## Franklin Local Board

### OPEN MINUTE ITEM ATTACHMENTS

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<th>ITEM</th>
<th>TABLE OF CONTENTS</th>
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<td>11</td>
<td>Local Board input into the Emergency Budget 2020/2021</td>
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**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.
Local board input into the Emergency Budget 2020/2021

File No.: CP2020/08654

Te take mō te pūrongo
Purpose of the report
1. To provide local board input into 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 has 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, 1094 submissions were from people living in the Franklin local board area.

Ngā tūtohunga
Recommendation/s
That the Franklin Local Board:

a) receive consultation feedback on regional proposals in the Emergency Budget 2020/2021 from people or organisations based in the Franklin local board area.

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

Horopaki
Context
9. 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).
10. 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.

11. 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.

12. 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 paid by accommodation providers.

13. 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 Franklin local board area.

**Local board input on regional plans**

14. 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.

15. 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**

16. 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**

17. 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:
   - 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.

18. The submissions received from the Franklin 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.

19. 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 343 for the Franklin local board area. These have primarily come from two organisations—the Auckland Ratepayers’ Alliance (327) and Generation Zero (5).

20. 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.

21. 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.

22. 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**

23. 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?**

24. The graphs below give an overview of the responses from the Franklin Local Board area.

[Graph showing survey results]

25. Some of commentary on the general rates increase for 2020/2021 from people living in the Franklin local board area is as follows:

a. Feedback on rates increase of 3.5 per cent:
   i. If we allow assets to degrade, it will end up costing more in the future
   ii. Prefer to keep services intact, as the city may become unliveable or third world if we remove services
   iii. The increase in rates is not significant over the year, a few dollars a week, less than the price of a coffee. I know this is tough for some, but I believe
manageable for many, indeed I would propose an even higher increase, say 4.5% if it preserved more jobs.

iv. We are all in this together, we can’t afford to let our city fall behind in maintenance and new projects. It’s bad enough that the country still has restrictions in place. We need to get things up and running again. Not doing this will be far worse than the virus.

b. Feedback on rates increase of 2.5 per cent:
   i. Some people are absolutely struggling to pay their rates, so I do not support the rates increase
   ii. Council needs to have a more austere budget, so a review is needed to control unnecessary expenditure especially on wages
   iii. Council should concentrate on core services of roads and essential services

c. Feedback on the ‘don’t know’ rates increase option:
   i. Prefer a zero rates increase option
   ii. Don’t receive many council services, so we don’t believe there should be any increase in rates
   iii. Concentrate on core service delivery of roading and other essential services
   iv. The rates increase should be 1.22% consistent with inflation. Those paying the rates are subject to difficult conditions and have had to suffer layoffs and halt capital expenditure - why should council be any different?

Rates postponement for ratepayers impacted by COVID-19

26. 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?

27. The graphs below give an overview of the responses from the Franklin Local Board area.

28. Some of commentary on the rates postponement for ratepayers impacted by COVID-19 from people living in the Franklin local board area is as follows:
   a. Feedback from those who supported the proposal:
      i. Many people need assistance. Giving them the choice to defer may mean that they can manage things until they get back in their feet
ii. Sensible and fair approach in difficult times
iii. No point in pushing people to bankruptcy or mortgagee sale

b. Feedback from those who do not support the proposal:
i. How can you pay for something you don’t have money for?
ii. It will burden them with increased debt which just puts off the inevitable
iii. Temporary rates freeze would be more supportive

c. Feedback from those who don’t know:
i. The correct thing to do is to have a zero rates increase altogether
ii. Current rates are hardly affordable
iii. Not sure that this will help people in the long run

**Suspending the targeted rate paid by accommodation providers**

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

30. The graphs below give an overview of the responses from the Franklin Local Board area.

![Pie chart showing responses to the proposal to suspend the targeted rate paid by accommodation providers.]

31. Some of the commentary on suspending the targeted rate paid by accommodation providers from people living in the Franklin local board area is as follows:

a. Feedback on suspending the targeted rate:
   i. Hopefully it will encourage domestic travel
   ii. An appropriate response due to the impacts of COVID-19
   iii. A questionable tax in the first place
   iv. Hospitality industry is in dire straits and needs help too.
   v. The accommodation providers hardly see anything of value from the targeted rate in the first place

b. Feedback from those who don’t support suspending the targeted rate:
   i. Ratepayers are struggling as well, so accommodation providers should pay their way too
   ii. There shouldn’t be such a rate for accommodation providers
   iii. Providers have been overcharging for a long time. They need to pay their share

c. Feedback from those who answered ‘don’t know’ to suspending the targeted rate:
i. All sectors are struggling not just this one
ii. Don't know enough about it
iii. No value seen in paying this tax

Other feedback
32. Aucklanders were asked if they had any feedback on any other issues including the in principle decisions made from the first round of consultation.
33. The proposals that we previously consulted on, and that have been agreed in principle, subject to consideration of any further feedback received in the Emergency Budget consultation are:
   - Increase to the waste management base service targeted rate
   - Increase to the waste management standard refuse rate in former Auckland City and Manukau City areas
   - Discontinuation of the Waitakere rural sewerage service and targeted rate for ratepayers in the Upper Harbour Local Board area effective from 1 July 2021
   - Introduction of a new targeted rate for Central Park Henderson Business Improvement District.

Feedback on other local topics
34. Some of the verbatim comments received on other local topics included:
   - Please DO NOT start talking about closing suburban libraries. It has been awful not having that service in my township for many weeks. This effects mostly the elderly and youngsters in poor families who do not have internet access. Often the library is the go-to hub of outer suburbs. They provide more than just books to a community.
   - Let's focus on getting the train electrified from Pukekohe to Papakura. More trains, less cars! Stop spending ratepayer's money on 'pet projects' and we need better and cheaper parking buildings, better roads (ones that already exist) and better management of our water systems.
   - All but the basics should be suspended until at least 2021. By then more should be known about the financial situation. No pay rises for council staff, or elected personnel. When programmes are suspended staff should front-up to public meetings and explain the situation - what is going to happen, when and why to interested people - much like the PM has done on a daily basis during the past couple of months. Accept the feedback given and acknowledge the perspective of the ratepayers.
   - Cut all events/arts/culture spending for at least the next 12 months. America's cup spending/return on investment needs to be reviewed/cut.
   - We live at Beachlands/Maraetai. What really annoys local residents is we are on tank rainwater. Our wastewater charges can be more than what a person pays for wastewater and water in other Auckland areas.
   - Stick to your knitting. Collect the rubbish, run essential services and cut back on everything else until the budget is balanced. This is what all businesses and households are doing. And reduce all top salaries (>200k) by 20% immediately and permanently.
   - Do not sell our assets! Aucklanders have paid for these over many years and they should not be sold. All "beautification projects" such as town centre upgrades must be suspended for the next few years. No funding can be paid out to organisations for unnecessary projects.
   - We would really love our community park project to go ahead at Paerata Rise. We are a new township with only driving access of over 7 minutes away to access our...
The Franklin Board Strategic Plan outlines a goal to increase the number of walkers and cyclists through the Active Modes Programme. The proposed trail from Hickey’s Dam through Pupekohe North to the Belmont Subdivision in Pupekohe West could include a pedestrian and cyclist bridge over the waterway to connect both the north and south ends of Jutland Road. A bridge over this waterway would not only provide safe walking and riding access for students aged 5-11 attending Tamaoh School in Taikaranga Street Belmont, it would provide members of the community a safe trail for walking and fitness. This trail will lessen the number of cars in and around this new subdivision.

Local halls and small community centres. Please, please don’t close community centres, these are the life blood of small communities, particularly for the elderly who cannot travel far, and local groups like choirs, knitting circles, book clubs etc. It may seem to a city that a group of 8 or 10 people isn’t worth it but for those small groups it is what makes life worth living.

I would like to see that community grants are maintained where possible as it is by supporting our people within our communities that we will thrive and not just survive in these times.

I am upset and saddened to hear that the Franklin Art Centre in Pupekohe is closed. This gallery was funded by the community and moved to its current location with support and sponsorship from NZ Steel. When Pupekohe was absorbed into Auckland, the Auckland Council took over managing the Gallery space. I have exhibited there regularly. My art students from Pupekohe High have exhibited there regularly and work with local and national artists through the programs the gallery has run. This is vital arts space for exhibiting, selling work, connecting artists, and teaching classes for the Pupekohe and Franklin arts community. It is a vital part of the Franklin Art Festival that sadly has postponed in 2020 because of Covid 19.

It would be a tragedy to stop funding the Kauri Dieback mitigation strategy. The Kauri tree is synonymous with NZ once the disease gets a hold then there will be no more Kauri in the area. Funding reserves, predator and pest programmes should remain, again, once pests take hold it takes twice as much money to get rid of them. The local community should be encouraged and supported to allow the community to take ownership of building tracks and walkways. This would better be achieved by the removal of red tape and bureaucracy plus some limited funding support.
Franklin Local Board
07 July 2020

Item 11

- On behalf of the Franklin Basketball Community, we would like to urge the council to prioritise the upgrade of the Franklin Pool and Leisure Centre arena floors. These have become a health and safety risk to all athletes and users. We also have an extreme lack of facilities in our community. Together with our partner organisation, the Franklin Bulls, we have provided a third court that is now in the process of being installed. However our main arena is still not suitable for use.

- Don’t close the Auckland animal shelter this service as it is of utmost importance to the safety and welfare of our animals. When people have to travel further to collect animals, along with any impound fees in this current financial situation, they may not have the money. NZ is failing at looking after our animals to the standard they should be, there is too much abuse and too many animals put down. We need every available service to help us turn this around.

Information on submitters

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

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Total people providing ethnicity: 687 (109%)
36. The decisions recommended in this report are procedural in nature.

37. Some of the proposed projects in the Emergency Budget 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.

38. 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
39. 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
40. 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.
41. 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.

Tauāki whakaaweawe Māori
Māori impact statement
42. 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.
43. 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.
44. The analysis included submissions made by mana whenua and the wider Māori community who have interests in the rohe / local board area.
45. 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.
46. 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 rıtenga ā-pūtea
Financial implications
47. 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
48. 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 when considering the Emergency Budget in 16 July

Ngā koringa ā-muri
Next steps
49. 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.
50. Local boards will approve their local board agreements between 20 to 24 July and corresponding work programmes in August.
51. The Governing Body will adopt the Emergency Budget on 30 July 2020
Ngā tāpirihanga
Attachments
There are no attachments for this report.

Ngā kaihaina
Signatories

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<tr>
<th>Authors</th>
<th>Orrin Kapua - Local Board Advisor - Franklin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorisers</td>
<td>Carol McKenzie-Rex - Relationship Manager for Franklin and Howick Local Boards</td>
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