

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

Date: Thursday, 9 July 2020
Time: 5.00pm
Venue: Howick Local Board Meeting Room and Skype for Business
Either a recording or written summary will be uploaded to the Auckland Council website

Howick Local Board

OPEN ADDENDUM 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

7 July 2020

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Howick Local Board input into the Emergency Budget 2020/2021

File No.: CP2020/09113

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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

2. Auckland Council publicly consulted from 29 May to 19 June 2020 to seek community views on the proposed Emergency Budget 2020/2021.
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, 2549 submissions were from people living in the Howick Local Board area.
9. Of the 1492 submitters from the Howick Local Board area who responded to question 1 (a proposed general rates increase for 2020/2021 of either 3.5% or 2.5%), 51.4 per cent supported an increase of 2.5 per cent while 26.7 per cent supported an increase of 3.5 per cent.
10. Of the 1494 submitters from the Howick Local Board area that responded to question 2 (a proposed rates postponement scheme), 64.8 per cent supported the proposed scheme while 26.2 per cent did not support it.
11. Of the 1497 submitters from the Howick Local Board area that responded to question 3 (a proposal to suspend the targeted rate paid by accommodation providers), 71.7 per cent supported the proposal while 17.1 per cent did not support it.

Ngā tūtohunga Recommendation/s

That the Howick Local Board:

- a) receive consultation feedback on regional proposals in the Emergency Budget 2020/2021 from people or organisations based in the Howick 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 Howick 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:
 - 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 Howick Local Board area on these key issues is 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 987 from the Howick Local Board area. These have primarily come from two organisations – the Auckland Ratepayers' Alliance (970) and Generation Zero (five), with 12 other pro forma submissions.
23. 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.
24. 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.
25. 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

26. 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.

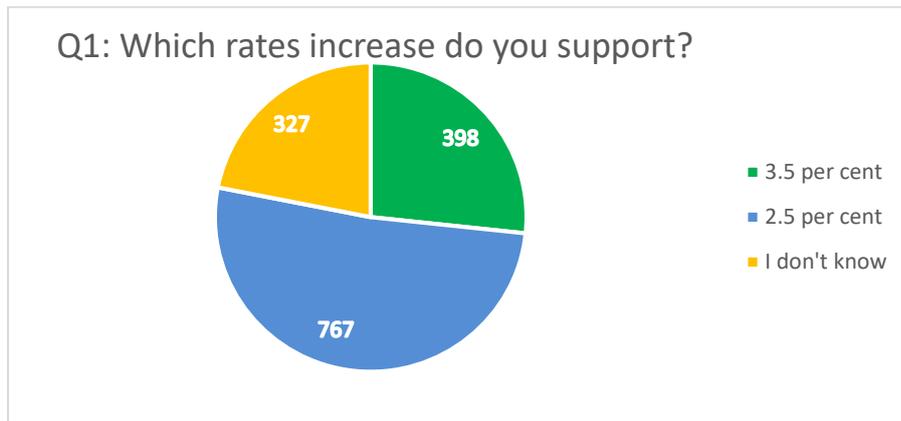
The scale of the financial challenge that we face for next year with a revenue loss of over half a billion dollars due to COVID-19 means that spending on some council services will need to be reduced and many capital projects will be delayed even with the 3.5 per cent increase we had previously planned.

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?

27. The graph below gives an overview of the responses from the Howick Local Board area.

Graph One: Q1: Which rates increase do you support? responses



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Table One: Q1: Which rates increase do you support? responses

Q1	Number of responses	Per cent
3.5 per cent	398	26.7%
2.5 per cent	767	51.4%
I don't know	327	21.9%
Total	1492	100%

Rates postponement for ratepayers impacted by COVID-19

28. 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?

29. The graph below gives an overview of the responses from the Howick Local Board area.

Graph Two: Q2: Rates Postponement Scheme responses

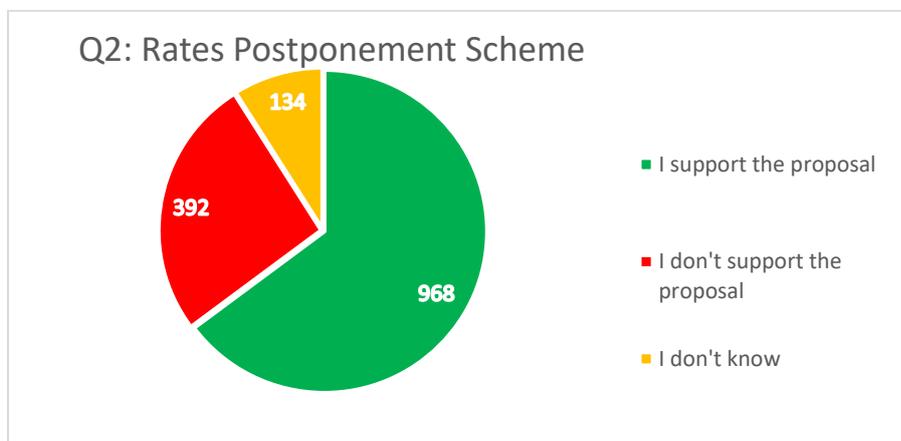


Table Two: Q2: Rates Postponement Scheme responses

Q2	Number of responses	Per cent
I support the proposal	968	64.8%
I don't support the proposal	392	26.2%
I don't know	134	9.0%
Total	1494	100%

Suspending the targeted rate paid by accommodation providers

30. Aucklanders were asked about a proposal to suspend the targeted rate by 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?

31. The graph below gives an overview of the responses from the Howick Local Board area.

Graph Three: Q3: Suspend targeted rate paid by accommodation providers responses

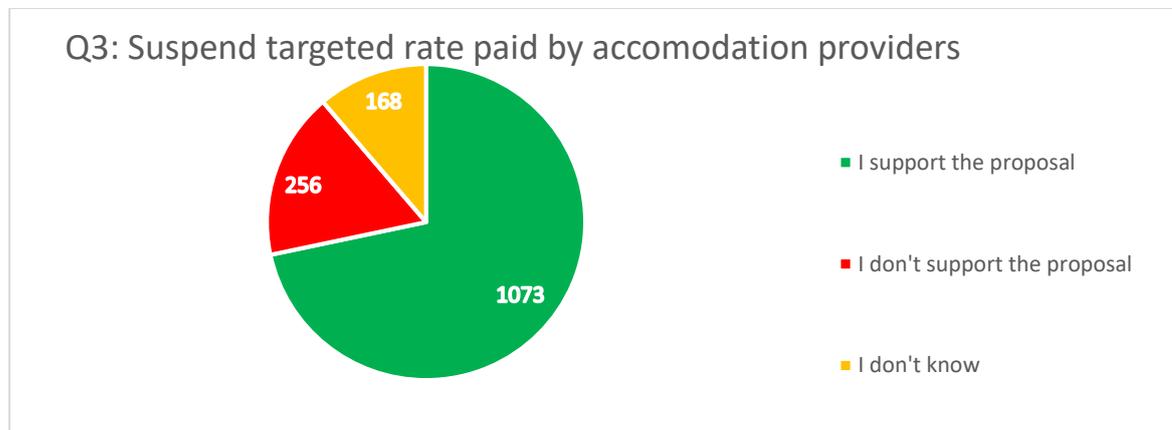


Table Three: Q3: Suspend targeted rate paid by accommodation providers responses

Q3	Number of responses	Per cent
I support the proposal	1073	71.7%
I don't support the proposal	256	17.1%
I don't know	168	11.2%
Total	1497	100%

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:
- an increase to the waste management base service targeted rate
 - an increase to the waste management standard refuse rate in former Auckland City and Manukau City areas
 - discontinuation of the Waitākere 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.

34. All other themes from Howick Local Board area submissions are provided in the table below.

Table Four: Other themes from Howick Local Board area submissions

Theme	Positive sentiment	Neutral sentiment	Negative sentiment	Total mentions
Support cycleways	53%	0%	47%	51
Charging for park and ride	14%	14%	71%	7
Support bus lanes	40%	20%	40%	5
Addressing traffic congestion	0	31%	69%	16
Opinion on public transport	49%	18%	33%	67
Supporting fuel tax	0%	71%	29%	7
Support light rail	0%	9%	91%	11
Supporting Sky Path project	0%	0%	100%	8
Addressing climate change	84%	5%	11%	19
Opinion on water issues	0%	20%	80%	41
Supporting Americas Cup	0%	5%	95%	21
Supporting events in the city	37%	14%	49%	35

Addressing road safety	100%	0%	0%	20
Supporting public toilets	77%	23%	0%	13
Opinion on inorganic collection service	0%	50%	50%	6
Opinion on reducing Animal Shelter service	0%	3%	97%	32

Information on submitters

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

Graph Four: Age and Gender of Howick Local Board submitters

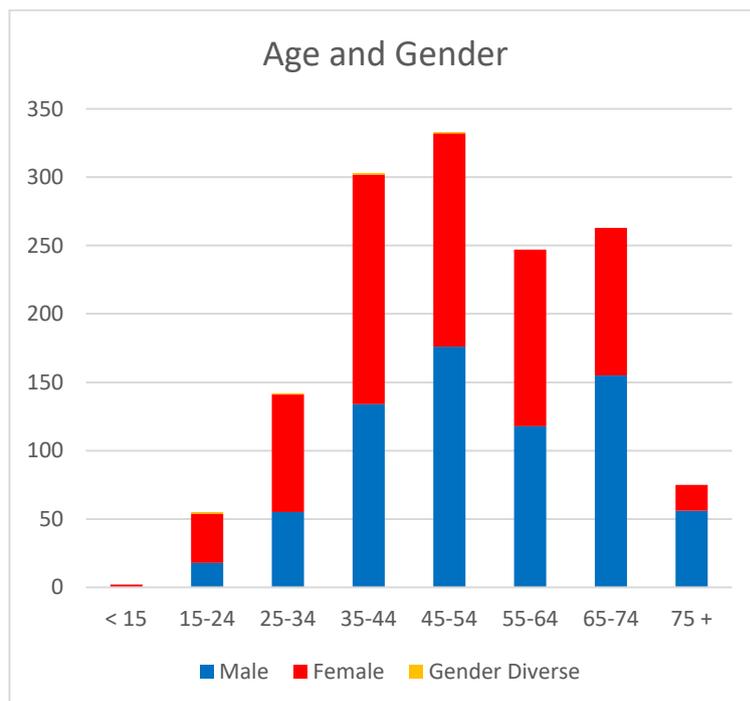


Table Five: Age and Gender of Howick Local Board submitters

Age	Male	Female	Gender Diverse
< 15	0	2	0
15-24	18	36	1
25-34	55	86	1
35-44	134	168	1
45-54	176	156	1

55-64	118	129	0
65-74	155	108	0
75 +	56	19	0
Total	712	704	4

Graph Five: Ethnicity of Howick Local Board submitters

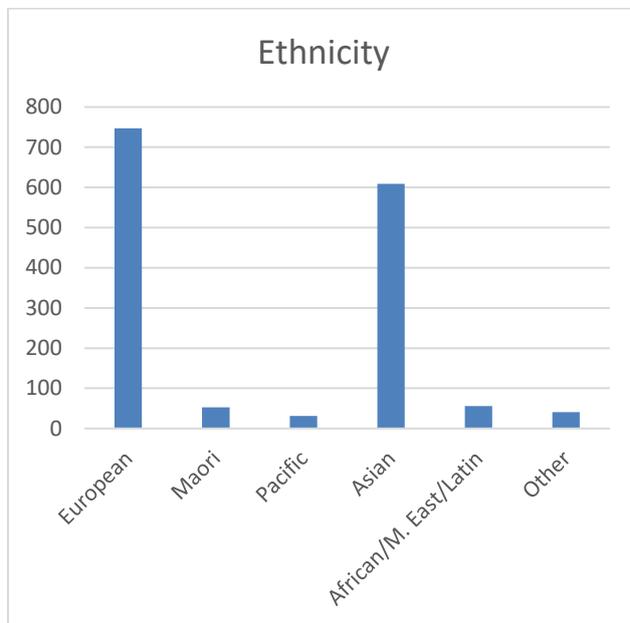


Table Six: Ethnicity of Howick Local Board submitters

Ethnicity	Number of submitters	Per cent
European	747	52%
Pakeha/NZ European	639	45%
Other European	108	8%
Maori	53	4%
Pacific	31	2%
Samoaan	13	1%
Tongan	6	0%
Other Pacific	12	1%
Asian	609	43%
Chinese	460	32%
Indian	83	6%
Other Asian	66	5%
African/Middle Eastern/Latin	56	4%
Other	41	3%
Total people providing ethnicity	1432	107%

Tauākī whakaaweawe āhuarangi **Climate impact statement**

36. The decisions recommended in this report are procedural in nature.
37. Some of the proposed projects in the Emergency Budget 2020/2021 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 2020/2021 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 2020/2021 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 2020/2021. Local board nominees have also attended Finance and Performance Committee workshops on the Emergency Budget 2020/2021.

Tauākī 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 2020/2021 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 2020/2021 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**

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 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 on 16 July 2020.

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 2020.
50. Local boards will approve their local board agreements between 20 to 24 July 2020 and corresponding work programmes in August 2020.
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

Author	Ian Milnes - Senior Local Board Advisor Howick
Authoriser	Carol McKenzie-Rex - Relationship Manager for Franklin and Howick Local Boards

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