Ngā Hui a te Rōpū Kaitohutohu Take ā-Taiwhenua /Rural Advisory Panel

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.
Background

Auckland Population Growth Trend

Together we can recover stronger.
**Background**

Auckland Council Group core operating expenditure

Costs driven by investment

Costs driven by population

Together we can recover stronger.

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**Consultation on budgets**

**Draft Annual Budget 2020/2021**

- **Projected cash revenue shortfall of $525 million**
- **Savings and cost reductions identified**
  - Including $120 million in Auckland Council and $38 million in CCOs

**Not a sustainable position**

- Debt exceeding 300% of revenue

**Draft Emergency Budget 2020/2021**

- **Increase borrowing**
  - Debt to revenue at 290% for 1 year
- **Operating cost reductions**
  - $54m @ 3.5% rates increase
  - $75m @ 2.5% rates increase
- **Capital investment deferrals**
  - $280m @ 3.5% rates increase
  - $345m @ 2.5% rate increase
- **Asset Recycling**
  - Target: $200 million

Together we can recover stronger.
Debt to revenue ratio

Auckland Council Group debt to revenue ratio

Capital investment profile

Historic capital investment

Together we can recover stronger.
Operational cost break down

Breakdown of operating spend

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Council support</td>
<td>$660m</td>
</tr>
<tr>
<td>Environmental management and regulation</td>
<td>$436m</td>
</tr>
<tr>
<td>Economic and cultural development</td>
<td>$213m</td>
</tr>
<tr>
<td>City centre and local development</td>
<td>$101m</td>
</tr>
<tr>
<td>Parks and community</td>
<td>$790m</td>
</tr>
<tr>
<td>Water, wastewater and stormwater</td>
<td>$754m</td>
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<tr>
<td>Transport</td>
<td>$1,616m</td>
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</table>

Emergency Budget – as a consequence of COVID

- Reduction in operating revenue
  - Airport and Ports dividend: $125m
  - Watercare – water usage and charges: $95m
  - Passenger transport and parking enforcement: $80m
  - Regulatory – building and resource consents: $50m
  - Other including leisure, active recreation etc: $45m
  - Regional fuel tax; petrol tax and other: $40m
  - Accommodation Provider Targeted rate: $10m
  - Rates postponement provision: $65m
  - Total reduction in revenue: $550m
Options to mitigate the loss in revenue

- Mitigation = 23% rate increase if sole funding option

- Consulted on 2.5% or 3.5% rate increases

- And a package of other options:
  - Reduction in operating costs
  - Service level reductions
  - Delaying or slowing the capital program
  - Selling assets

Comparison of the two options for rate increases

<table>
<thead>
<tr>
<th></th>
<th>OPTION A: 3.5% RATES INCREASE</th>
<th>OPTION B: 2.5% RATES INCREASE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in general rates impact for average value residential property</td>
<td>$1.82 per week</td>
<td>$94.85 per year</td>
</tr>
<tr>
<td></td>
<td>$2.1b for 2020/21</td>
<td>$54m of deferrals in 2020/21</td>
</tr>
<tr>
<td></td>
<td>$2.2b for 2020/21</td>
<td>$45m of deferrals in 2020/21</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$65m further deferrals</td>
</tr>
<tr>
<td>Capital investment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additional savings and temporary service reductions</td>
<td>$54m of further reductions in 2020/21</td>
<td>$75m further reductions in 2000/01</td>
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</table>
Service level reductions and operational savings

- Scaling back the local events and library programs
- Cancelled Art exhibitions and Auckland Live programme
- Reduced frequency of some public transport services
- Triennial property valuation deferred a year
- Annual pay rise freeze for staff and reduction in number of staff
- Voluntary pay reduction (5% - 10%)
- Delay pest eradication and reduced monitoring
- Reduction in grant funding

Together we can recover stronger.

Other complicating factors 1-in-200-year drought

Investment of $224m in critical infrastructure required.
## Proposed package

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Rates increase</td>
<td>3.5%</td>
</tr>
<tr>
<td>Increase borrowing</td>
<td>290%</td>
</tr>
<tr>
<td>Capital investment deferrals</td>
<td>($350m)</td>
</tr>
<tr>
<td>Capital investment bought forward (Watercare)</td>
<td>$224m</td>
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<tr>
<td>Operating cost reductions</td>
<td>$200m</td>
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<tr>
<td>Asset recycling</td>
<td>$220m</td>
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</table>

Together we can recover stronger.
Outdoor Fire Safety Bylaw Review

Community and Social Policy
Antonia Butler, Tara Leota-Seiuli, Katie Kim

Why we are with you?

- Auckland Council is reviewing the Outdoor Fire Safety Bylaw 2014
- The review will determine whether the Bylaw:
  - is still required
  - is consistent with the Fire and Emergency New Zealand Act 2017 and NZ Bill of Rights Act 1990.
- We are seeking your feedback on the use and management of outdoor fires from a:
  - safety;
  - nuisance; or
  - air quality perspective.
The purpose of the Bylaw is to protect public health and safety by:

- FENZ is authorised to control the lighting of fires in open air (fire permits for rural and urban areas)
- FENZ is authorised to remove fire hazards and declare fire seasons
- FENZ has stricter offences and penalties under the FENZ Act (and regulations made under s190 of the FENZ Act 2017)

Trends for outdoor fire in Rural practice:

- Large-scale clearance burns for the removal of tussock and scrubs
- Smaller area burns for the removal of piles and stubbles of vegetative debris

Less frequent

More frequent
Workshop and next steps

We will go through a series of questions to help inform the review.

Please provide your insights.

Please provide any additional feedback by 28 August 2020. Refer feedback form Attachment B. Feedback can be emailed to ruraladvisory.council@aucklandcouncil.govt.nz.

Findings report will be presented to the Regulatory Committee in October 2020.

Question one

- We understand that fires are used as a management tool in rural areas for:
  - removal of organic rubbish
  - invasive weed clearance
  - land preparation
  - grass growth regeneration
  - stock access improvement.

What is your primary use of outdoor fires?
Question two

- National research suggests the way rural communities are using fire has changed.

Have your practice changed? If so, how has it changed?

Final questions

- Much of the authority for managing outdoor fires has passed from Auckland Council to Fire and Emergency NZ.

Please explain if this change has impacted your:
- use of outdoor fires?
- understanding of rules and regulations for outdoor fires?
- experience with enforcement of rules and regulations?
- perception of safety?

Given the change in authority, what do you perceive Council’s role to be in managing outdoor fires?
Central government decision announcements on *Action for Healthy Waterways* package

Natural Environment Strategy Unit
Auckland Plan, Strategy and Research

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**Action for Healthy Waterways – what was announced**

- Central government decisions on the *Action for Healthy Waterways* package announced on 28 May 2020
- Delivering on commitment to stop further environmental degradation, make immediate improvements, and restore waterways within a generation
- Over 17,500 submissions received
- Auckland Council submitted September 2019

The package will be implemented through:
- Updated National Policy Statement for Freshwater Management (NPS-FM)
- New National Environmental Standard for Freshwater (NES-FW)
- New regulations under section 360 of the Resource Management Act 1991 for stock exclusion and water use metering
Action for Healthy Waterways – policy decisions

- Preventing further loss and degradation of key freshwater habitats
- Preventing connectivity of fish habitat
- Stopping further loss of natural wetlands and streams
- Setting up the system to improve freshwater quality and management over a generation
- Amend planning processes to develop regional freshwater plans quicker
- Strengthen and clarify Te Mana o te Whā as the fundamental basis for the new NPS-FM
- Mitigate values in freshwater
- Attribute details
  - Broaden the focus of national direction and planning to manage all aspects of ecosystem health
  - Phosphorus attribute guides action planning responses
  - Strengthened nitrogen attributes
  - Sediment attributes – suspended fine sediment (limit setting), deposited sediment (action planning)
  - E. coli attribute
- Taking action on high-risk farming activities
  - Exclusion from waterways
  - Controls on high-risk feedlots and stocking areas
  - Controls on intensive winter grazing
  - Interim restrictions on major agricultural intensification
  - Managing excessive nitrogen discharges through a cap on fertiliser application

What does this mean for rural Auckland?

- Capping nitrogen use
  - A new national synthetic nitrogen fertiliser cap of 190 kg of nitrogen per hectare per year to all pastoral sectors (dairy, dairy-support, sheep, beef, and deer)
  - Does not apply to arable and horticultural crops
- Stock exclusion
  - Exclusion of dairy and beef cattle, deer, and pigs from waterways >1m wide
  - Ungrazed setbacks >3m from waterways, except where an existing setback exists
  - Prohibiting cattle and pigs from crossing waterbodies more than twice per month
- Protecting wetlands
  - Protection of wetlands and streams from further damage and net loss
  - Some activities allowed (e.g. significant infrastructure, flood control) only if significant adverse effects avoided, remedied, mitigated or offset
- Reporting on water use
  - Collection and transmission of real-time electronic water use data for consents in >5 litres of water per second
- Interim restrictions on intensification
  - Further intensification of certain land uses is restricted until councils implement the NPS-FM
  - Special exemption provisions for areas of Pakatoa and Harawera
  - Where the growing of fresh vegetables is critical to national supply
Next steps for implementation

- Auckland Council and various interests will need to phase in implementation
  - Timeframes vary from commencement date of 3 September 2020 to 5+ years
  - Regulatory provisions in NES, FM, and s360 regulations phased in over time

- Impacts departments and organisations across the Auckland Council group
  - Planning – alignment of AUP with new provisions, and other National Policy Statements
  - Research and monitoring – additional monitoring and scientific assessment
  - Regulatory – new provisions enacted through consents and compliance monitoring
  - Operational – alignment of programmes to meet regulatory statutory obligations
  - Council-controlled organisations – alignment and prioritisation of work programmes and projects
  - Local Boards – reflection of new provisions within local plans and projects, including at a catchment scale across boundaries

- Further policy decisions to come from central government
  - National bottom lines for Phosphorous (DRP) and Nitrogen (DIN) attributes (next 12 months)
  - Fresh-water farm plans (FW-FPs) – building national framework, capacity and capability across sector (regulations in the next 12-18 months, implementation over next 5 years)
  - Rights and Interests; allocation (next political term – election dependent)
Operational response to drought
Andrew Chin – Healthy Waters, Head of Strategy

Auckland is in the most severe drought on record

Auckland Water Supply Update
Rainfall

- 75% less than average
- 50% less than normal
- 60% less than seasonal

Total water storage

- Average
  - 85.8%
- Actual
  - 59.5%

Total water usage

- Peak
  - 568 m^3/s
- Actual
  - 405 m^3/s
- Target
  - 395 m^3/s

Water sources: past 7 days

- Rainfall
- Surface water
- Groundwater

Water resources being developed

- Freshwater springs, bore, stream, water catchment, groundwater, desalination, rainwater harvesting, greywater recycling, seawater desalination, recycled water, treated effluent.
### Item 9

#### Attachment A

<table>
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<th>Level One</th>
<th>Level Two</th>
<th>Level 3</th>
<th>Level 4</th>
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</thead>
<tbody>
<tr>
<td>Dam trigger level in summer</td>
<td>less than 60%</td>
<td>less than 50%</td>
<td>less than 40%</td>
<td>less than 15%</td>
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<tr>
<td>Water Demand Target (MLD)</td>
<td>483</td>
<td>411</td>
<td>390</td>
<td>900</td>
</tr>
<tr>
<td>Residential Restrictions</td>
<td>No outdoor use with hose or water blaster indoor - reduce by 20l/p/d</td>
<td>No outdoor use with hose or water blaster indoor - reduce by 20l/p/d</td>
<td>No outdoor use indoor - reduce by 30l/p/d</td>
<td>No outdoor use indoor - reduce by 40l/p/d</td>
</tr>
<tr>
<td>Commercial Restrictions</td>
<td>• no outdoor use (standpipe)</td>
<td>• no irrigation of sports fields or paddocks/planting unless soil moisture probes or rain sensors used</td>
<td>• indoor reduce by 10%</td>
<td>• indoor reduce by 10%</td>
</tr>
<tr>
<td></td>
<td>• no irrigation of sports fields or paddocks/planting unless soil moisture probes or rain sensors used</td>
<td>• no irrigation of paddocks/planting unless soil moisture or rain sensors used</td>
<td>• indoor reduce by 10%</td>
<td>• indoor reduce by 15%</td>
</tr>
</tbody>
</table>

#### Augmentation of water supply

- Pukekohe Hickeys Bore - August 2020 (+5MLD)
- Papakura Hays Creek Dam - December 2020 (+6MLD)
- Waikato Water Treatment Plant upgrade to 175MLD – August 2020 (+25MLD)
- RMA S.330 emergency water take used on 16 June 2020
- Negotiation for temporary transfer of Hamilton water take
Local resilience - Rainwater Tanks

Is it time for a water tank?
Be more water resilient, increase water storage at your home

Installing a Rainwater Tank?
A guide to getting a consent (or avoiding one)

575m litres supplied in early 2020

Normal use = 1% of regional water use
Attachment A

Item 9

Identifying alternatives for high demand areas

Water Allocation Study of the Wellsford aquifer according to cultural values