**Ôtara-Papatoetoe Local Board**

**OPEN MINUTE ITEM ATTACHMENTS**

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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.: CP2020/08700

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 (i) general rates increase for 2020/2021 of either 2.5 per cent or 3.5 per cent (ii) rates postponement for ratepayers impacted by COVID-19 and (iii) 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. This report summarises the public feedback received through Consultation part 2 on the proposed Emergency Budget 2020/2021.
6. Out of the 34,915 submissions received on the proposals in the Emergency Budget 2020/2021, 742 of respondents indicated they live in the Ōtara-Papatoetoe local board area.
7. On the question of rates increase, 44% of respondents favoured 2.5% rates increase and 24% favoured the 3.5% rates increase proposal. The remainder of the respondents (32%) did not support either of the options however a substantial number of these respondents indicated a preference for a rates freeze or lower increases (less than 2.5%).
8. On the proposal to introduce a rates postponement scheme for ratepayers impacted by COVID-19, this was supported by 73% of respondents living in the Ōtara-Papatoetoe Local Board area.
9. With regards to the proposal to suspend the targeted rate by accommodation providers, this is supported by 78% of respondents living in the Ōtara-Papatoetoe Local Board area.
10. Local board views on these key consultation questions and other regional matters that will be decided on as part of the Emergency Budget will be considered by the Governing Body (or relevant committee) before making final decisions on the Emergency Budget 2020/2021.
11. The most common issues and themes in the feedback relate to (i) reinforcing the importance of council services and facilities (ii) views about efficiencies and where these can be found within council (iii) unique circumstances of South Auckland that warrant special consideration in the budget and (iv) feedback on various transport issues.
12. Eight respondents put in a specific request for the upgrade of Papatoetoe Recreation Grounds which is expected to be deferred.
Ngā tūtohunga

Recommendation/s

That the Ōtara-Papatoetoe Local Board:

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

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

c) authorise the chairperson to speak on behalf of the local board regarding feedback on the Emergency Budget to the Governing Body and committees, as needed.

Horopaki

Context

13. 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).

14. 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.

15. 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 18 June 2020.

16. 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.

17. 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 Ōtara-Papatoetoe local board area.

Local board input on regional plans

18. 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.

19. 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

20. 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

21. 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.

22. The submissions received from the Ōtara-Papatoetoe 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.

23. 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). There are 134 pro forma submissions lodged by people living in Ōtara-Papatoetoe Local Board area – 131 from Auckland Ratepayer’s Alliance and one from Generation Zero.

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. However, it would be reasonable for less weight to be given to submissions which have come via external platforms that do not refer to the statutory consultation material and where people have responded to questions that are different to the questions being asked by the council.

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 graph below gives an overview of the responses from the Ōtara-Papatoetoe Local Board area.

![Graph showing responses]

Q1
- 3.5 per cent
- 2.5 per cent
- I don't know

29. Out of the 742 submissions by people living in Ōtara-Papatoetoe Local Board area, only 595 respondents indicated their preference on this consultation question. Twenty-four percent (24%) of those respondents favoured 3.5% rates increase while 44% favoured 2.5% rates increase. 32% responded ‘I don’t know’.

30. Respondents in favour of the 3.5% rates rise quoted reasons for supporting this option as including:
   - keeping up with growth and infrastructure needs of Auckland, noting this avoids higher costs and rates rise in the future
   - avoids cutting services which deliver health and wellbeing outcomes (e.g., pools and recreation facilities) and address community needs (e.g., libraries) noting the need for these services is likely to increase due to the impact of COVID-19
   - continuing with infrastructure development and projects as these will contribute to stimulating the economy, avoiding job losses
   - fear of reversing environmental gains or exacerbating ecological problems including climate change if environmental projects are cancelled or paused
   - not much difference in costs between the 2 options consulted on

31. For respondents in favour of the 2.5% rates, the most common reasons expressed in their submissions include:
   - want to see council services continue
   - financial hardship – a low increase will help those whose finances have been or will be impacted by COVID-19 noting there have been some job losses and more is expected from the anticipated economic downturn
   - council needs to reduce costs including through staffing reductions, wage restraints and efficiencies and/or look to increase revenue from other sources – some of the respondents who raised these points expressed a sense of frustration and low trust in council’s ability to manage finances
   - the lower option is an acceptable compromise

32. There were 192 respondents (32%) who did not indicate a preference for either 3.5% or 2.5% scenario. However, a large number (147) of these respondents indicated that this is because they would prefer a rates freeze or rates increases that are lower than 2.5%. The common reasons given in responses include:
   - rates are already too high – various options favoured by these respondents include rates freeze (0% increase) and rates increase between 0% and 2.5
   - financial hardship – ratepayers already experiencing hardship and will find it hard to pay the rates noting that savings should be made in council eg through reductions in wages and salaries
   - want council to consider adjusting rates for South Auckland referring to the degree of deprivation
33. When looking across all the feedback and preferences, including and especially from those who did not support either of the proposed rates rise scenarios, it is fair to conclude that more than 70% of respondents are not in favour of a rates rise above 2.5%.

Rates postponement for ratepayers impacted by COVID-19

34. Aucklanders were asked about a proposal to introduce a COVID-19 Rates Postponement Scheme. They were given tick box options of “support,” “don’t support” and “don’t know” and the opportunity to write in comments prompted as “tell us why”.

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?

35. The graphs below give an overview of the responses from the Ōtara-Papatoetoe Local Board area. There were 525 respondents that answered this question.

![Graph showing responses to Question 2]

36. More than 73% of respondents were supportive of this proposal. The most common reasons given for supporting the proposal include:

- sympathy for people who lost income due to Covid-19 noting postponements will provide breathing space while anyone impacted adversely by COVID-19
- postponement is better than reducing rates
- a better option to defaulting on rates payment

37. There was a mixture of views from the 98 respondents (18.7%) who do not support the proposal with reasons given that include:

- financial hardship noting this will not solve the problem
- there shouldn’t be any interest or admin fee
- should be reserved for only genuine hardship cases/too many people can qualify for this

38. The common themes from the 40 respondents (7.6%) who gave “don’t know” responses are:

- concern postponements will put some ratepayers in a worse position at the end of the postponement period – one respondent suggested employing means-testing to determine eligibility
- concern postponement fee may add to the financial strain
- respondents don’t know enough about the issue to give informed feedback

39. To clarify, the draft scheme does provide for council to set a postponement fee to cover the costs of interest and administration. Council is also proposing to assess financial stress based on evidence may becoming unemployed or suffering a 30% drop in income amongst other factors.
Suspending the targeted rate paid by accommodation providers

40. 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?

41. The graphs below give an overview of the responses from the Ōtara-Papatoetoe Local Board area on this proposal.

42. This proposal was widely supported (78% support) with the many respondents expressing sympathy with the struggling tourist industry and accept this is linked to border closures which is expected to go on for some time.

43. The common themes in the feedback from respondents who oppose this proposal (11.5%) are:
   - concern about the impact of suspending the APTR on projects that it currently funds. To clarify, the proposal includes reducing spending on visitor attraction and main events currently funded through the APTR. Respondents are concerned that investing more to stimulate the economy and attract people to Auckland is crucial to the recovery and this could in turn help accommodation providers.
   - concern about the flow on effects of reduced funding towards visitor attractions and main events, particularly that this could mean job losses in this industry.
   - business providers need to pay their fair share towards the infrastructure that the visitor industry is benefitting from, noting the need to grow domestic tourism.

44. Ten percent (10%) of respondents chose ‘I don’t know’ from the response options. Many of these respondents admit to not have enough information or knowledge about the APTR to give informed feedback. One respondent commented on the need for flexibility in case the economic assumptions are better than expected.

45. To clarify, the proposal for suspension of the APTR does assume travel restrictions will be lifted before the financial year is over. The proposal is to suspend the APTR from 1 April 2020 to 31 March 2021. This means the APTR will apply in the last quarter (April-June 2021) which brings in some revenue. However, if the disruption to this sector was to persist for much longer than anticipated, then there is an opportunity to review the situation ahead of 31 March 2021.

46. As this proposal spans two financial years, the suspension of the APTR in the current financial year (from 1 April 2020 to 30 June 2020) has been implemented by remitting the fourth quarter instalments of APTR for the 2019/2020 financial year.
General themes in the feedback

47. The bulk of the feedback received can be summarized in four main themes.

Theme 1: Reinforcing the value council services and facilities

48. A third of all respondents commented in one way or another on the value council services and want to see these prioritised in the budget so that reductions to services, if any, are minimized as much as possible. While some respondents were open to reducing services and felt that there are some efficiencies that can be gained in this area, most respondents argued for no or minimal changes. Some of these respondents are of the view council services are now more important than ever and that the wellbeing of the community could be compromised with reductions.

49. The kind of arguments made by the respondents include:

- that council services and facilities are essential for communities of need that do not have the means to access these services privately eg internet/wiki, access to computers, photocopying, swimming pools
- libraries are extremely useful for students esp university students – one student mentioned this facility is especially helpful for study for those whose homes are overcrowded or unsafe
- parks, pools and recreation facilities are crucial to health and wellbeing outcomes
- Respondents raised the issue of America’s Cup and the quantum of investment that is proposed in this budget towards this event. These respondents want to see some of these investments reprioritized to support community services and facilities as they perceive this event to have little benefit to them
- an elderly respondent noted community centre programmes are valuable opportunities to socialize with others and alleviate loneliness, which is an issue many experienced during Covid-19 lockdown. This sentiment is shared by many other submitters
- positive outcomes for mental health and wellbeing was a common benefit that many respondents want to protect by keeping any changes to a minimal

Theme 2: Consideration of the special circumstances of South Auckland

50. Many respondents made references to circumstances that warrant special consideration for not reducing services and increasing budget allocation to the local board area and South Auckland in general. These respondents are concerned that South Auckland already does not get the same amount of funding for its services and infrastructure as other suburbs do. Some of these respondents perceive a sense of neglect when comparing council-provided local infrastructure such as playgrounds to those in other parts of the region and a sense of unfairness with decisions such as opening hours for pools etc.

51. The kind of arguments made by the respondents include:

- the need for more and better quality playgrounds in the local board area – respondents either noted there are no playgrounds next to them or compared the quality of playgrounds to other parts of Auckland such as Fowlds Park in Mt Albert
- would like to see more parks, fitness equipment, public toilets and infrastructure to support sports – one respondent noted there are no public places to play football in South Auckland in wet weather
- Ōtara needs a supermarket
- needs completion of the upgrade of Ōtahuhu Town Centre
- perceived aging facilities
- lower socio-economic area and home of many Maori and Pacific people – these groups are already overrepresented in health and wellbeing statistics
Attachment A

Item 15

Theme 3: Council efficiencies including salaries

52. Many respondents suggested that more efficiencies could be gained without making cuts to services or raising rates. These respondents want to see other measures explored or other budget proposals reduced or reprioritized. This includes the proposed contribution to enable the America’s Cup.

53. There were a small number of respondents who gave views on proposed revenue measures such as asset sales, airport shares.

54. The most common complaints in the feedback is on the topic of staff wages. The general sentiment on this matter is negative. At the same time, a small number of respondents also noted the need to avoid loss of staff at a time when unemployment is already on the rise. Respondents who expressed concern about unemployment were especially sympathetic to jobs in the frontline delivering services and those who might be on the minimum wage.

55. The kind of arguments made by the respondents include:

- need for wage restraint for high earning staff, one respondent suggested a maximum wage would be appropriate given wages are funded by ratepayers
- keep staff cuts to a minimum, save jobs especially for frontline services staff – potential loss of experience, institutional knowledge; this will exacerbate unemployment
- objection to perceived high costs of regional projects e.g.
  - strong negative sentiment about the budget for the America’s Cup from the 40 respondents who specifically addressed this issue. A majority of these respondents think it fair to make a reduction to this investment so more can be put towards council services that are accessed by Aucklanders
  - Aotea Centre and Link project
- Change council operations and find efficiencies here but not cancelling or services as there will be a cost to return to previous levels eg hiring of new staff, setting up again
- Sell land, airport shares
- General sense that ratepayers shouldn’t be asked to more for services as times are hard

Theme 4: Transport issues - various

56. These respondents covered a wide range of transport and roading topics in their feedback, including advocating for more and less spending on public transport, roads and cycleways.

57. While there were mixed views about spending on infrastructure generally, those respondents who supported spending in this area were concerned about exacerbating existing problems and a heavy burden in future years if these are not dealt with now. Some of these respondents argued that continuing infrastructure projects is in line with strategies for economic recovery.

58. Projects such as completing the Ōtahuhu train station development were mentioned by several respondents (at least 30) as priorities that need to be progressed and not delayed. While there were mixed views on cycleways, more than half of the respondents who specifically addressed this issue were in support of continuing to build walking and cycling facilities.

59. On public transport services, most respondents who addressed this issue are supportive of maintaining and enhancing good public transport service. While some respondents felt that cost savings in this area is fair noting that with many people now working from home and through other changes brought on by COVID-19, a drop in demand for transport services
may not warrant the current service levels, more respondents were in favour of not making
drastic cuts or user charges increase in this area.

60. Respondents appear concerned that those who rely heavily on public transport and
experiencing hardship will be impacted further if services are reduced and costs of using
public transport increase. Their view is that changes in this area can exacerbate hardship
and would be done sensitively.

61. One respondent was not in favour of the proposal to start charging at these facilities.

62. On other well-known regional projects such as the Sky Path and light rail, the handful of
respondents who commented on these projects expressed a negative sentiment and
suggest putting these on hold is warranted.

63. A handful of respondents made reference to the fuel tax as an additional cost paid in
Auckland and the reason they are expecting more, not less, improvements in transport.

64. A couple of respondents were of the view light rail should be halted

65. The following table contains information about the responses to various transport issues.

Feedback on other regional topics

66. Aucklanders were asked if they had any feedback on any other issues including in principle
decisions made following the first round of consultation.

67. The proposals that have been previously consulted on, and which have been agreed in
principle, subject to consideration of any further feedback received in the Emergency Budget
consultation include:

- **Increase to the waste management base service targeted rate** – one respondent
  mentioned support for this proposal, there was no other feedback on this proposal

- **Increase to the waste management standard refuse rate in former Auckland
  City and Manukau City areas** – there was no feedback on this proposal

68. With regards to other issues in the Emergency Budget, the feedback was minimal and
includes:

- **Water**: Ten respondents made reference to the water supply issue. The general
  sentiment was that the water shortage issue needs to be sorted and prioritised.

- **Climate change**: Four respondents indicated positive sentiments towards continuing
to address climate change or stated this as the reason to continue some projects
and/or not reduce spending on environmental programmes will delay action to
contribute towards addressing this problem.

- **Public toilets**: There were 3 respondents who addressed this issue supported the
  upkeep of public toilets and did not favour proposal to close some toilets as part of
  cost-saving measures proposed.

- **Inorganic collection**: There were negative sentiments from respondents who
  commented on the proposal to suspend the inorganic collection service under a 2.5% rates
  rise scenario.

- **Asset sales** – there were six respondents who made references to the selling of
  assets, either as a recommendation or in addressing the proposal to increase the
  asset sales target. Three of these respondents were in favour of selling assets/land.
  One of the respondents requested further information and appear to not have seen
  the detailed information in the consultation materials.

- **Airport shares**: one respondent is of the view council should sell a majority of its
  Airport shares

- **Animal shelters**: With regards to the proposal to reduce the number of animal
  shelters, five respondents were opposed to this proposal. No respondent was
  supportive of this proposal
Regional grants: a couple of respondents made reference to loss that will be suffered by their sports club as a result of deferring sports and recreation contestable grants.

Feedback relevant to local board work programmes

69. In addition to the issues highlighted in the themes above, respondents offered views on issues that may be of interest to the local board when finalizing your work programmes. These include requests for:

- Playground maintenance – specific reference to Maxwell Avenue, Papatoetoe; respondent notes this disrepair, another respondent notes there is no playground within walking distance to their house (address will be available when submissions are published)
- Upkeep and maintenance of sporting parks and facilities – specific reference to:
  - Ngati Ōtara Park – request for maintenance by a club based at this park
  - parks in Mayfield – upgrade needed
  - Pearl Baker Drive – upgrade needed
  - Eileen Park – upgrade needed
  - Papatoetoe Recreation Grounds
- More planting on berms and in the local board area
- Requests for focus on programmes that support mental health in the Covid-recovery period
- Programmes mentioned with positive sentiments – ELEI, pools, Monday night dinners at Te Puke o Tara
- Request for more support for local arts and crafts stations proposed as a specific idea that could be supported via Pacific and Maori organisations and churches. The respondent who proposed this idea also suggested a community hub-like setup by proposing these stations can also provide other information that may be needed by community members eg financial, health and wellbeing advice, job seeking advice
- Youth – proposal for a youth summit, support more youth groups

Requests for funding and other matters

Request 1: Papatoetoe Recreation Grounds, Kolmar Sports Centre

70. There were eight respondents who have raised the issue of development needs, particularly lighting and field quality at Papatoetoe which is impacting on sports clubs based at this park. Respondents are requesting support through non-deferral of funds that could be used to improve this park.

71. The sources of funding for the upgrade of these fields is controlled by the Governing Body. The local board may wish to include this in the list of issues to bring to the attention of the Governing Body.

72. For the full views of these respondents please refer to submissions 15186, 18981, 18989, 19185, 19295, 20968 and 34882.

Request 2: Colin Dale development for kart sport

73. A request has also been received from the Colin Dale Park Kartsport Development Charitable Trust, Kartsport Mt Wellington Incorporated and Kartsport New Zealand Incorporated for support towards the establishment of a kart facility at Colin Dale. This matter appears to be linked to ongoing discussions about moving motorsports facilities to Colin Dale which have stalled over negotiations with speedway sporting clubs. Those
discussions have been led by Regional Facilities Auckland with oversight by the Governing Body.

74. The local board may wish to consider including this on the list of issues to bring to the Governing Body’s attention.

Request 3: Rescue package for community arts, culture and heritage

75. A request has been received from Sistema Aotearoa - to urge councillors to ensure that an Auckland emergency “rescue package” for community arts, culture and heritage gets on to the Emergency Budget Agenda. This could include dedicated funding for the area identified in strategic plans as the Southern Initiative area.

Information on submitters

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

77. The information shows, the largest submitter group identify as Pacific people and reflects the large population of Pacific people in the local board area. There were more female respondents (56%) than male and the age group with the highest number of submissions (over 120) are youth (15-24 years). Approximately half of the respondents are aged between 15 and 44 years.

Tauākī whakaawea āhuarangi
Climate impact statement

78. The decisions recommended in this report are procedural in nature.

79. 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.

80. 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 whakaawea me ngā tirohanga a te rōpū Kaunihera
Council group impacts and views

81. 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
82. Local board decisions and feedback are being sought in this report. Local boards have a statutory role to identify and communicate the interests and preferences of people in its local board area to regional plans and strategies and they also have the opportunity to communicate their views and preferences to the Governing Body on regional decisions that affects or is likely to affect areas of local board decision-making or the wellbeing of local communities.

83. 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
84. 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.

85. 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.

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

87. 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.

88. 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
89. 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
90. 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
91. 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.

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

93. 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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Otara-Papatoetoe Local Board feedback on the Emergency Budget

1. Introduction

Besides a commitment to long-term financial prudence and sustainability, honouring contractual commitments and protecting public health and safety other guiding principles of the Emergency Budget include:

- Māori outcomes – ensuring we continue to meet our commitments to Māori
- Protecting the most vulnerable – avoid or minimise wherever possible the impact on most vulnerable communities, and
- Supporting our communities – avoid, wherever possible, making community groups worse off

Underpinning these principles are the Emergency Budget’s objective of “Together we can recover stronger”:

It is our view that the above principles are not reflected in parts of the Emergency Budget and that changes are needed to ensure we avoid adverse impacts of service reductions to Māori and our most vulnerable communities – of which there are many in our local board area.

The key issues we want to highlight is the lack of equity considerations in the proposals for local savings and service level reductions:

a. Savings from local budgets

During a recent local board workshop with officers, it became clear to the local board that an equity lens was lacking in the formulation of the two proposals being consulted on. The two proposals suggest budget reductions will be applied equally across the local boards including:

- 10% reduction in opening hours for libraries
- 10% reduction in LDI opex
- Pro rata reduction of 23% in LDI capex

Equal distribution across local boards is NOT equity. Equal distribution does not take into consideration equity issues such as deprivation, necessity of use, or demographics. Equal distribution may not fully realise the stated principles of meeting Māori outcomes, protecting the most vulnerable, nor supporting our communities. When the Executive Leadership Team and staff were asked about these principles and pro rata distribution, the answers did not give us confidence. Responses were that equity issues are for decision makers (i.e. governing body members), or that staff did not have time to consider equity issues and a line had to be drawn somewhere.

Furthermore, the two proposals propose cutting/modifying regional projects that take place within our local board area and which celebrate culture and provide enjoyment and benefits to our diverse population e.g. Urban Beats (Music in Parks), Matariki Festival, Stand Up Stand Out (SUSO), Pacific arts.
b. Service level reductions impact on Ótara-Papatoetoe

Crucial services our communities want to retain include libraries, community programming at various facilities and pools.

Libraries are an example of a service our communities desperately need. Our libraries are more than just a place with books. They are community hubs that provide a focal point for communities and essential services such as:

- internet use – our households have low uptake of internet connections
- computers and printing – many people do not access to printers and/or computers
- applying for jobs – the technology (as above) and support offered by staff are crucial to this
- programming for vulnerable and targeted groups eg in the morning our libraries are a meeting point for elderly groups, after school, our libraries are a safe place for our children while parents work long hours
- Study - students who live in overcrowded housing find libraries essential for study

A reduction in library hours will impact our communities negatively. These are the issues that our community have told us yet again in their recent submissions received on the Emergency Budget.

Pools are a facility well used by our communities and crucial to their health and wellbeing. In affluent areas, many have private pools or can access private pools whereas our Council pools are often the only place many of the families in our communities can go and swim safely. For this reason, our local board already applies a targeted rate to allow for free adult entry to pools because we know how important access is for our families who would struggle to pay an entry fee and/or desperately need the health and wellbeing outcomes.

None of the above equity issues have been taken into consideration in the two proposals. A flat cut across the board hides the inequities between local boards.

c. Exacerbating the inequity in condition of South Auckland facilities

Many of our facilities across South Auckland are in a poor state. In a workshop with the Executive Leadership Team, they have said there is a push to change the funding model in the Long-Term Plan and that is where their focus is rather than spending time on an equity lens across the Emergency Budget. While we accept, there are fundamental issues that can be addressed in the Long-Term Plan, this acceptance of inequities for South Auckland in the Emergency Budget is not something we support. Having a potential future solution does not negate the fact that the two proposals are lacking in equitable solutions and therefore the onus falls heavily on governing body members to correct this when making your decisions.
We strongly recommend that the Governing Body:
- include equity as a principle for the Emergency Budget as required by law (the four wellbeings)
- consider exemptions for projects that address known gaps and avoid reducing any services within high deprivation areas especially areas with high Māori and Pasifika populations.

Based on our communities’ feedback to the Emergency Budget, these are the bare minimum changes we would like to see in the Emergency Budget:

1. Approve “Sand carpeting and lighting for Papatoetoe Recreation Reserve” project to proceed – this will require exempting allocations from the Growth funding and LDI capex deferrals ($650,000 growth, $75,000 LDI) from deferral.

   Why?
   We have had a lot of submissions on this issue that is already known to Council and which was to be addressed through allocated Growth Funding that is now proposed to be deferred.

   There are no sand carpeted rugby fields within the Ōtara-Papatoetoe Local Board area. During the winter season Papatoetoe Recreation Reserve is in a dire state. Auckland Rugby has identified 10 fields across the region that are in critical condition and Papatoetoe Recreation Reserve is at the top of that list. Auckland Rugby have identified that the underdeveloped field coupled with inadequate lighting is deterring locals especially youth from participating in organised sport.

   While other parts of Auckland enjoy good quality fields, it is normal to see kids (5 years old and up) training in carparks or on the courtyard in front of the Kolmar Centre due to these fields being closed in bad weather. Papatoetoe Rugby Club which is based at this field is the fifth largest club in Auckland with most of its members coming from their junior grades. On several occasions the state of the field has been so bad that the local Premier rugby team have been forced to play home games at alternative grounds.

2. Enable more renewals and LDI capex to be spent in FY20/21 – this will allow the local board to respond to the high number of feedback from constituents about the poor state of playgrounds in the South.

   Why?
   Auckland Council is aware of the huge disparities in the state of playgrounds in the south despite South Auckland having the largest amount of children. This issue has been well covered by the media and comes up regularly including in the recent submissions to the Emergency Budget. Delaying addressing this inequity undermines our commitments in the Emergency Budget.
Our submitters have also told us that undertaking more work will contribute to the economic recovery from Covid-19. Our local budgets are severely constrained by the proposals and under these scenarios we will have no choice but to defer renewals for many of our playgrounds.

We implore the Governing Body to look at this with an equity lens and see the benefit that will come from investing in a community that has been severely disadvantaged from not having good quality playgrounds or a fit for purpose rugby field for >30 years, when compared to the rest of the region.

The following table includes our feedback on the different components of the Emergency Budget.

## 2. Consultation questions

<table>
<thead>
<tr>
<th>Proposal in Emergency Budget</th>
<th>Local board feedback</th>
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<tr>
<td>General rates increase preference (3.5%, 2.5% or other)</td>
<td>Our community supports a low rates increase but have also asked that we avoid reductions, wherever possible, to services. Based on the scenarios presented and in wanting to avoid the extreme cuts and reductions that will come with the 2.5% scenario, Otara-Papatoetoe Local Board will support a 3.5% rates increase. We are concerned about the impact of a rates rise on our community, but we are of the view that the impact of cost savings under 2.5% will be more detrimental to the services which out most vulnerable communities will need in the coming months.</td>
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<tr>
<td>Introduction of Rates Postponement Scheme (support, don’t support, other)</td>
<td>The board supports the introduction of the Rates Postponement Scheme and believes it is a necessary cost the council should bear to support struggling ratepayers. This is supported by a majority of our submitters.</td>
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<tr>
<td>Suspending APTR (support, don’t support, other)</td>
<td>The board supports the suspension of the Accommodation Provider Targeted Rate until the expected recovery of the tourism sector. This is supported by a majority of our submitters.</td>
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## 3. Capital investment proposal

<table>
<thead>
<tr>
<th>Proposal in Emergency Budget</th>
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<tr>
<td><strong>Transport network</strong></td>
<td>The Local Board strongly rejects the cutting of the Local Board Transport Capital Fund (LBTCF) to $5 million.</td>
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<tr>
<td>• Overall reduction to 700m</td>
<td>The LBTCF is crucial for delivering local projects that local communities need but do not meet criteria for regional prioritisation. There is no shortage of community ideas for this fund but delays in spending local budgets often come from failing to meet criteria set by Auckland Transport for use of the fund.</td>
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<tr>
<td>• LB transport capital fund (LBTCF) reduced to $5m</td>
<td>We do not support any proposed savings from LBTCF projects that have long been approved but have not been delivered due to staffing constraints. We have projects approved in 2018 which have been awaiting delivery. Delaying these will cause reputational damage to the local board and deprive our community further.</td>
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<tr>
<td>• Community safety fund—projects to be paused or cancelled</td>
<td>We request the following project allowed to proceed so as not to penalise the community and the local board for the delay caused by officers:</td>
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<tr>
<td>• Pausing/deferring walking and cycling projects not in construction</td>
<td>• Rongomai Park connecting to Te Irirangi Drive, East Tamaki (2018 - $180,000)</td>
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<tr>
<td>• Additional savings (under 2.5% scenario)</td>
<td>• Ōtara Canopy (2018 - $262,000)</td>
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<tr>
<td>• Deferral of all LBTCF-funded local programmes—no delivery next year</td>
<td>• Ōtara Creek path (2018 - $480,000)</td>
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<td>• Belinda Avenue to the existing footpath behind Tangaroa College (2018 - $176,000)</td>
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Safety is a high priority for Auckland Transport, local board and Central Government as clearly stated in the draft Regional Land Transport Plan 2020. For this reason the board is disappointed that with the reduction of the transport budget to $700 million, this includes a proposal to reduce this budget.

The proposal to reduce budgets that local boards and communities can influence by 85% is unfair and tolerates and irresponsible - current $30 million ($20m of LBTCF and $10m of Community safety fund) is proposed to reduce to $5 million. The delay of community safety projects is a decision that tolerates a high level of risk to the community (up to 10 lives not saved as stated in the supporting document). It has been identified that any decreases in safety initiatives will disproportionately impact Māori, seniors and communities of high deprivation.

This sends a contradictory signal to local boards about the value of local projects and councils' commitment to safety.
<table>
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<th>Item 15</th>
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<tr>
<td><strong>Deferral of large range of stormwater initiatives</strong></td>
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<td><strong>Delay to planned Natural Environment Targeted Rate work including 35% of planned track upgrades.</strong></td>
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<td><strong>Community investment – a reduction of $162m eg</strong></td>
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<tr>
<td>• Capital budget below previous levels of delivery (27% less than last year)</td>
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<tr>
<td>• 65% reduction in land acquisition budget</td>
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<td>• delay to uncontracted OLI</td>
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<td>• a minimum reduction of 80-90% of planned 2020/2021 renewals for buildings, playgrounds and open space</td>
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<tr>
<td>• deferral of unallocated LDI capex</td>
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<td>• 28% reduction library budgets</td>
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<td>• 70% reduction in public art</td>
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<tr>
<td><strong>Panuku</strong></td>
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<tr>
<td>• revise $130m to $100m capital programme (for specific project locations, details will be discussed)</td>
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4. **Opex: Proposed measures to achieve operational savings**

Savings require (temporary) service level reductions. Information about service level reductions will be provided in local board workshops.

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<tr>
<td><strong>LDI reductions</strong></td>
<td>Ōtara-Papatoetoe Local Board does not support any decrease in LDI budget and request that the 10% reduction in LDI be found from another budget line eg America’s Cup budgets. We were advised that local boards will be given flexibility to identify some reductions in ABS spending if that is preferred to find all savings from LDI funding. ABS funding is already severely constrained, and we will need LDI opex to top up service levels that are proposed to be cut in the budget. Additional cuts to ABS will further compromise services.</td>
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<td>- 10% under a 3.5% rates increase scenario</td>
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<tr>
<td>- 20% under a 2.5% rates increase scenario</td>
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<td><strong>Infrastructure and Environmental Services</strong></td>
<td>We should continue to make the environment a high priority. Once species and environments are lost, we don’t get them back. This is a loss to future generations. An example is the Ōtara Lake which for years has suffered. Our environment is taonga and is important to our Mana Whenua. We are disappointed to see a significant drop in the budget for the environment. Our community does not support suspending the inorganic waste under a lower rates rise budget.</td>
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<td>- reduction in preventative maintenance, pest eradication</td>
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<td>- Grants: stop or reduce regional grants</td>
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<tr>
<td>Under 2.5% scenario</td>
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<tr>
<td>- suspend inorganic waste collection until 1 July 2021</td>
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<tr>
<td><strong>Customer and Community Services</strong></td>
<td>The suspension of services, reduction in opening hours or closure of facilities should be a board decision to make within the approved funding envelope. Decisions such as these are at times more complex than average usage statistics and needs to be guided by the local board as we have been allocated decision-making over local facilities.</td>
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- facility opening hours review - direct facility costs savings achievable by reducing opening hours

**Additional savings (under 2.5% scenario)**
- Permanently close and vacate a proportion of under-utilised community facilities

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<th>Parks, Sports and Reserves</th>
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<tr>
<td>Gyms move to in-house developed fitness programme, replacing Les Mills licence costs</td>
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<tr>
<td>Sport and Recreation Facilities Investment Fund deferral of unallocated grant funding ($3m savings)</td>
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**Additional savings (under 2.5% scenario)**
- Reduced maintenance spend – reduced open space standards, closing public toilets, removing litter bins, public spaces

Managing service levels in local community facilities are decisions that require trade-offs when there is insufficient funding. Insufficient funding means we will be forced to make trade-offs between the needs of our diverse communities so we request further consideration be given to ABS funding.

Kolmar Trust has been a recipient of the Facility Partnership Fund and are a key stakeholder in our community providing a home of thirteen sporting codes ranging from traditional sports such as rugby and hockey to new upcoming sports such as Kabaddi. We support councils continues support of the Kolmar Trust.

As mention earlier we strongly advocate that growth funding for the Papatoetoe Recreation Reserve sand carpet and lighting be funded.
### Arts, Community and Events (ACE)
- Cancellation or scope change of some regional events (eg Matariki, SUSO, Music in Parks and Movies in Parks etc)
- Reduction in Arts and culture programmes

The Ōtara-Papatoetoe Local Board strongly supports the continued investment in community events, arts services and support to community groups. These services make communities vibrant and liveable and will be more important as we recover from Covid-19 and as our communities become more diverse.

### Libraries
- Reduction in library programmes across the region based on experience of low attendance (poor value for money) to be discussed in local board workshops

Libraries are an essential service in our area. As stated previously our libraries are a one stop shop for our community. Our local board area has the lowest uptake in home broadband and our libraries have been able to fill that gap. Libraries are a treasured local service and the board would seek to support library access and programmes as much as possible through the funding sources available to it.

This is reflected in our consultation feedback with submitters expressing their need for services provided by our local libraries.

### Transport network
- Reduction in public transport service levels –
- Income from increased traffic enforcement

We are aware that increased traffic enforcement is being considered as a funding source. We would like more information on where traffic enforcement is being proposed to ensure low-socio-economic areas are not being targeted.

We do not support increases in fares or removal of concessions that could disadvantage students and the elderly.

### Other
- Planning and procurement savings (Panuku)

The local board has advocated that if the Council is going to spend millions on the America’s Cup because of the perceived economic benefit from hosting such an event, then those benefits need to reach the ratepayers in South Auckland and the rest of Auckland too. Our community feedback is clear that in the current economic climate Auckland Council should not carry any financial burden support to the Americas Cup.
5. Other revenue generation

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<tr>
<td><strong>Panuku</strong> - Potential to increase target from asset recycling - 3 asset recycling opportunities identified, potential to raise $200-$350m (current target is $24m)</td>
<td>The board accepts the sale of assets, including underperforming assets and assets not needed for service delivery as an efficient way of releasing capital for alternate use.</td>
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<tr>
<td>(i) Accelerate sales of property (page 49,51-54)</td>
<td>In this regard, we support the proposed sale of: 11R Birmingham Road, Otara</td>
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<tr>
<td>(ii) Consider ongoing investment in non-core commercial assets</td>
<td>Our local board doesn't oppose asset sales in principle and have endorsed the divestment of many non-service assets in its area. We simply seek a strategic approach to it that is not primarily driven by a financial target - this approach disincentives addressing and anticipating growth needs and other needs of our communities.</td>
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<tr>
<td>(iii) Further optimization</td>
<td>We do not support any proposal to remove decision making on asset sales from the Governing Body. These decisions have long term implications and can be controversial so it should not be delegated to staff.</td>
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<tr>
<td>• Services that the council could exit as there is adequate private market provision</td>
<td>Our local board do not support sale of shares in Auckland International Airport (AIAL) and Ports of Auckland (POAL) – potential for partial or full sell down, noting that any disposal of shares will require an LTP amendment and consultation.</td>
</tr>
<tr>
<td>a. Gyms</td>
<td>We support optimization in principle but note that discussions with local boards need to be had on any opportunities that are identified.</td>
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<td>b. holiday parks</td>
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