

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

Date: Wednesday, 10 May 2023
Time: 3:30pm
Meeting Room: Local Board Office
Venue: 10 Belgium Street
Ostend
Waiheke

Waiheke Local Board OPEN AGENDA

MEMBERSHIP

Chairperson	Cath Handley
Deputy Chairperson	Bianca Ranson
Members	Kylee Matthews Robin Tucker Paul Walden

(Quorum 3 members)

Lorraine Gropper
Democracy Advisor

5 May 2023

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ITEM	TABLE OF CONTENTS	PAGE
1	Nau mai Welcome	5
2	Ngā Tamōtanga Apologies	5
3	Te Whakapuaki i te Whai Pānga Declaration of Interest	5
4	Local board consultation feedback and input into the Annual Budget 2023/2024	7

1 Nau mai | Welcome

The meeting will be opened with a karakia.

2 Ngā Tamōtanga | Apologies

At the close of the agenda no apologies had been received.

3 Te Whakapuaki i te Whai Pānga | Declaration of Interest

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

Local board consultation feedback and input into the Annual Budget 2023/2024

File No.: CP2023/05321

Item 4

Te take mō te pūrongo Purpose of the report

1. To receive consultation feedback from the Waiheke Local Board area on:
 - proposed priorities and activities for the Waiheke Local Board Agreement 2023/2024.
 - proposed local activities to discontinue, reduce spending on, or increase fees to meet the Governing Body's proposed reduction in local board funding.
 - regional topics and related policies for the Annual Budget 2023/2024.
2. To recommend any local matters to the Governing Body that they will need to consider or make decisions on in the Annual Budget 2023/2024 process.
3. To provide input on the proposed regional topics in the Annual Budget 2023/2024 to the Governing Body.

Whakarāpopototanga matua Executive summary

4. Local board agreements set out annual funding priorities, activities, budgets, levels of service, performance measures and initiatives for each local board area. Local board agreements for 2023/2024 will be included in Auckland Council's Annual Budget 2023/2024.
5. Auckland Council publicly consulted from 28 February to 28 March 2023 to seek community views on the proposed Annual Budget 2023/2024. This included consultation on the Waiheke Local Board's proposed priorities for 2023/2024 to be included in their local board agreement and proposed local activities to discontinue, reduce spending on, or increase fees to meet the Governing Body's proposed reduction in local board funding.
6. Auckland Council received 41147 submissions in total across the region and 658 submissions from the Waiheke local board area. Feedback on the Waiheke Local Board priorities were broadly supportive.
7. In the Annual Budget process there are financial matters where local boards provide recommendations to the Governing Body, for consideration or decision-making. This includes any local board advocacy initiatives. The Governing Body will consider these items as part of the Annual Budget decision-making process in June 2023.
8. Local boards have a statutory responsibility to provide input into regional strategies, policies, plans, and bylaws. This report provides an opportunity for the local board to provide input on council's proposed Annual Budget 2023/2024.

Ngā tūtohunga Recommendation/s

That the Waiheke Local Board:

- a) receive consultation feedback on the proposed Waiheke Local Board priorities and activities for 2023/2024 including proposed local activities to discontinue, reduce spending on, or increase fees, to meet the reduction in local board funding proposed by the Governing Body.
- b) receive consultation feedback on regional topics in the Annual Budget 2023/2024 and related policies from people and organisations based in the Waiheke local board area.
- c) provide input on regional topics in the proposed Annual Budget 2023/2024 and related policies to the Governing Body.
- d) provide advocacy on any local initiatives for the Annual Budget 2023/2024 to the Governing Body.

Horopaki Context

9. Each financial year Auckland Council must have a local board agreement (as agreed between the Governing Body and the local board) for each local board area. The Waiheke Local Board Agreement sets out how the Council will reflect the priorities in the Waiheke Local Board Plan 2020 in respect to the local activities to be provided in the local board area. It includes information relating to budgets, levels of service, and performance measures.
10. The local board agreements 2023/2024 will form part of Auckland Council's Annual Budget 2023/2024.
11. Auckland Council publicly consulted from 28 February to 28 March 2023 to seek community views on the proposed Annual Budget 2023/2024, as well as local board priorities and proposed activities to be included in the local board agreement 2023/2024.
12. Auckland Council has faced ongoing budget challenges and recent and rapid increases in inflation and interest rates has placed significant pressure on the council's financial position. A forecast budget deficit of \$295 million needs to be addressed in the council's proposed Annual Budget 2023/2024.

Tātaritanga me ngā tohutohu Analysis and advice

13. This report includes analysis of consultation feedback, any local matters to be recommended to the Governing Body and seeks input on regional topics in the proposed Annual Budget 2023/2024.

Consultation feedback overview

14. As part of the public consultation Auckland Council used a variety of methods and channels to reach and engage a broad cross section of Aucklanders to gain their feedback and input into regional and local topics.

15. In total, Auckland Council received 41147 pieces of feedback from people in the consultation period. This feedback was received through:
 - written feedback – 35720 hard copy and online forms, emails and letters.
 - in person – 4488 pieces of feedback through online Have Your Say events (one of which was held in the Waiheke local board area).
16. All feedback will be made available on an Auckland Council webpage called “Submissions on the Annual Budget 2023/2024” and will be accessible from 26 April 2023 through the following link: <https://akhaveyoursay.aucklandcouncil.govt.nz/submissions-annual-budget-2023-2024>

Feedback received for the Waiheke Local Board for 2023/2024

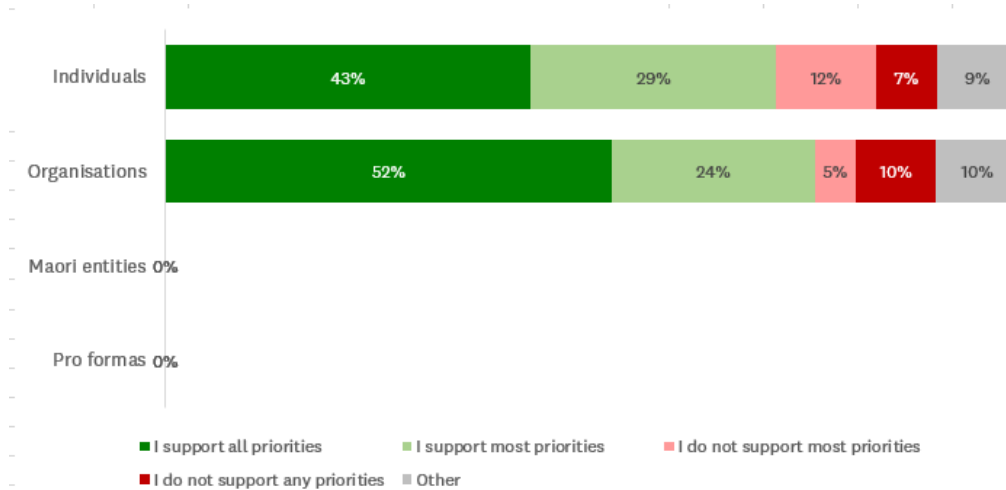
Key priorities in Waiheke Local Board Area in 2023/2024

17. The Waiheke Local Board consulted on the following priorities for 2023/2024:
 - core council operational services, such as mowing, track maintenance, and the library.
 - advocating to central government and the Governing Body to meet key needs, e.g. transport, housing, environmental, economic.
 - prioritise funding towards programmes which protect, restore, and enhance the island’s natural environment, and initiatives that provide opportunities for community connectedness, capability, and resilience.
 - working with our community and businesses to progress actions within the Waiheke Island Climate Action Plan.
 - commencing the growing stage of the Waiheke Ngahere (Forest) Strategy to enhance biodiversity, increase canopy cover and improve Waiheke Island’s carbon footprint.
 - working with mana whenua and mataawaka to identify and respond to their needs and aspirations.
 - continuing delivery of the Tawaipareira Reserve Concept Plan.
 - progressing the Mātiatia Strategic Plan.
18. 658 submissions were received on Waiheke Local Board’s priorities for 2023/2024. The majority of local individual respondents (72 per cent) supported all or most of the priorities. Of the 21 organisation submissions, 76 per cent supported all or most of the priorities.
19. Consultation feedback on local board priorities will be considered by the local board when approving their local board agreement between 20-22 June 2023.

Responding to the budget challenge

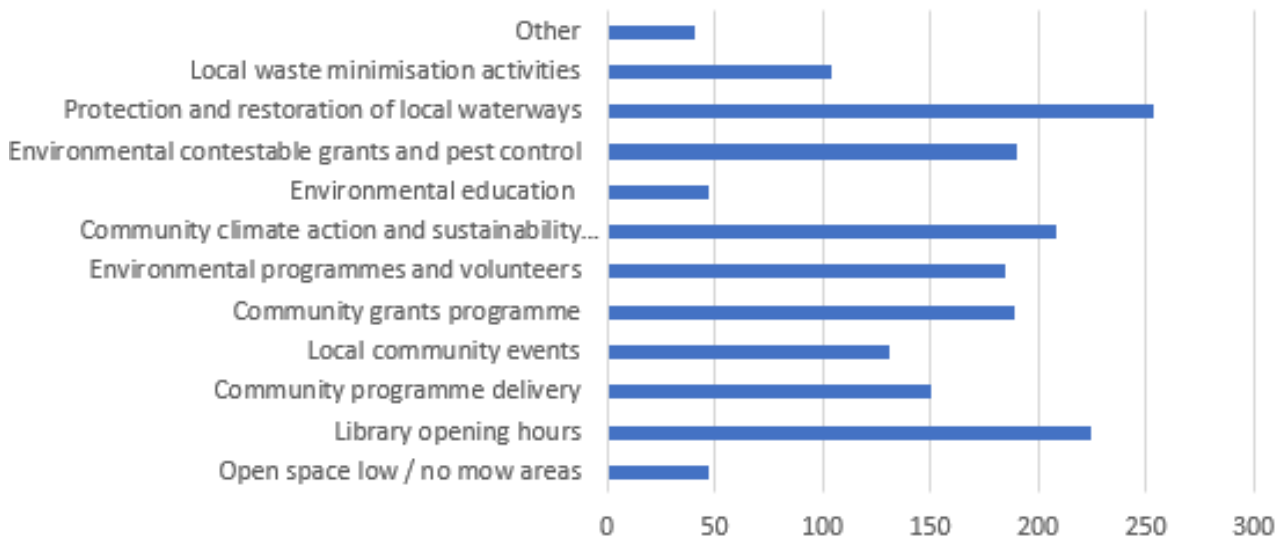
20. The council’s proposed response to mitigate the budget pressures for 2023/2024 included a proposed reduction of \$16 million to local board operational funding – this would require the Waiheke Local Board to reduce its planned operating spend by \$382,493.
21. To do this, local boards would need to make tough decisions, prioritising what they do and where they invest. Aucklanders were asked for their priorities given the proposed reduction would mean some local activities would have to be discontinued, have reduced spending, or increased fees.
22. The graphs on the next page give an overview of the responses from the Waiheke Local Board area.

Item 4

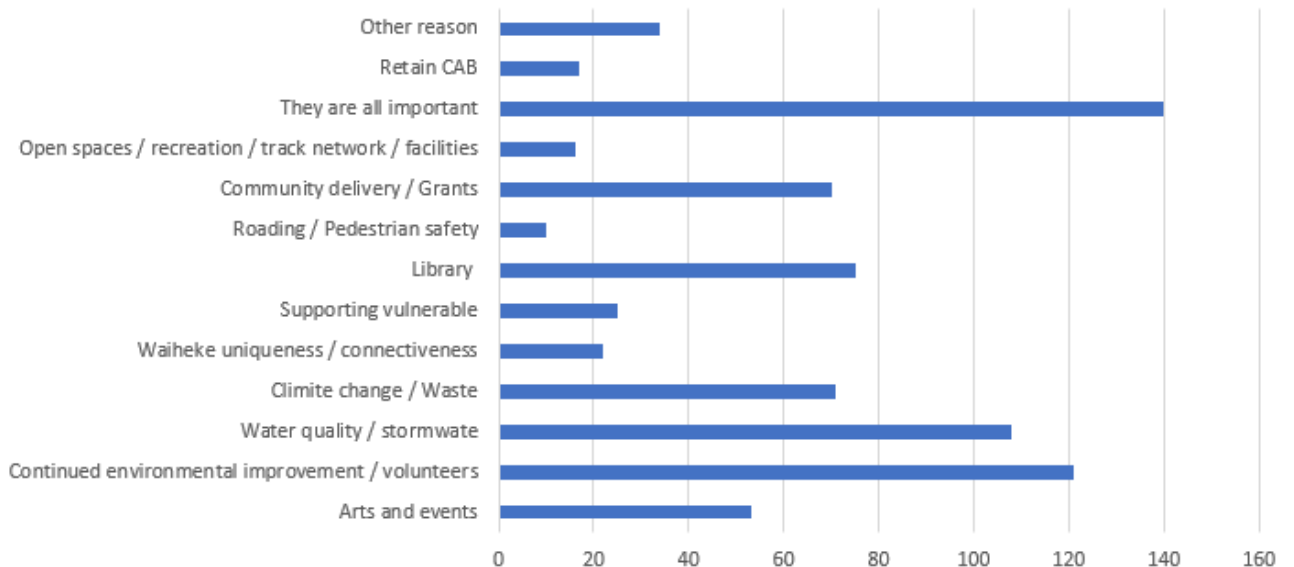


Key themes

23. Waiheke Local Board consulted on the communities' priorities given the proposed reduction would mean some local activities would have to be discontinued, have reduced spending, or increased fees. The priorities identified were:



24. Submitters were asked why these priorities were important to them. Key themes included:

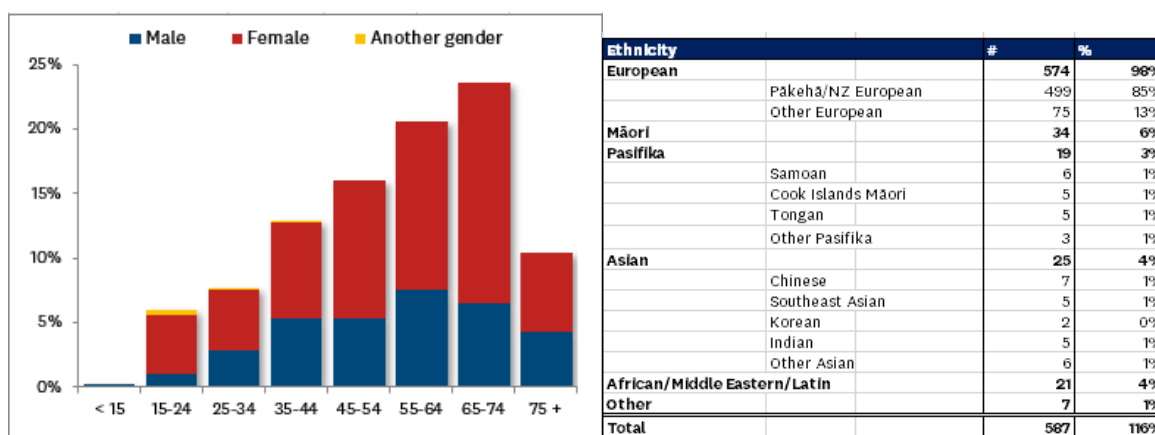


25. Key themes of note in the 'other reason' category included:

- transport, road maintenance and accessibility.
- track maintenance / safety.
- safety of people in public spaces.
- swimming pool.
- cuts are unfair to the community.
- local board should decide based on community feedback.
- refuse to answer question / prioritise – all are priorities.

Information on submitters

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



Overview of feedback received on regional topics in the Annual Budget 2023/2024 from the Waiheke Local Board area

27. The proposed Annual Budget 2023/2024 sets out Auckland Council's priorities and how the Council plans to pay for them. Consultation on the proposed Annual Budget asked submitters to respond to key questions on:

1. operating spending reductions
2. amending Auckland International Airport Limited (AIAL) Shareholding Policy
3. managing rates and debt
4. storm response
5. local board priorities (covered in 'Feedback received on the Waiheke Local Board for 2023/2024' section above)
6. changes to other rates, fees and charges

28. Submitters were also encouraged to give feedback on any of the other matters included in the Annual Budget 2023/2024 consultation document.

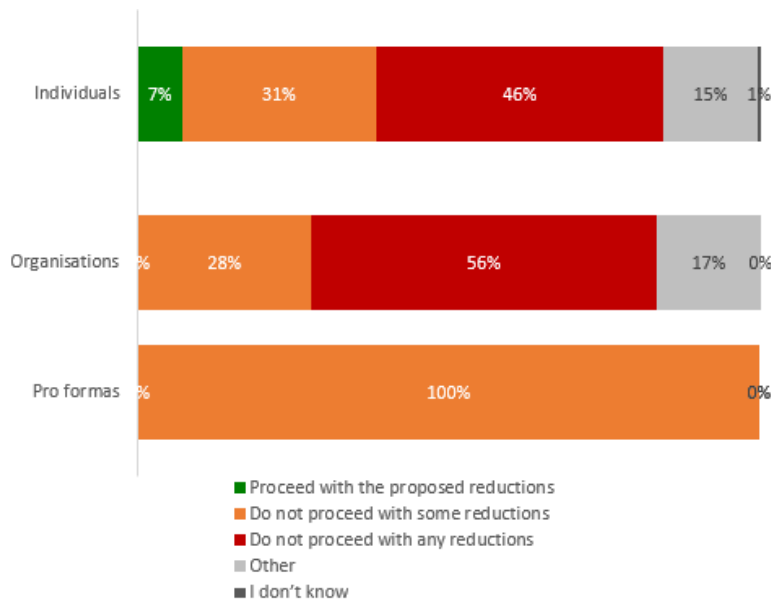
29. The submissions received from the Waiheke Local Board area on these key issues are summarised below, along with an overview of any other areas of feedback on regional proposals with a local impact.

Key Question 1: operating spending reductions

30. Aucklanders were asked for feedback on a proposal to save \$125 million through reductions including:

- maintaining the current reduced number of public transport services for 2023/2024 to save \$21 million.
- reducing funding to Tātaki Auckland Unlimited to save a further \$27.5 million with effects on service delivery (including economic development and tourism promotion) and pricing at venues it manages such as Auckland Zoo, Auckland Art Gallery and stadiums.
- reducing regional services such as community and education programmes, arts and culture programmes, regional events, economic development and other social services activities such as homelessness funding, community empowerment and funding for youth centres to save \$20 million.
- reducing local board funded activities across all boards to save \$16 million (feedback received on local impacts of the reduction is outlined in the 'Feedback received for the Waiheke Local Board for 2023/2024' section above).
- reducing contestable grants to save \$3 million.
- no longer directly providing early childhood education services to save \$1 million.

31. The graphs below give an overview of the responses to this question from the Waiheke Local Board area.



Key themes

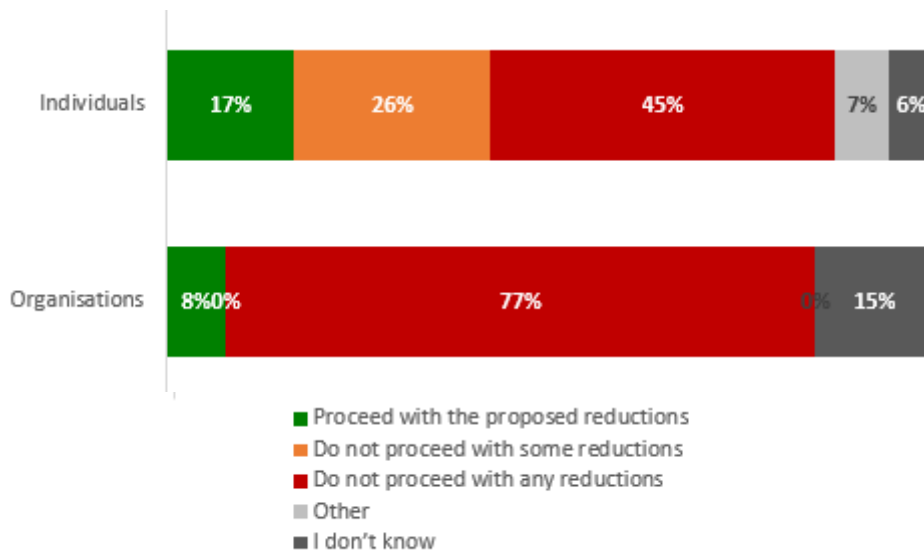
32. Key themes of note across the feedback received included:

- 77 per cent of individual submitters did not support proceeding with some or any reductions.
- funding for local board activities should not be reduced.
- local programmes such as arts and culture, the library, education, environmental and social service activities are critical for the wellbeing of our community and build resilience.
- every dollar that council invests we get back many more volunteer hours.

- venues, such as the zoo, Auckland Art Gallery, and stadiums, play an important role in the landscape of Auckland.
- climate change action should be the focus of all budget spend.
- do not reduce CAB funding.
- public transport should be increased not reduced.
- organisation staff costs and efficiencies should be addressed first.

Key Question 2: Amending Auckland International Airport Limited (AIAL) Shareholding Policy

33. Aucklanders were asked about a planned change to the AIAL Shareholding Policy which will allow the sale of some or all of Auckland Council’s shares in AIAL. The proposal is to sell all the shareholding (currently around 18% of shares in Auckland Airport) which would reduce debt by around \$1.9 billion. This is projected to reduce interest costs by \$87 million per year.
34. Other options were considered, including keeping all the shares or a partial sale. These options would contribute less towards the budget reduction target and require other actions such as further increasing rates or debt.
35. The graphs below give an overview of the responses to this question from the Waiheke Local Board area.



Key themes

36. Key themes of note across the feedback received included:
 - 71 per cent of individual submissions did not support any or some reductions.
 - 77 per cent of organisations did not support any reductions.
 - Council should retain the ability to influence Auckland Airport.
 - assets should not be sold / short term fix.
 - timing is not good (post covid) to be selling.
 - 17 per cent felt it was a sensible proposal to reduce debt.

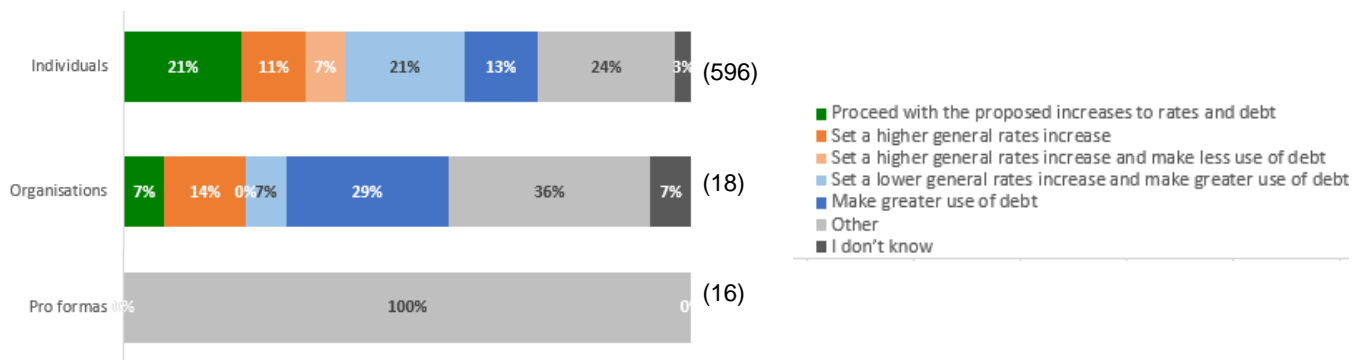
Key Question 3: Managing rates and debt

37. Aucklanders were asked to provide feedback on a proposal of a total rates increase for the average value residential property of around 4.66 per cent or \$154 per year. This would be achieved through:

- an average increase in general rates of 7 per cent across all existing properties, including non-residential.
- reducing the Natural Environment Targeted Rate (NETR) and Water Quality Targeted Rate (WQTR) by around two thirds and using the money already collected from these rates to continue delivering these work programmes as planned in 2023/2024.
- pausing the long-term differential strategy (the split between business and residential rates) for one year. Under the current policy, annual increases to general rates for business properties are less than for non-business properties so that over time the share of general rates paid by business properties is fairer.

38. Aucklanders were also asked about the proposal to increase council's use of debt by up to \$75 million in the 2023/2024 year. The proposal involves using the debt to fund some capital expenditure that is currently planned to be funded by operating revenue.

39. The graphs below give an overview of the responses to this question from the Waiheke Local Board area.



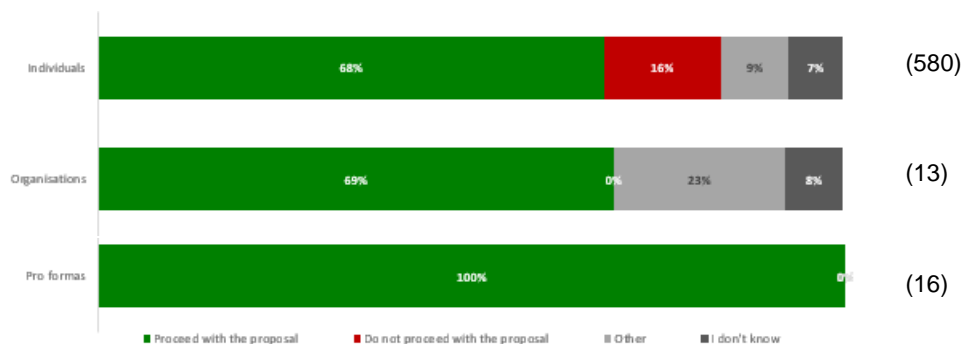
Key themes

40. Key themes of note across the feedback received included:

- Auckland already has relatively low rates compared to other areas; an increased rate would be manageable.
- given the impacts of covid and climate change, now is the time to take on greater debt not cut environmental programmes.
- the Water Quality Targeted Rate and the Natural Environment Targeted Rate should not be paused; recent storms impacts have highlighted the need for increased management of wastewater and stormwater; our ecology will go backwards if we don't keep focused.
- proforma – Forest and Bird. Opposition to reducing the Natural Environment Targeted Rate (NETR) and Water Quality Targeted Rate (WQTR) proposed “pause” may impact delivery of essential projects to protect our biodiversity and taonga species in 2023/24, such as kauri dieback work. Our kauri forests are so important for cleaning our air, filtering our water, reducing erosion, recreation, and physical and mental wellbeing. Work must continue to protect kauri and our wider natural environment.

Key Question 4: Storm response

41. Aucklanders were asked about a proposal to increase council's operating budgets by around \$20 million each year to improve the ability to prepare for and respond to future storms. This would likely require rates to increase for 2023/2024 by around an additional 1 per cent (on top of the 4.66 per cent increase proposed to address the budget shortfall).
42. The graphs below give an overview of the responses to this question from the Waiheke Local Board area.



Key themes

43. Key themes of note across the feedback received included:
- this needs to include better maintenance of roading and stormwater infrastructure.
 - mitigation/preventative measures should be included to prevent more cost in the future.
 - drain clearance by council should be reinstated.
 - nature based solutions and water sensitive roading, less development in unsuitable locations / intensification.

Key Question 5: local board priorities

44. Aucklanders were asked for feedback on the local impacts of the Annual Budget, feedback received on this is outlined in the 'Feedback received for the Waiheke Local Board for 2023/2024' section above.

Key Question 6: changes to other rates, fees and charges

45. Aucklanders were asked for feedback on proposals to increase some targeted rates and other regulatory fees and charges as set out below. If the changes are not made, then general rates may need to be higher than proposed.

Waste management rates changes including:

- a 10.6 per cent increase to the base rate and targeted rate charges for non-standard refuse bins (in the former Auckland (ACC) and Manukau (MCC) city council areas).
- introduction of a fee for swapping bin sizes.
- extension of the food scraps targeted rate to the new areas that will receive the service this year.

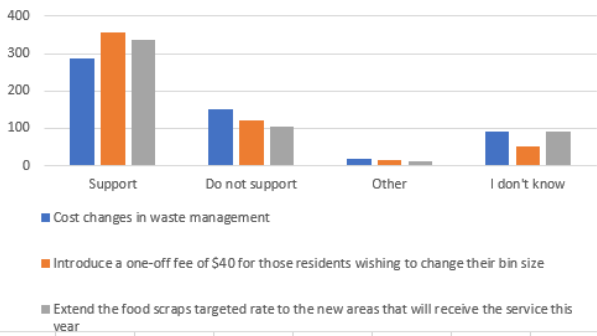
Changes to other rates, fees and charges including:

- re-prioritisation of additional bus service expenditure which was planned to be funded by the Climate Action Targeted Rate (CATR) for the 2023/2024 fiscal year.
- Swimming Pool/Spa Pool Fencing Compliance Targeted Rate: increases to reflect the actual costs of the service, and an increase in the fee for follow up inspections.

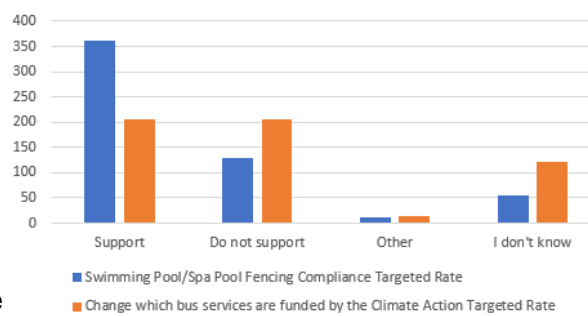
- amendment to Community Occupancy Guidelines.
- changes to the Rodney Drainage District Targeted Rate .
- establishment of a Business Improvement District (BID) and BID targeted rate for Silverdale.
- animal management fees.
- some building and resource consenting fees.
- other regulatory fees such as food licensing registration, micro-mobility operator fees and swimming pool inspections.
- cemetery fees.
- review of fees for bookable spaces in council managed pool and leisure facilities.

46. The graphs below give an overview of the responses to this question from the Waiheke Local Board area.

Waste management Rates



Changes to other



- moving to a small waste bin shouldn't have a charge.
- provide options for month refuse collection.
- food scrap service should be optional, and not charged if not required.
- support local food initiatives and composting.
- community leases tenants would struggle to pay additional charges.
- Climate Action Targeted Rate should be used for the purpose decided on following public feedback.
- questions are unclear and difficult/too complex to answer.

Other matters for feedback

48. Aucklanders were asked to feedback on the Tūpuna Maunga Authority Operational Plan 2023/2024 which sets out a framework in which the council must carry out the routine management of 14 Tūpuna Maunga.

- Aucklanders were also asked what else is important to them and if they had any feedback on any other issues.

Q7 - Other feedback			
Themes	Individuals		
Q7 General financial strategy	36		
Q7 Other rating policy	5		
Q7 APTR (Accommodation Provider Targeted Rate)	1	Q7 Regional community places and services	86
Q7 Climate Action Targeted Rate (CATR)	1	Q7 Regional libraries	21
Q7 Rodney Drainage Districts Targeted Rate	0	Q7 Regional parks, sport and rec	22
Cemetery fees	3	Q7 Regional arts, culture and events	45
Q7 Changes to other fees and charges	1	Q7 Regional planning	14
Q7 Business Improvements Districts (BIDs)	0	Q7 Housing	11
Q7 Strategic assets	6	Q7 Bylaws	2
Q7 Local Board Funding policy	17	Q7 Regulatory services	1
Q7 Contributions policy	1	Q7 Cultural and built heritage	0
Q7 Grants and Subsidies	1	Q7 Solid waste services	1
Q7 Other rating and funding	8	Q7 Environmental services	64
Q7 Transport (roads and footpaths)	16	Q7 Governance and support	30
Q7 Transport (public transport)	60	Q7 Organisational support	22
Q7 Transport (walking and cycling)	13	Q7 Maori outcomes	7
Q7 Transport (parking and enforcement)	5	Q7 Emergency management	2
Q7 Transport (other)	11	Q7 Tupuna Maunga	5
Q7 Water supply	6	Q7 Panuku Development Auckland	3
Q7 Wastewater	6	Q7 Auckland Unlimited	16
Q7 Stormwater	9	Q7 General comments about the plan	51
		Q7 General comments about the process	12

Key themes

49. Key themes of note across other areas of feedback received included:

- address climate change now.
- increase spending on community resilience and ecological restoration.
- recognise the value in volunteers.
- do not cut Local Board budgets / equitable cuts.
- do not close CABs, do not cut library hours, support for arts culture and event funding, do not increase fees for community facilities. They play a vital role in fostering a sense of community and belonging which is important for social well-being.
- affordable and reliable ferry services.
- more cycleways, public transport, safe roads.
- address organisation staff costs and efficiencies.
- tax for vacant properties, restrictions on Airbnb, and/or visitors.

Annual Budget 2023/2024 related policies

The following proposals were consulted on alongside the Annual Budget:

Revenue and Financing Policy

50. The proposal to pause the Long-Term Differential Strategy (LTDS) for one year would require an amendment to the Revenue and Financing Policy.
51. Under the current rating policy, businesses pay a greater share of rates than non-business properties. Businesses make more use of council services like transport and stormwater. They also place more demand on these services. Council previously decided that the level of business rates is too high and should be reduced gradually over time. The LTDS currently lowers the total amount of general rates (UAGC and value-based general rate) for businesses in equal steps, from 31 per cent in 2022/2023 to 25.8 per cent by 2037/2038.

Regional feedback

52. 146 submissions were received on the proposal. Of these, 99 supported the proposal and 41 did not support the proposal. A further six either provided another response or did not know. Comments from those in support included businesses being in a position to afford the increase and the impact of rates on residential ratepayers.
53. Responses from those who did not support the proposal included the view that business rates are too high.
54. Eight of the 146 responses were from people who identified as Māori with four in support of the proposal, three not in support and one who did not know.
55. The Property Council did not support the proposal citing concern for increased costs on businesses and business rates being too high.

Māori Land Rates Remission and Postponement Policy

56. The Council is proposing to amend the Māori Land Rates Remission and Postponement Policy to provide a partial remission of rates to general title papakāinga, where that land is:
 - protected from being sold out of Māori ownership.
 - for the sole use of hapū/iwi (tribe).
57. This recognises the similarities between these properties and papakāinga on Māori freehold land. The proposed remission would apply a discount of up to 10 per cent of the rateable land value. This is similar to what is applied to Māori freehold land.

Regional feedback

58. There were 40 submissions from individuals. Of these 20 were in support of the proposal and 20 did not support the proposal. Responses in support included the positive benefits to Māori in retaining land. Responses from those who did not support included Māori not having special treatment, and concern about the costs to other Aucklanders.
59. Eight of the 40 responses were from individuals who identified as Māori, all of who supported the proposal.

Local board advocacy

60. Local boards can also provide approved advocacy initiatives which considers the consultation feedback above. This allows the Governing Body to consider these advocacy items when making decisions on the Annual Budget 2023/2024 to the Governing Body in June.
61. The advocacy initiatives approved by the local board will be included as an appendix to the 2023/2024 Local Board Agreement

Local board input on regional topics in the Annual Budget 2023/2024

62. Local boards have a statutory responsibility for identifying and communicating the interests and preferences of the people in its local board area in relation to Auckland Council's strategies, policies, plans, and bylaws, and any proposed changes to be made to them. This report provides an opportunity for the local board to provide input on the council's proposed Annual Budget 2023/2024, proposed changes to the Revenue and Financing Policy and Māori Land Rates Remission and Postponement Policy.

Tauākī whakaaweawe āhuarangi Climate impact statement

63. The decisions recommended in this report are part of the Annual Budget 2023/2024 and local board agreement process to approve funding and expenditure over the next year.
64. Projects allocated funding or proposed to have reduced funding through this Annual Budget process will all have varying levels of potential climate impact associated with them. The climate impacts of projects Auckland Council chooses to progress, are all assessed carefully as part of the council's rigorous reporting requirements.

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

65. The Annual Budget 2023/2024 is an Auckland Council Group document and will include budgets at a consolidated group level. Consultation items and 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

66. The local board's decisions and feedback are being sought in this report. The local board has a statutory role in providing its feedback on regional plans and policies.
67. Local boards play an important role in the development of the council's Annual Budget. Local board agreements form part of the Annual Budget. Local board nominees have also attended Governing Body workshops on the Annual Budget.

Tauākī whakaaweawe Māori Māori impact statement

68. Many local board decisions are of importance to and impact on Māori. Local board agreements and the Annual Budget are important tools that enable and can demonstrate the council's responsiveness to Māori.
69. Local board plans, developed in 2020 through engagement with the community including Māori, form the basis of local board area priorities. There is a need to continue to build relationships between local boards and iwi, and the wider Māori community.
70. Analysis provided of consultation feedback received on the proposed Annual Budget includes submissions made by mana whenua and the wider Māori community who have interests in the rohe / local board area.
71. Ongoing conversations between local boards and Māori will assist in understanding each other's priorities and issues. This in turn can influence and encourage Māori participation in the council's decision-making processes.
72. Some projects approved for funding could have discernible impacts on Māori. The potential impacts on Māori, as part of any project progressed by Auckland Council, will be assessed appropriately and accordingly as part of relevant reporting requirements.
73. The Annual Budget 2023/2024 and related policies includes a proposed amendment to the Māori Land Rates Remission and Postponement Policy covered in the 'Annual Budget related policies' section above.

Ngā ritenga ā-pūtea Financial implications

74. This report is seeking the local board's decisions on financial matters in the local board agreement that must then be considered by the Governing Body.
75. The local board also provides input to regional plans and policies. There is information in the council's consultation material for each proposal with the financial implications of each option outlined for consideration.

Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

76. The council must adopt its Annual Budget, which includes local board agreements, by 30 June 2023. In order to meet this timeframe, the local board is required to make recommendations on these local matters for the Annual Budget by mid May 2023 and present to the Governing Body to make decisions on key items to be included in the Annual Budget on 8 June 2023.

Ngā koringa ā-muri Next steps

77. The local board will approve its local board agreement and corresponding work programmes in June 2023.
78. Recommendations and feedback from the local board will be provided to the Governing Body for consideration in its decision-making.
79. The final Annual Budget 2023/2024 (including local board agreements) will be adopted by the Governing Body on 29 June 2023.

Ngā tāpirihanga Attachments

There are no attachments for this report.

Ngā kaihaina Signatories

Author	Janine Geddes - Senior Local Board Advisor
Authoriser	Glenn Boyd - Local Area Manager - Waiheke and Aotea Great Barrier