to be included in the local board agreements (Consultation part 1).
5. Since this consultation was undertaken, the COVID-19 pandemic has exerted significant pressure on the council’s financial position, which will have flow on effects for the proposed budget for the 2020/2021 financial year. The council is now considering what those impacts are likely to be, and plan to ask Aucklanders for their views on certain aspects of Auckland Council’s proposed ‘emergency budget’ in response to the financial impacts of the COVID-19 pandemic (Consultation part 2).
6. Local boards are required to receive the feedback on the proposals in consultation part 1 which are not affected by the changes being considered by the council and therefore will not be subject to further consultation, and make decisions on them. This must be done before consultation part 2 can get underway, so the scope of consultation part 2 is clear.
7. This report seeks decisions on local financial matters for the local board agreement, including:
   a) any new/amended Business Improvement District (BID) targeted rates
   b) any new/amended local targeted rate proposals
   c) proposed Locally Driven Initiative (LDI) capital projects outside local boards' decision-making responsibility
   d) release of local board specific reserve funds.
8. The council received feedback in person at community engagement events and through written forms, including online and hard copy forms, emails and letters.
9. This report summarises consultation feedback on the proposed Annual Budget 2020/2021, including on local board priorities for 2020/2021.

Feedback on Howick Local Board priorities for 2020/2021
10. The local board consulted on the following priorities:
   • ongoing advocacy for multi-purpose facilities at Lloyd Elsmore Park and Flat Bush
   • continued support for the arts, local theatres and local bands, and stage events such as Movies and Music in Parks
   • implementation of the Howick Village Centre Plan
• implementation of the Howick Walking and Cycling Network Plan
• investigating community safety initiatives
• ongoing support for Pest Free Howick Ward initiatives.

11. 249 submissions were received on Howick Local Board priorities for 2020/2021, showing that the majority of people either support most (54 per cent) or support all (32 per cent) of the local board’s priorities.

**Feedback on regional proposals in the proposed Annual Budget 2020/2021 from the Howick Local Board area**

12. This report seeks local board views on the proposed regional Annual Budget topics including:

• the changes to rates and fees, key proposals:
  o waste management targeted rate
  o refuse collection in the former Auckland City Council and Manukau City Council areas
  o Waitākere rural sewerage service and targeted rate
• the draft Tūpuna Maunga o Tamaki Makaurau Authority – Operational Plan 2020/2021
• other budget information.

13. Local board views on these regional matters will be considered by the Governing Body (or relevant committee) before making final decisions on the Annual Budget 2020/2021.

14. Out of the 4765 submissions received on the regional proposals in the Annual Budget 2020/2021, 347 submissions were from people living in the Howick Local Board area.

15. 61 per cent of submitters from the Howick Local Board area support the waste management targeted rate.

16. 55 per cent of submitters from the Howick Local Board area support the targeted rate for refuse collection in the former Auckland City Council and Manukau City Council areas.

17. 66 per cent of submitters from the Howick Local Board area support the Waitākere rural sewerage service and targeted rate.

18. Three submitters from the Howick Local Board area commented on the draft Tūpuna Maunga o Tamaki Makaurau Authority – Operational Plan 2020/2021.

19. Auckland Council also consulted on the Council-Controlled Organisations (CCO) Review at the same time. The feedback received on this will be presented at a later date.

**Ngā tūtohunga**

**Recommendation/s**

That the Howick Local Board:

a) receive consultation feedback on the proposed Howick Local Board priorities for 2020/2021.

b) receive consultation feedback on regional proposals in the Annual Budget 2020/2021 from people or organisations based in the Howick Local Board area.

c) recommend that the Governing Body approves any proposed Locally Driven Initiative (LDI) capital projects, which are outside local boards’ allocated decision-making responsibility, including investment in the Flat Bush Library and Community Centre and Flat Bush Aquatic and Leisure Centre (the Howick Local Board One Local Initiative).

d) provide feedback on the proposed Annual Budget 2020/2021 as follows:
i) support the changes as proposed to the waste management targeted rate
ii) support the changes as proposed to refuse collection in the former Auckland City Council and Manukau City Council areas.
iii) support the changes as proposed to the Waitākere rural sewerage service and targeted rate.

Horopaki

Context

20. Local board agreements form part of the Auckland Council’s Annual Budget and set out local funding priorities, budgets, levels of service and performance measures.

21. Auckland Council publicly consulted from 21 February to 22 March 2020 to seek community views on the proposed Annual Budget 2020/2021 and local board priorities to be included in the local board agreements. This is now referred to as consultation part 1.

22. Since this consultation was undertaken, the COVID-19 pandemic has exerted significant pressure on the council’s financial position, which will have flow on effects for the proposed budget for the 2020/2021 financial year. Work to date on the proposed Annual Budget will need to be adjusted to consider the new financial realities facing Auckland.

23. The financial report presented to the Emergency Committee during April 2020 indicated potential reductions in cash revenue of $350-$650 million for the 2020/2021 financial year, depending on the length and extent of the disruption caused by the COVID-19 pandemic. The Emergency Committee requested staff provide further information to the Governing Body on the impacts of the various scenarios modelled against a rates increase of between 0 per cent and 3.5 per cent. They also resolved that further public consultation on the Annual Budget would include considering whether to adopt a 2.5 per cent rather than 3.5 per cent general rates increase for the 2020/2021 financial year, among a suite of other measures aimed at offering support to all ratepayers, including businesses, facing hardship due to the impacts of the COVID-19 pandemic.

24. The council is planning to ask Aucklanders for their views on certain aspects of Auckland Council’s proposed ‘emergency budget’ in response to the financial impacts of COVID-19. It is anticipated this will be carried out from late May until mid-June 2020. This will be in addition to the Annual Budget 2020/2021 consultation we have already carried out from February to March 2020. This is referred to as consultation part 2.

25. Consultation part 2 is unlikely to revisit any of the specific proposals in consultation part 1. Therefore, the local boards and the Governing Body are required to receive the feedback on these proposals and make decisions on them. This must be done before consultation part 2 can get underway so it is clear what decisions have already been made, and what decisions will be made after consultation part 2.

26. Further, some of the proposed changes to fees and charges required a Special Consultative Procedure (SCP) and the requirements for this were met in consultation part 1. It is important to complete this statutory process, especially where consultation part 2 will not be relevant to the decisions on these fees and charges.

27. This report includes analysis of the consultation feedback on the Howick Local Board priorities for 2020/2021, and on the regional proposals in the Annual Budget 2020/2021 from people or organisations based in the Howick local board area.

Local financial matters for the local board agreement

28. This report allows the local board to agree its input and recommend other local financial matters to the Governing Body in May 2020. This is to allow time for the Governing Body to consider these items in the Annual Budget process.
Item 11

Funding for Locally Driven Initiatives (LDI)
29. Local boards are allocated funding annually to spend on local projects or programmes that are important to their communities. Local boards can approve LDI capital projects up to $1 million, projects over that amount require approval from the Governing Body.

30. Local boards can recommend to the Governing Body to convert LDI operational funding to capital expenditure for 2020/2021 if there is a specific need to do so. Governing Body approval may be needed for the release of local board specific reserve funds, which are funds being held by the council for a specific purpose.

Local board input on regional plans
31. Local boards have a statutory responsibility for identifying and communicating the interests and preferences of the people in its local board area in relation to the context of the strategies, policies, plans, and bylaws of Auckland Council. This report provides an opportunity for the local board to provide input on the Annual Budget.

32. Local Board Plans reflect community priorities and preferences and are key documents that guide both the development of local board agreements and input into regional plans.

Council-controlled organisation (CCO) review
33. An independent panel was appointed by Auckland Council to examine three areas: (1) the CCO model, roles and responsibilities, (2) the accountability of CCOs, and (3) CCO culture. Local boards had the opportunity to provide input into this in March 2020.

34. Auckland Council also consulted on the review of CCOs during the same period as the Annual Budget, from 21 February to 22 March 2020.

35. After receiving feedback, the panel will report on key issues, community and stakeholder feedback to the council in May 2020.

36. The panel will provide a final report and recommendations to the council in July 2020.

Types of feedback
37. Overall Auckland Council received feedback from 4765 people in the consultation period. This feedback was received through:

• written feedback – 3828 hard copy and online forms, emails and letters
• in person – through 58 Have Your Say events and community events.

Tātaritanga me ngā tohutohu
Analysis and advice
38. The Howick Local Board consulted on the following priorities:

• ongoing advocacy for multi-purpose facilities at Lloyd Elsmore Park and Flat Bush
• continue to support the arts, local theatres and local bands, and stage events such as Movies and Music in Parks
• implementation of the Howick Village Centre Plan
• implementation of the Howick Walking and Cycling Network Plan
• investigating community safety initiatives
• ongoing support for Pest Free Howick Ward initiatives.

39. Key themes across all feedback received in relation to the priorities (through written and in person channels) were:

• taking action to implement the Howick Walking and Cycling plan, although there were also submitters who do not support cycle lanes
• impatience with the amount of time it is taking for the Flat Bush community facilities to be delivered
• support for and opposition to the Howick Village Centre Plan, with a perception that Pakuranga, Highland Park and Botany are neglected
• support for community events.

Feedback received
40. 250 submissions were received on Howick Local Board priorities for 2020/2021, showing that the majority of people either support most (54 per cent) or support all (32 per cent) of the local board’s priorities.

41. The Howick Local Board held one Have Your Say hearing style event in Pakuranga. Seven people attended this event and presented three submissions.

Feedback on other local topics
42. Key themes from other feedback received included:
• playground improvements to address play needs of all ages
• improved maintenance of walkways, playgrounds and council facilities leased to community groups
• road improvements are a priority
• concerns about public transport and effectiveness of AMETI to address the areas public transport needs
• concerns about effects of infill housing and inadequate stormwater infrastructure resulting in damage to beaches in high rainfall events
• re-sanding Howick beach
• spending more on the environment including remediating stream pollution
• improvements to community spaces and places
• Auckland Council to be efficient, reduce spending and staffing
• Howick Local Board should take a more proactive approach to accountability from the council organisation
• lack of detail in the consultation document
• more to be done to promote and support business growth and town centres, including creating an attraction for East Auckland
• would like to see to more youth voice and youth related actions.

Requests for local funding
43. Requests for local funding included:
• Howick Pakuranga Netball Club requested investment support to create cover over the existing netball courts
• Highbrook Watersport Centre requested investment to bring the facility up to the standard required in order to be tenanted
• invest in a communication path for residents to come together for environmental projects
• funding to support landowners who are experiencing property or land damage because of development
• funding to support increased enforcement action to enforce rules and regulations associated with the Auckland Unitary Plan and Resource Management Act
• general support for community initiatives to protect property and community assets.

Information on submitters

44. The tables and graphs below indicate what demographic categories people identified with. This information only relates to those submitters who provided demographic information.

Figure one: Graph and Table of age and gender of submitters

<table>
<thead>
<tr>
<th>Age</th>
<th>Male</th>
<th>Female</th>
<th>Gender Diverse</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 15</td>
<td>3</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>15-24</td>
<td>11</td>
<td>21</td>
<td>0</td>
</tr>
<tr>
<td>25-34</td>
<td>7</td>
<td>17</td>
<td>0</td>
</tr>
<tr>
<td>35-44</td>
<td>25</td>
<td>36</td>
<td>0</td>
</tr>
<tr>
<td>45-54</td>
<td>32</td>
<td>19</td>
<td>0</td>
</tr>
<tr>
<td>55-64</td>
<td>22</td>
<td>28</td>
<td>0</td>
</tr>
<tr>
<td>65-74</td>
<td>36</td>
<td>34</td>
<td>0</td>
</tr>
<tr>
<td>75 +</td>
<td>11</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>147</td>
<td>160</td>
<td>2</td>
</tr>
</tbody>
</table>

Figure two: Graph and Table of ethnicity of submitters

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>#</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>European</td>
<td>125</td>
<td>39%</td>
</tr>
<tr>
<td>European NZ</td>
<td>107</td>
<td>34%</td>
</tr>
<tr>
<td>European Other European</td>
<td>18</td>
<td>6%</td>
</tr>
<tr>
<td>Maori</td>
<td>4</td>
<td>1%</td>
</tr>
<tr>
<td>Pacific</td>
<td>9</td>
<td>3%</td>
</tr>
<tr>
<td>Samoan</td>
<td>2</td>
<td>1%</td>
</tr>
<tr>
<td>Tongan</td>
<td>3</td>
<td>1%</td>
</tr>
<tr>
<td>Other Pacific</td>
<td>4</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>10</td>
<td>3%</td>
</tr>
<tr>
<td>Asian</td>
<td>189</td>
<td>60%</td>
</tr>
<tr>
<td>Chinese</td>
<td>161</td>
<td>51%</td>
</tr>
<tr>
<td>Indian</td>
<td>18</td>
<td>6%</td>
</tr>
<tr>
<td>Other Asian</td>
<td>10</td>
<td>3%</td>
</tr>
<tr>
<td>African</td>
<td>10</td>
<td>3%</td>
</tr>
<tr>
<td>African/Middle Eastern/Latin</td>
<td>2</td>
<td>1%</td>
</tr>
<tr>
<td>Total people providing ethnicity</td>
<td>317</td>
<td>107%</td>
</tr>
</tbody>
</table>

Overview of feedback received on the Annual Budget from Howick Local Board area

45. The proposed Annual Budget 2020/2021 sets out our priorities and how we're going to pay for them. The regional consultation on the proposed Annual Budget focused on changes to rates and fees, the key proposals were:
• waste management targeted rate
• refuse collection in the former Auckland City Council and Manukau City Council areas
• Waitākere rural sewerage service and targeted rate.

46. The submissions received from the Howick Local Board area on these key issues are summarised below, along with an overview of any other areas of feedback on regional proposals with a local impact.

**Waste management targeted rate**

47. Aucklanders were asked about a proposal to increase the waste management targeted rate.

*Table one: First key proposal - Waste management targeted rate*

<table>
<thead>
<tr>
<th>Question 1: Waste management targeted rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>The cost of responsibly dealing with our kerbside recycling (paper, cardboard and plastics) has increased due to international market conditions.</td>
</tr>
<tr>
<td>To pay for this we propose to charge only those who use the service by increasing the targeted rate by $19.97 a year or $0.38 a week (the total cost changing from $121.06 to $141.03 incl. GST).</td>
</tr>
<tr>
<td>If we do not do this, we would have to fund the shortfall by increasing general rates for all ratepayers, including those who don’t get a kerbside collection service.</td>
</tr>
</tbody>
</table>

48. The graphs below give an overview of the responses from the Howick Local Board area.

*Figure three: Graph and Table of responses to the first key proposal – Waste management targeted rate*

<table>
<thead>
<tr>
<th>Waste management targeted rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you support our proposal?</td>
</tr>
<tr>
<td>Count</td>
</tr>
<tr>
<td>Support</td>
</tr>
<tr>
<td>Do not support</td>
</tr>
<tr>
<td>Other</td>
</tr>
</tbody>
</table>

49. Submitters from the Howick Local Board area who did not support the proposal would prefer the council to invest in its own recycling centre, are opposed to any rates increase and suggested the charge be included as a general rate. They also suggested there should be more responsibility on manufacturers to reduce packaging and council should educate people to produce less waste.

**Refuse collection in the former Auckland City Council and Manukau City Council areas**

50. Aucklanders were asked about a proposal to increase the refuse collection in the former Auckland City Council and Manukau City Council areas targeted rate.

*Table two: Second key proposal – Refuse collection in former Auckland City and Manukau City areas*

<table>
<thead>
<tr>
<th>Question 2: Refuse collection in former Auckland City and Manukau City</th>
</tr>
</thead>
<tbody>
<tr>
<td>In the old Auckland City and Manukau City Council areas, households pay for rubbish through a targeted rate. In other parts of the city, residents pay for their collection via Pay As You Throw. The targeted rate for the Auckland City and Manukau City Council areas no longer meets the cost of collection.</td>
</tr>
</tbody>
</table>
To cover this extra cost we propose increasing the targeted rate in these areas by $14.23 a year or $0.27 a week for a 120 litre bin (the total cost changing from $129.93 to $144.16 incl. GST), and an additional $6.68 a year or $0.13 a week for a large 240 litre bin (the total cost changing from $191 to $211.91 incl. GST).

If we do not do this, we would have to increase general rates for all ratepayers, including those living outside these two areas who would subsidise residents of old Auckland and Manukau cities.

51. The graphs below give an overview of the responses from the Howick Local Board area.

Figure four: Graph and Table of responses to the second key proposal – Refuse collection in former Auckland City and Manukau City

<table>
<thead>
<tr>
<th>Refuse collection in former Auckland City and Manukau City</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you support our proposal?</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Count</td>
</tr>
<tr>
<td>Support 114</td>
</tr>
<tr>
<td>Do not support 78</td>
</tr>
<tr>
<td>Other 15</td>
</tr>
</tbody>
</table>

52. Submitters from the Howick Local Board area who did not support the proposal suggested that savings should be made elsewhere to meet the additional cost, that there should be a uniform system across Auckland, and preference for a ‘pay as you throw’ system.

Waitākere rural sewerage service and targeted rate

53. Aucklanders were asked about a proposal to increase the Waitākere rural sewerage service and targeted rate.

Table three: Third key proposal - Waitākere rural sewerage service and targeted rate

Question 3: Waitākere rural sewerage service and targeted rate

Last year we consulted on removing the septic tank pumpout service funded by a targeted rate. While feedback indicated a willingness to go ahead with the removal of this service in the Henderson-Massey and Upper Harbour local board areas, residents of the Waitākere Ranges local board area said they wanted to keep the service. The cost of delivering this service is higher than the current targeted rate of $198.43.

Our proposal, for those in the Waitākere Ranges local board area who want the service, is to recover the full cost by increasing the targeted rate to between $260 and $320 a year (incl. GST). This increase would apply from July 2021.

If we do not do this, the council could end the service, or continue to subsidise the cost of the service to septic tank users in the Waitākere Ranges local board area from all general ratepayers, including those who don’t use the service.

54. The graphs below give an overview of the responses from the Howick Local Board area.
Figure five: Graph and Table of responses to the third key proposal - Waitākere rural sewerage service and targeted rate

<table>
<thead>
<tr>
<th>Waitākere rural sewerage service and targeted rate</th>
<th>Count</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you support our proposal?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Support - continue the service</td>
<td>113</td>
<td>66%</td>
</tr>
<tr>
<td>Do not support - end the service</td>
<td>39</td>
<td>23%</td>
</tr>
<tr>
<td>Do not support - continue the Waitākere septic tank service subsidised by all general ratepayers</td>
<td>20</td>
<td>12%</td>
</tr>
</tbody>
</table>

55. Submitters from the Howick Local Board area who did not support the proposal suggested that septic systems should be the responsibility of the homeowner, who should pay the full cost. Others commented that we all benefit from the Waitākere natural area and ensuring septic tanks are serviced brings better environmental outcomes.

Other feedback

56. Aucklanders were asked what is important to them and if they had any feedback on any other issues. Pool fencing was the issue that generated the most comments with 43 submissions, of which 49 per cent did not support the proposed pool inspection charges, 30 per cent supported the proposal and 21 per cent made other comments.

57. Nine submitters commented on the Botanic Garden entry fee proposal, of which 6 were opposed.

Feedback on the draft Tūpuna Maunga o Tamaki Makaurau Authority – Operational Plan 2020/2021

58. Feedback was received from three submitters from the Howick Local Board area on the draft Tūpuna Maunga o Tamaki Makaurau Authority – Operational Plan 2020/2021.

59. Submitters were concerned about the removal of trees, supported investment in urban ngahere (forest), and commented on the importance of maunga to all Aucklanders. One submitter wanted more accountability from the Tūpuna Maunga o Tamaki Makaurau Authority, with more opportunity for Aucklanders to be consulted and involved in actions relating Auckland’s maunga.

Feedback on other regional proposals with a local impact

60. Feedback was received from the Howick Local Board area on other regional proposals.

61. The graph below shows the areas covered by this feedback.
62. The decisions recommended in this report are procedural in nature. New targeted rates and the release of reserve funds will not have any climate impacts themselves.

63. Some of the proposed projects these would fund may have climate impacts. The climate impacts of any projects Auckland Council chooses to progress with as a result of this, will be assessed as part of the relevant reporting requirements.

64. Some of the proposed projects these would fund will be specifically designed to mitigate climate impact, build resilience to climate impacts, and restore the natural environment.

65. The Annual Budget is an Auckland Council Group document and will include budgets at a consolidated group level. Consultation items and updates to budgets to reflect decisions and new information may include items from across the group.

66. Local board decisions and feedback are being sought in this report. Local boards have a statutory role in providing local board feedback on regional plans.

67. Local boards play an important role in the development of the Annual Budget. Local board agreements form part of the Annual Budget. Local board nominees have also attended Finance and Performance Committee workshops on the Annual Budget.
Tauākī whakaaweawe Māori
Māori impact statement

68. Many local board decisions are of importance to and impact on Māori. Local board agreements and the Annual Budget are important tools that enable and can demonstrate council’s responsiveness to Māori.

69. Local board plans, which were developed in 2017 through engagement with the community including Māori, form the basis of local priorities. There is a need to continue to build relationships between local boards and iwi, and the wider Māori community.

70. The analysis included submissions made by mana whenua and the wider Māori community who have interests in the rohe / local board area.

71. Ongoing conversations between local boards and Māori will assist to understand each other’s priorities and issues. This in turn can influence and encourage Māori participation in council’s decision-making processes.

72. Some of the proposed projects these would fund may have impacts on Māori. The impacts on Māori of any projects Auckland Council chooses to progress with as a result of this, will be assessed as part of the relevant reporting requirements.

Ngā ritenga ā-pūtea
Financial implications

73. This report is seeking local board decisions on financial matters in local board agreements that need to then be considered by the Governing Body.

74. Local boards are also providing input to regional plans. There is information in the consultation material for each plan with the financial implications of different options.

Ngā raru tūpono me ngā whakamaurutanga
Risks and mitigations

75. Local boards are required to make recommendations on these local financial matters for the Annual Budget by 15 May 2020, to enable the Governing Body to be able to make decisions on them when considering the Annual Budget in May.

Ngā koringa ā-muri
Next steps

76. Local boards will approve their local board agreements and corresponding work programmes.

77. Recommendations and feedback from local boards will be provided to the relevant governing body committees for consideration during decision making at the Governing Body meeting.

78. The dates of these meetings are yet to be determined as the impacts of the Covid-19 pandemic and lockdown are taken into account.

Ngā tāpirihanga
Attachments

There are no attachments for this report.

Ngā kaihaina
Signatories

| Authors | Lucy Stallworthy – Howick Local Board Engagement Advisor |
Item 11

Nichola Painter - Local Board Advisor - Howick

Authoriser Carol McKenzie-Rex - Relationship Manager for Franklin and Howick Local Boards
Endorsing the Business Improvement District (BID) programme targeted rates for 2020/2021

File No.: CP2020/05021

Te take mō te pūrongo
Purpose of the report
1. To seek local board endorsement to recommend that the Governing Body set the targeted rates for the Howick Village and Greater East Tamaki Business Improvement District (BID) programmes for the 2020/2021 financial year.

Whakarāpopototanga matua
Executive summary
2. Business Improvement Districts (BID) are areas within Tāmaki Makaurau where local business and property owners have agreed to work together to improve their business environment and attract new businesses and customers.

3. Auckland Council supports business associations operating BID programmes by collecting a targeted rate from commercial properties within a defined geographic area. The funds from the targeted rate are then provided by way of a BID grant to the relevant business association.

4. Under the Auckland Council shared governance arrangements, local boards are allocated several decision-making responsibilities in relation to BIDs. One of these is to annually recommend BID targeted rates to the Governing Body.

5. Each business association operating a BID programme sets the BID grant amount at its Annual General Meeting, when members vote to approve an operational budget for the following financial year. This budget funds the implementation of a business plan that delivers programmes based on each BID’s strategic priorities.

6. With the support of their members and based on approved business plans, both BID-operating business associations within the Howick Local Board area propose increases to their BID targeted rates for the 2020/2021 financial year. Greater East Tamaki (up 9 per cent to $545,000) and Howick Village (up 5 per cent to $170,848.11).

7. The business associations operating BID programmes are incorporated societies that are independent of council. To sustain public trust and confidence in the council, however, there must be a balance between the independence of the business association and the accountability for monies collected by a public sector organisation.

8. For the council to be confident that the funds provided to the BIDs are being used appropriately, the council requires the BIDs to comply with the Business Improvement District (BID) Policy (2016) (Hōtaka ā-Rohe Whakapiki Pakihi), known as the BID Policy.

9. The council staff regularly monitor compliance with the BID Policy and this report is part of an active risk management programme to minimise inappropriate use of funds.

10. Staff are satisfied the Howick Village and Greater East Tamaki sufficiently comply with the BID Policy.

11. Staff propose the Howick Local Board receives this report and recommends to the Governing Body the setting of the BID targeted rates sought by the two business associations. Note: The Greater East Tamaki BID boundary overlaps the Howick and Ōtara-Papatoetoe Local Board areas.

12. After the Annual Budget is approved, the council collects the targeted rate funds and distributes them in quarterly BID grant payments, effective from 1 July 2020, to allow the
business associations to implement programmes that improve the local business environment – and reflect the economic aspirations of the Howick Local Board Plan.

13. Like all BID-operating business associations, Howick’s two BIDs will continue to play an important role in supporting their members facing two global challenges. Firstly, helping local businesses throughout the COVID-19 lockdown stages and, secondly, responding to the world’s climate change emergency with an increased focus on sustainability.

**Ngā tūtohunga Recommendation/s**

That the Howick Local Board:

a) recommend to the Governing Body the setting of the targeted rates for inclusion in the Annual Budget 2020/2021 for the following Business Improvement District (BID) programmes:

i. $545,000 for Greater East Tamaki Business Association Incorporated

ii. $170,848.11 for Howick Village Business Association Incorporated.

**Horopaki Context**

14. Tāmaki Makaurau is growing fast and is projected to include another one million people in the next 30 years. This level of population growth will present challenges and opportunities for Auckland town centres and commercial precincts.

15. Business Improvement Districts (BIDs) are areas within Auckland where local business and property owners have agreed to work together, with support from the council, to improve their business environment and attract new businesses and customers.

16. BID programmes provide the opportunity for the council family to partner with business associations, including Howick Village Business Association (HVBA) and Greater East Tamaki Business Association (GETBA), to seize on the opportunities from Auckland’s growth and respond locally to changing economic conditions.

17. BID programmes encourage collaboration to achieve greater local outcomes. They provide a mechanism to enable local boards to engage with the business sector in local town centres and commercial precincts in a co-ordinated way.

**BIDs provide essential support in the economic recovery from COVID-19**

18. The economy has been heavily impacted by the COVID-19 pandemic and related lockdown, including both retail-based town centres and industrial precincts.

19. BID-programme operating business associations will now, more than ever, provide the local business leadership required to help businesses recover from the economic shock and transition to a viable future state.

**BIDs are funded by a targeted rate on business ratepayers within a set area**

20. BID programmes are funded by a targeted rate applied to all commercially rated properties within a designated area around a town centre or commercial precinct.

21. Auckland Council supports business associations operating BID programmes by collecting the targeted rates and providing these funds, in their entirety, by way of a BID grant to the relevant business association.

22. This revenue is paid to the business associations every quarter to provide a regular and sustainable income stream to implement an agreed work programme.
23. Auckland Council’s Business Improvement District (BID) Policy (2016) (Hōtaka ā-Rohe Whakapiki Pakihi) ensures accountability for BID targeted rate funding and encourages good governance and operational management.

24. The policy outlines the principles behind the council’s BID programme; creates the process for establishing, expanding, amalgamating and disestablishing BIDs; determines rating mechanisms; prescribes operating standards and guidelines; and sets accountability requirements.

Diagram one: From calculation to approval, how the BID targeted rate is set

The business association sets the BID grant amount to deliver its work programme

25. Each business association operating a BID programme prepares an annual business plan for the following financial year that will deliver programmes based on the BID’s strategic priorities.

26. The cost of implementing that business plan is set out in an annual budget that the BID’s board (executive committee) agrees will be recommended for approval by the business association membership.

27. The 2019 Annual General Meeting (AGM) provides the forum when members vote to approve the operational budget and, in doing so, set the requisite BID grant amount for the following financial year.

Local boards are responsible for recommending the targeted rate if a BID complies with the BID Policy

28. Under the Auckland Council shared governance arrangements, local boards are allocated several decision-making responsibilities in relation to BIDs. One of these is to annually recommend BID targeted rates to the Governing Body. The board should recommend the setting of the targeted rate if it is satisfied that the BID is substantially complying with the BID Policy.

29. BID programme managers Jane Newbury (Howick Village) and Jane Tongatule (Greater East Tamaki) addressed the local board on 8 August and 27 August 2019 respectively, to update members on the progress towards achieving their respective BID’s business and strategic plans.

30. The Howick Local Board approved a similar recommendation for the BID programmes last year (resolution number HW/2019/66), as did 17 other local boards that have BID programmes operating in their role.

The Governing Body sets the targeted rate when it approves the Annual Budget

31. The recommendation in this report is put into effect with the Governing Body’s approval of the Annual Budget 2020/2021 and its setting (striking) of the targeted rates.

32. In accordance with the provisions of the Local Government Act 2002 and the Local Government (Rating) Act 2002, the Governing Body is authorised to make the final decisions.
on what BID programme targeted rates, if any, to set in any particular year or property (in terms of the amount and the geographic area to be rated).

Tātāritanga me ngā tohutohu
Analysis and advice

33. BID programmes are operated by independent business associations, and their programmes and services are provided according to their members’ stated priorities. In recognition of their independent status, the BID Policy does not prescribe standards for programme effectiveness. That is a matter for the business association members to determine. Staff, therefore, cannot base recommendations on these factors, but only on the policy’s express requirements.

Both business associations comply with the BID Policy

34. Staff are satisfied the Howick Village and Greater East Tamaki business associations sufficiently comply with the BID Policy.

35. Staff require BID-operating business associations to provide to the council the following documents, and stay in touch with their local board at least once a year:

- current strategic plan – evidence of achievable medium to long-term opportunities
- audited accounts – assurance that the BID-operating business association is managing its members’ BID targeted rates funds responsibly
- annual report on the year just completed – evidence that programmes are addressing priority issues that benefit BID targeted ratepayers
- business plan for the coming year – detailed one-year programme, based on the strategic plan, to be achieved and resourced
- indicative budget for the following year – Auckland Council’s Annual Budget requires targeted rates to be identified a year in advance to inform the Annual Budget process which sets all rates
- Board Charter – establishes guidelines for effective board governance and positive relationships between the association and its members
- Annual Accountability Agreement – certification that these requirements have been met
- Programme Agreement – a good faith agreement between each BID-operating business association and council that sets basic parameters of the council-business association relationship
- Annual General Meeting (AGM) minutes - in addition to the above, council receives the provisional minutes of each business association’s 2019 AGM meetings which contain the resolution, voted on by members, confirming the BID grant amount for the following financial year.

36. In addition, BID-operating business associations must inform the council of progress with other compliance requirements, including:

- Incorporated Society registration – a current registration of the business association and all required documents are kept up to date
- key initiatives – activities identified to be advanced in the next financial year
- resolving problems or issues, if any – problems or issues that have an impact on the governance or operation of the BID programme.

37. The BID Policy sets an annual compliance deadline of 10 March 2020 for the information to be forwarded to the council. The table below summarises the above requirements for the two BIDs within the Howick Local Board area as of 10 March 2020.
Table one: Business associations' compliance with BID Policy

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Howick Village</th>
<th>Greater East Tamaki</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FY 2018/2019</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strategic Plan</td>
<td>✔ H</td>
<td>✔ 2014-2024 HV</td>
</tr>
<tr>
<td>Audited financials</td>
<td>✔</td>
<td>✔ 2017-2021 GETB</td>
</tr>
<tr>
<td>Annual Report</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>Business Plan</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>Indicative budget</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>Board Charter</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>Annual Accountability</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agreement</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td><strong>Annual meeting w/ local</strong></td>
<td>8 August 2019</td>
<td>27 August 2019</td>
</tr>
<tr>
<td>board</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programme Agreement</td>
<td>✔ valid to June 2023</td>
<td>✔ valid to October 2022</td>
</tr>
<tr>
<td>Inc. society registration</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td><strong>Key initiatives</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reprioritised to COVID-19 recovery and shop local</td>
<td>Enhanced focus on assisting businesses in the recovery from COVID-19</td>
</tr>
<tr>
<td><strong>2019 AGM minutes (prov)</strong></td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>Resolving problems, issues</td>
<td>Nothing to record</td>
<td>Nothing to record</td>
</tr>
</tbody>
</table>

38. As the Howick Village and Greater East Tamaki business associations have sufficiently complied with the BID Policy, staff advise the local board to recommend to the Governing Body the setting of the targeted rates.

Both business associations increased their BID grants

39. As shown in Table two below, the two BID-operating business associations propose increases to their BID targeted rates for the 2020/2021 financial year. The increased revenue, supported by members at their respective AGMs, will fund a range of initiatives and service level improvements as indicated in Table one (key initiatives).

40. At its 2019 AGM, Greater East Tamaki members supported a 9 per cent ($45,000) increase to take its 2020/2021 BID grant to $545,000.

41. Howick Village members supported a 5 per cent ($8,133.11) increase to raise the sum of $170,848.11 for the next financial year.

42. Of Tāmaki Makaurau's 48 BID-operating business associations, most BIDs increased their targeted rates, ranging from 1.2 per cent to 14.4 per cent.
Endorsing the Business Improvement District (BID) programme targeted rates for 2020/2021

Table two: Targeted rate comparisons: 2020/2021 c.f. 2019/2020

<table>
<thead>
<tr>
<th>BID</th>
<th>2020/2021</th>
<th>2019/2020</th>
<th>Increase / %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Howick Village Business Association</td>
<td>$170,848.11</td>
<td>$162,715</td>
<td>+ $8,133.11 +5%</td>
</tr>
<tr>
<td>Greater East Tamaki Business Association</td>
<td>$545,000</td>
<td>$500,000</td>
<td>+$45,000 +9%</td>
</tr>
</tbody>
</table>

**Tauākī whakaaweawe āhuarangi**

**Climate impact statement**

43. Through targeted rate-funded advocacy and activities, BID-operating business associations promote and often facilitate environmental sustainability programmes.

44. From running carbon-reducing ‘shop local’ campaigns to transitioning to energy-efficient lighting and championing waste reduction and recovery programmes, there are many and increasing examples of BIDs within this role and beyond responding to the climate change emergency.

**Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera**

**Council group impacts and views**

45. Advocacy is a key service provided by business associations and those with BID programme-funded personnel are at an advantage. The BIDs ensure the views and ambitions of their members are provided to the council group, including CCOs, on those plans, policies and programmes that impact them.

46. The BIDs work closely with Auckland Tourism Events and Economic Development (ATEED) on local economic development initiatives, events and sustainability programmes.

47. The BIDs also work constructively with both Panuku and Auckland Transport on often controversial proposals and projects.

**Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe**

**Local impacts and local board views**

48. The local board’s views are most frequently expressed by its appointed representative on the board (executive committee) of each BID-operating business association. This liaison board member can attend BID board meetings to ensure there is a direct link between the council and the operation of the BID programme.

49. Each BID values its strong and enduring governance-to-governance relationship with the Howick Local Board. The contributions by the local board’s ‘BID representatives’ (and alternates) have, for many years, promoted mutual understanding, collaboration and aligned economic outcomes.

50. Howick’s BIDs and local board share a keen interest in the role and are ambitious for its future and its people. They also share goals that include economic prosperity, community identity, placemaking and pride.

51. The two BID programmes tangibly support the aspirations of the Howick Local Board Plan 2017, specifically Outcome 6: A prosperous local economy. From their constitutions to their activities, the BIDs exist to enhance their business districts and grow Auckland’s GDP and sustain the economic viability of their targeted ratepaying members.

**Local role, local funding, local benefit**

52. Recommending that the Governing Body strikes the targeted rates for the Howick Village and Greater East Tamaki business associations means that these BID programmes will
continue to be funded from targeted rates on commercial properties in their districts, and provide services in accordance with their members’ priorities as stated in their strategic plans.

53. Several local boards, including Howick, provide additional funding to local business associations, however accountability for those grants is set by funding agreements between the local board and the business association. Those contractual obligations are apart from the requirements of the BID Policy and are not covered in this report.

**Tauākī whakaaweawe Māori**

**Māori impact statement**

54. At the 2018 Census, Māori make up more than 5.7 per cent of the population living in the Howick Local Board area, compared to 11.5 per cent of Auckland. Individual business associations may, through operating their BID programme, identify opportunities for specialised support or development of any Māori business sector in their role.

**Ngā ritenga ā-pūtea**

**Financial implications**

55. There are no financial implications for the local board. Targeted rates for BID-operating business associations are raised directly from commercial ratepayers in the district and used by the business association for improvements within that role. The council’s financial role is to collect the BID targeted rates and pass them directly to the association every quarter.

56. The targeted rate is payable by the owners of the commercial properties within the geographic area of the individual BID programmes. In practice, this cost is often past on to the business owners who occupy these properties. This cost may be harder to meet at a time when businesses are financially impacted by the Covid-19 pandemic. Council may be considering extending the rates remission policy to commercial property owners as part of the 2020/2021 annual plan. If approved, this would help mitigate impact of the targeted rate on ratepayers who are struggling financially.

**Ngā raru tūpono me ngā whakamaurutanga**

**Risks and mitigations**

57. There are no direct financial risks to the local board or the council that could result from this recommendation to endorse the BID targeted rate for the six business associations.

58. To sustain public trust and confidence in the council, there should be a balance between the independence of the business association and the accountability for monies collected by a public sector organisation.

59. The rules and obligations of the BID Policy are intended to help minimise the potential for BIDs to misuse funds, by requiring each BID to plan for the intended use of those funds, report on its activities to its members and to have its accounts audited.

60. The council staff regularly monitor compliance with the BID Policy and this report is part of an active risk management programme to minimise inappropriate use of funds.

61. The economic impact created by the COVID-19 global pandemic are being felt everywhere, including Auckland’s town centres and business precincts. The BID programme is an internationally proven approach to engage and empower local businesses. The two BID programmes in this local board area will, through business resilience and recovery initiatives, help to mitigate some of the economic effects of the pandemic.

**Ngā koringa ā-muri**

**Next steps**

62. If the board supports this report, it will recommend to the Governing Body that the BID targeted rates be set as part of the Annual Budget 2020/2021.
63. After the Annual Budget is approved, the council collects the targeted rate funds and distributes them in quarterly BID grant payments, effective from 1 July 2020. This enables the two BIDs to implement programmes that improve the local business environment, support businesses to recover from the COVID-19 pandemic and help address the climate change emergency through sustainability initiatives.

**Ngā tāpirihanga**

**Attachments**

There are no attachments for this report.

**Ngā kaihaina**

**Signatories**

<table>
<thead>
<tr>
<th>Authors</th>
<th>Claire Siddens - BID Partnership Advisor</th>
</tr>
</thead>
</table>
| Authorisers      | Alastair Cameron - Manager - CCO Governance & External Partnerships  
                  Carol McKenzie-Rex - Relationship Manager for Franklin and Howick Local Boards |