Date: Tuesday 7 July 2020  
Time: 2.00pm  
Meeting Room: Albert Eden Local Board Office  
Venue: 135 Dominion Road Mt Eden

Albert-Eden Local Board

OPEN MINUTE ITEM ATTACHMENTS

<table>
<thead>
<tr>
<th>ITEM</th>
<th>TABLE OF CONTENTS</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Albert-Eden Local Board input into the Emergency Budget 2020/2021 (Covering report)</td>
<td></td>
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<tr>
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<td>A. 7 July 2020, Albert-Eden Local Board Meeting - Item 10: Albert-Eden Local Board input into the Emergency Budget 2020/2021 (Covering report)</td>
<td>3</td>
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</tbody>
</table>

Note: The attachments contained within this document are for consideration and should not be construed as Council policy unless and until adopted. Should Councillors require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.
Albert-Eden Local Board
07 July 2020

Extraordinary Meeting of the Albert-Eden Local Board
07 July 2020

Albert-Eden Local board input into the Emergency Budget 2020/2021

File No.: CP2020/09072

Te take mō te pūrongo
Purpose of the report
1. To seek feedback on the proposed regional topics in the Emergency Budget 2020/2021.

Whakarāpopototanga matua
Executive summary
3. The Annual Budget 2020/2021 was first consulted on in February/March 2020 (Consultation part 1). Since this consultation was undertaken, the COVID-19 pandemic has exerted significant pressure on the council’s financial position. This will have flow on effects for the proposed budget for the 2020/2021 financial year. The council has considered what those impacts are likely to be and have asked Aucklanders for their views on aspects of the proposed budget, now referred to as Emergency Budget 2020/2021, through a second round of consultation (Consultation part 2).
4. During the second round of consultation, Aucklanders were asked for their views on three key proposals:
   - general rates increase for 2020/2021 of either 2.5 per cent or 3.5 per cent
   - rates postponement for ratepayers impacted by COVID-19
   - suspending the targeted rate paid by accommodation providers.
5. The council received feedback through telephone interviews, written forms, including online and hard copy forms, emails and letters.
6. This report summarises the public feedback received through Consultation part 2 on the proposed Emergency Budget 2020/2021.
7. Local board views on these regional matters will be considered by the Governing Body (or relevant committee) before making final decisions on the Emergency Budget 2020/2021.
8. Out of the 34,915 submissions received on the regional proposals in the Emergency Budget 2020/2021, 3,011 submissions were from people living in the Albert-Eden local board area.
9. Rates increase for 2020/2021: 55.3 per cent of Albert-Eden residents who submitted support a 3.5 per cent rates increase, 31.1 per cent support a 2.5 per cent increase and 13.6 per cent selected ‘I don’t know’.
10. Rates postponement for ratepayers impacted by COVID-19: 71.6 per cent of Albert-Eden residents who submitted support the proposal, 19.0 per cent do not support the proposal and 9.4 per cent indicated ‘I do not know’.
11. Suspending the targeted rate paid by accommodation providers: 69.8 per cent of Albert-Eden residents who submitted support the proposal, 15.8 per cent do not support the proposal and 14.4 per cent chose ‘I do not know’.

Ngā tūtohunga
Recommendation/s
That the Albert-Eden Local Board:
a) receive consultation feedback on regional proposals in the Emergency Budget 2020/2021 from people or organisations based in the Albert-Eden Local Board area.

b) provide feedback on the proposed Emergency Budget 2020/2021.

Horopaki

Context

12. Auckland Council publicly consulted from 21 February to 22 March 2020 to seek community views on the proposed Annual Budget 2020/2021 (Consultation part 1).

13. Since this consultation was undertaken, the COVID-19 pandemic has exerted considerable pressure on the council’s financial position, which will have flow on effects for the proposed budget for the 2020/2021 financial year. Given the new financial realities facing Auckland, work has been undertaken to adjust the proposed budget, now referred to as Emergency Budget 2020/2021.

14. The council has undertaken further public consultation with Aucklanders for their views on Auckland Council’s proposed 'Emergency Budget' in response to the financial impacts of COVID-19 (Consultation part 2) which included 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. This was carried out from 29 May to 19 June 2020.

15. The Emergency Budget consultation asked Aucklanders for their view on three main proposals:
   - general rates increase for 2020/2021 of either 2.5 per cent or 3.5 per cent
   - rates postponement for ratepayers impacted by COVID-19
   - suspending the targeted rate by accommodation providers.

16. This report includes analysis of the consultation feedback on the regional proposals in the Emergency Budget 2020/2021 from people or organisations based in the Albert-Eden Local Board area.

Local board input on regional plans

17. Local boards have a statutory responsibility for identifying and communicating the interests and preferences of the people in their 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 proposed Emergency Budget.

18. Local Board Plans reflect community priorities and preferences and are key documents that guide both the development of local board agreements, which are adopted every year as part of the Annual Budget, and input into regional plans.

Types of feedback

19. Overall Auckland Council received feedback from 34,915 submitters in the consultation period. This feedback was received through:
   - Written feedback – hard copy and online forms, emails and letters
   - Over the phone

Tātaritanga me ngā tohutohu

Analysis and advice

20. The proposed Emergency Budget 2020/2021 sets out priorities and how they will be paid for. The regional consultation on the proposed Emergency Budget focused on changes to rates and fees; the key proposals were:
Albert-Eden Local Board
07 July 2020

Extraordinary Meeting of the Albert-Eden Local Board
07 July 2020

- general rates increase for 2020/2021 of either 2.5 per cent or 3.5 per cent
- rates postponement for ratepayers impacted by COVID-19
- suspending the targeted rate by accommodation providers.

21. The submissions received from the Albert-Eden 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.

22. Sometimes the council receives submissions that have come via a platform created by an external organisation – these are referred to by the council as pro forma submissions. The council has received an unusually large number of pro forma submissions in this consultation process – a total of 9,793. These have primarily come from two organisations – the Auckland Ratepayers’ Alliance (9,002) and Generation Zero (371).

23. Albert-Eden Local Board received a total of 678 pro forma submissions, with the majority from the Auckland Ratepayers’ Alliance (595) and Generation Zero (73). A small number of ‘other’ (10) pro forma submissions were also received.

24. When people submit via the council’s official consultation platform (either the hardcopy feedback form or the digital form), they are directed to the council’s consultation document and supporting information which are the statutory basis for the consultation process. People who submit via pro forma submissions often will not have had this same information presented to them when they submit, although each pro forma submission is different in its approach.

25. For example, the submission form set up by the Auckland Ratepayers’ Alliance did not refer to the council’s consultation material and did not ask the same questions that were included on the council’s feedback form. Generation Zero’s submission form also did not ask the same questions as the council’s feedback form. However, Generation Zero did include links to the council’s consultation material in the information supporting their submission form.

26. As with all feedback, pro forma submissions must be given due consideration with an open mind, and it is up to elected members to determine the weight that is given to this feedback.

General rates increase for 2020/2021

27. Aucklanders were asked about a proposed general rates increase of either 2.5 per cent or 3.5 per cent for 2020/2021.

| Question 1: We are proposing an average general rates increase of either 2.5 per cent or 3.5 per cent for 2020/2021. We looked at but could not responsibly propose rates increases below 2.5 per cent because of the severe impacts that would have on council services, new infrastructure, our debt levels and employment and business activity in Auckland.

The scale of the financial challenge that we face for next year with a revenue loss of over half a billion dollars due to COVID-19 means that spending on some council services will need to be reduced and many capital projects will be delayed even with the 3.5 per cent increase we had previously planned.

With a lower rate increase of 2.5 per cent, we would need to further reduce spending on council services and further delay investment in transport, parks and community and town centre projects.

Which increase do you support? |

28. The graphs below give an overview of the responses from the Albert-Eden Local Board area.
29. 55.3 per cent of Albert-Eden residents who submitted support a 3.5 per cent rates increase, 31.1 per cent support a 2.5 per cent increase and 13.6 per cent selected ‘I don’t know’.

30. Those in favour of a 3.5 increase did so because they want to keep council services open (430 feedback points), it makes sense (284 feedback points), and to stimulate the economy / keep people in jobs (192 feedback points): “It’s important to build for the future. Council projects impact on us all. People who will struggle will also need the support of services. Also, the climate and planet need the transport options to go ahead.”

31. The primary factors for those who support a 2.5 increase were financial hardship / rates are already too high (245 feedback points) and that council should find other revenue / savings including staff costs (158 feedback points). 110 feedback points were from submitters who voted in favour of a 2.5 per cent increase but wanted a rates freeze; “This will ease the burden on financially hard-pressed rate payers. If this means delaying or postponing some capital developments or ‘nice to have’ projects, it is well worth it.”

32. Key themes from submitters who selected ‘I don’t know’ were that there should be a rates freeze (157 feedback points), council should find other revenue / savings including cut staff costs (82 feedback points) and financial hardship / rates are already too high (60 feedback points): “Rates increase should be held at zero. All New Zealanders have to adjust their life to the new economic reality post Covid and councils should do the same. The financial shortfall can be minimized by delaying or cancelling the nice to have pet projects such as wider footpaths, monuments, sculptures, cycle lanes etc.”

**Rates postponement for ratepayers impacted by COVID-19**

33. Aucklanders were asked about a proposal to introduce a COVID-19 Rates Postponement Scheme.

Question 2: We are proposing a COVID-19 Rates Postponement Scheme. This will allow ratepayers who are struggling financially as a result of COVID-19 to defer up to $20,000 of their rates for the 2020/2021 year. At the end of the postponement period ratepayers would have to 30 June 2022 to pay off the balance (including interest and administration fees).

What do you think of our proposal?

34. The graphs below give an overview of the responses from the Albert-Eden Local Board area.

<table>
<thead>
<tr>
<th>Question 2</th>
<th>Number of responses</th>
<th>Percentage of responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>I support the proposal</td>
<td>1,572</td>
<td>71.6%</td>
</tr>
<tr>
<td>I don’t support the</td>
<td>417</td>
<td>19.0%</td>
</tr>
</tbody>
</table>
35. 71.6 per cent support the proposal, 19.0 per cent do not support the proposal and 9.4 per cent indicated ‘I do not know’.

36. Supporters of the proposal stated they believe it will help those in financial hardship (459 feedback points), it is a good idea / fair / makes sense (220 feedback points) and that there needs to be strong criteria / checks for eligibility (84 feedback points): “This will allow council to provide relief for those most affected by the financial impacts of COVID-19, while ensuring it has the budget necessary to continue with its essential services.”

37. Respondents who do not support the proposal believe it only delays the debt (113 feedback points), it won’t do enough (don’t charge interest and fees) (77 feedback points) and think there is an element of personal financial responsibility (59 feedback points): “Those on low income won’t be able to pay this back, so a delay is unhelpful. It should be income measured, and those with lower incomes have their rates suspended without deferred payment.”

38. Of those who selected ‘I don’t know’, the primary comments were that it won’t do enough (don’t charge interest and fees) (32 feedback points), it only delays the debt (22 feedback points) and that there needs to be strong criteria / checks for eligibility (13 feedback points): “Not sure if that is going to help, and how you minimise abuse of such a postponement. Enforcement and monitoring could be very expensive.”

**SUSPENDING THE TARGETED RATE PAID BY ACCOMMODATION PROVIDERS**

39. Aucklanders were asked about a proposal to suspend the targeted rate paid by accommodation providers.

**Question 3: Suspending the targeted rate paid by accommodation providers. Restrictions on travel and mass gatherings due to COVID-19 have resulted in us reducing our spending on visitor attraction and major events. We are proposing to suspend the Accommodation Provider Targeted Rate (APTR) which helps fund these activities until 31 March 2021. The APTR will only be charged for the last three months of the next financial year (2020/2021) as we increase our spending in this area. This proposal will assist the accommodation sector who are struggling financially.**

**What do you think of our proposal?**

40. The graphs below give an overview of the responses from the Albert-Eden Local Board area.
41. 69.8 per cent support the proposal, 15.8 percent do not support the proposal and 14.4 per cent chose 'I do not know.'

42. Comments in support of this proposal noted that it is a good idea / fair / makes sense (20 feedback points), it will help those in financial hardship (13 feedback points) and they do not support APTR (accommodation provider targeted rates) or ATEED (Auckland Tourism, Events and Economic Development) (5 feedback points): "This is only fair. If there is no spending on visitor attraction and major events due to border closure, then it would be unjustified to continue charging this targeted rate."

43. Those who do not support the proposal said accommodation providers should continue to be charged (should be manageable) (10 feedback points), and there should be an element of personal financial responsibility (should be prepared; adjust their business model) (2 feedback points): "Accommodation providers have more than flourished previously. The situation is temporary at most. They will recover."

44. The key themes of comments from respondents who selected ‘I don’t know’ were that it will help those in financial hardship (2 feedback points), it won’t be enough (2 feedback points), continue to charge (should be manageable) (2 feedback points) and don’t support APTR or ATEED (2 feedback points): "Some parts of the sector I’d like to support, others less so."

Feedback on other topics

45. Theme 1: Rating and funding (Finance) (586 feedback points). 121 respondents used this section to reiterate their position on the rates question. Comments also centered on concern about the economy and that services will be cut. Generally, respondents commented on reducing council spending, wages and employees. Quote from a respondent: “I wish the Council would look rigorously into its own operations and see where money could be saved, especially on personnel - they employ thousands of people, including high paid personnel. With Aucklanders losing their jobs due to COVID-19, I think the Council should look to review their teams and the necessity of all their people.”

46. Theme 2: Transport (395 feedback points). Respondents were supportive of cycleways, (89 per cent positive sentiment), and public transport (80 per cent positive sentiment). Addressing road safety was another key issue for respondents (95 per cent positive sentiment). Quote from a respondent: “Please prioritise options that reduce impact on Climate. Aucklanders briefly got used to not using their cars. Cheap parking rates in the city is undoing all the hard work. If we stop cycleways etc, this will only cement the rhetoric that cars and CO2 emissions have an important place in our city.”

47. Theme 3: Libraries and community services (283 feedback points). Respondents stated that libraries and community facilities are important and that they need to remain open and be prioritised (182 feedback points). Some commented on the importance of these services for vulnerable communities (19 feedback points). 74 per cent of respondents who mentioned ‘public toilets’ were in support for all local public toilets to remain open. Quote from a respondent: “Please continue to support our libraries, they allow space for all and the wonderful staff really know their local communities and they are a unique, free and much loved community asset that bring together young, old and struggling, and support learning in a few a way few other free institutions do.”
48. Theme 4: Environmental services (188 feedback points). The biggest focus for respondents was addressing climate change (105 feedback points) and fixing the water supply issues (67 feedback points). Quote from a respondent: “Clean water, clean streets, clean environment, less road cones!”

49. Theme 5: Planning (151 feedback points). Most comments regarding planning were region specific. Many respondents were split between spending on these projects to create jobs and boost the economy and stating that council should focus on core services only. Quote from a respondent: “Council needs to support the community by maintaining jobs and projects were ever [sic] possible.” Respondents who mentioned the Sky Path (14 feedback points) were highly opposed (93 per cent negative sentiment). Whereas those who commented on the light rail (14 feedback points) were divided (36 per cent positive sentiment, 36 per cent neutral, 29 per cent negative).

50. Theme 6: Arts, community, and events (137 feedback points). Respondents were generally interested in continuing to support events in the city (107 feedback points, 68 per cent positive sentiment) and local community events (42 feedback points). There were also many requests to not cut funding to the arts (79 feedback points.) Of those who mentioned the America’s Cup (65 feedback points), there was a 92 per cent negative sentiment. Quote from a respondent: “I want to see the arts/theatre/music/community events supported.”

51. Theme 7: Parks, sport and recreation (118 feedback points). The key comments from respondents were regarding prioritising the environment (31 feedback points), keeping facilities open (29 feedback points), and mitigating climate change (20 feedback points). Quote from a respondent: “That we preserve essential services - the library, parks, playgrounds. These give people places and spaces and a sense of community and belonging. We must preserve these at all costs.”

52. Theme 8: Water (75 feedback points). Respondents felt that water was a core service that should be prioritised by council. The focus was generally on maintaining the water supply and quality (12 feedback points). There was concern with how Watercare has handled the drought and water reserves (11 feedback points). Quote from a respondent: “Sort out the water problem. New Zealand’s biggest city so get it sorted [sic]. Plus sort out the separation of waste water and sewage, so beaches are clean, should be a priority.”

Information on submitters

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

Gender and age demographic 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>0</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>15-24</td>
<td>52</td>
<td>87</td>
<td>16</td>
</tr>
<tr>
<td>25-34</td>
<td>163</td>
<td>220</td>
<td>12</td>
</tr>
<tr>
<td>35-44</td>
<td>207</td>
<td>246</td>
<td>4</td>
</tr>
<tr>
<td>45-54</td>
<td>217</td>
<td>278</td>
<td>3</td>
</tr>
<tr>
<td>55-64</td>
<td>144</td>
<td>189</td>
<td>1</td>
</tr>
<tr>
<td>65-74</td>
<td>112</td>
<td>96</td>
<td>0</td>
</tr>
<tr>
<td>75+</td>
<td>31</td>
<td>29</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>926</td>
<td>1147</td>
<td>36</td>
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Attachment A

Item 10

Ethnic demographic of submitters

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<th>Ethnicity</th>
<th>#</th>
<th>%</th>
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<td>European</td>
<td>1652</td>
<td>78%</td>
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<tr>
<td>Pakēha/NZ European</td>
<td>1408</td>
<td>69%</td>
</tr>
<tr>
<td>Other European</td>
<td>184</td>
<td>9%</td>
</tr>
<tr>
<td>Maori</td>
<td>117</td>
<td>6%</td>
</tr>
<tr>
<td>Pacific</td>
<td>83</td>
<td>4%</td>
</tr>
<tr>
<td>Samoan</td>
<td>41</td>
<td>2%</td>
</tr>
<tr>
<td>Tongan</td>
<td>15</td>
<td>1%</td>
</tr>
<tr>
<td>Other Pacific</td>
<td>27</td>
<td>1%</td>
</tr>
<tr>
<td>Asian</td>
<td>440</td>
<td>21%</td>
</tr>
<tr>
<td>Chinese</td>
<td>287</td>
<td>14%</td>
</tr>
<tr>
<td>Indian</td>
<td>82</td>
<td>4%</td>
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<tr>
<td>Other Asian</td>
<td>71</td>
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</tr>
<tr>
<td>African/Middle Eastern/Latin</td>
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<td>2%</td>
</tr>
<tr>
<td>Other</td>
<td>43</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Total people providing ethnicity</strong></td>
<td><strong>2124</strong></td>
<td><strong>112%</strong></td>
</tr>
</tbody>
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**Tauākī whakaaweawe āhuarangi**

**Climate impact statement**

54. The decisions recommended in this report are procedural in nature.
55. Some of the proposed projects in the Emergency Budget may have climate impacts. The climate impacts of any projects Auckland Council chooses to progress, as a result of this, will be assessed as part of the relevant reporting requirements.

56. Some of the proposed projects in the Emergency Budget will be specifically designed to mitigate climate impact, build resilience to climate impacts, and restore the natural environment.

**Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera Council group impacts and views**

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

**Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe Local impacts and local board views**

58. 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.

59. Local boards play an important role in the development of the Emergency Budget. Local board nominees have also attended Finance and Performance Committee workshops on the Emergency Budget.

**Tauākī whakaaweawe Māori Māori impact statement**

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

61. 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.

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

63. 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.

64. Some of the proposed projects in the Emergency Budget 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**

65. Local board input will be considered by the Governing Body for the Emergency Budget 2020/2021 decision-making.

**Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations**

66. Local boards are required to make recommendations on these local financial matters for the Emergency Budget by 10 July 2020, to enable the Governing Body to make decisions on them when considering the Emergency Budget in 16 July.
Ngā koringa ā-muri

Next steps

67. 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 on 16 July.

68. Local boards will approve their local board agreements between 20 to 24 July and corresponding work programmes in August.


Ngā tāpirihanga

Attachments

There are no attachments for this report.

Ngā kaihaina

Signatories

<table>
<thead>
<tr>
<th>Author</th>
<th>Claire Abbot - Local Board Services Graduate</th>
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<tbody>
<tr>
<td>Authoriser</td>
<td>Robyn Allpress - Senior Local Board Advisor - Albert-Eden</td>
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