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Auckland Council Governing Body
Auckland Council
Private Bag 92300
Auckland 1142

akhaveyoursay@aucklandcouncil.govt.nz

SUBMISSION TO THE AUCKLAND COUNCIL LONG TERM BUDGET 2021/2031 AND LOCAL BOARD PRIORITIES

The Parnell Business Association welcomes the opportunity to make this Submission.

This Submission will cover:

- (1) Ongoing concerns regarding the impact of COVID-19
- (2) Proposed 10 Year Budget
- (3) Rating Policy Proposals
- (4) Regional Fuel Tax underspend
- (5) Climate Change
- (6) Summary Section 1
- (7) Local Board Priorities

1. Introduction and Covid impact on Business.

In addressing a snapshot of our thoughts on the proposed 10 year “recovery” budget, we wanted to highlight that in our view business is not just a segment of society. Business is the heart of a community and what makes a city a city. They are the places where people spend most of their lives, it’s where they receive income to support their families, it’s where they go for coffee, food, goods and services and of course, to socialise and build community. They are the heart and rhythm of a city. A healthy businesses community is a healthy community.

COVID-19 has proved to be an extremely challenging time for many business sectors. While some sectors are doing well, such as business services and construction, décor and home improvement, many are not. Hardest hit are our tourism operators, accommodation providers, education, retail and hospitality. The movement of people has also changed and town centres who used to depend on numerous office workers for patronage are struggling as more people work from home.

An additional side-effect of COVID-19 has been the increase in crime and anti-social behaviour experienced by many BIDs. This is an added burden on our small business owners.

Council have called this 10 year budget a “recovery budget”, however we do not feel that it goes far enough in supporting businesses to recover due to the effects of COVID-19.



We would like to see business recovery and economic stimulus as the key focus in this budget. This needs to have the biggest weighting for all council decisions over the next few years. Every council decision should be asking the question “how will this support businesses”. Projects that support businesses need to be prioritized over those that don’t.

2. Proposed 10 Year Budget

Our overall feedback is that we support the need to continue with Council’s capital investment of \$31 billion over the next 10 years and recognise that Council is projected to have its revenue impacted by around \$1 billion as a result of COVID-19.

However, we do not agree with the proposed one-off 5 per cent average general rates increase for 2021/2022 rather than the previously planned 3.5 per cent increase.

We note the positive statements made in Council’s half year financial results indicating a more optimistic outlook is warranted, so we would ask that Council give due consideration to keeping any rates increase to a minimum for 2021/2022 and using other identified levers such as;

- increasing Council borrowing;
- making deeper cost savings and prioritising spending; and
- selling more surplus property (but not green spaces/reserves)

3. Rating Policy Proposals

Our overall feedback is that what businesses need most from Council is a fair, transparent and stable approach to rates.

Rating Policy

With regard to the proposal to extend the Water Quality Targeted Rate and the Natural Environment Targeted Rate until June 2031. While we are supportive of transparently ‘ring fencing’ spending from both of these rates and extending them until June 2031, we do not accept that a business differential (even at 25.8%) should be applied to these targeted rates. We accept that business should pay a share, but not a differential.

We support the introduction of an Electricity Network Resilience Targeted Rate on Vector to fund council’s tree management programme around the Vector overhead power lines.

With regard to the Accommodation Provider Targeted Rate, we reiterate that we do not support this intervention or any of the alternatives proposed and ask Council to look to other levers to fully fund Auckland Unlimited, understanding the value they bring to promoting Auckland as a visitor destination.



Business differential

While we appreciate that the business differential is being reduced through the Recovery Budget 2021/2031, fundamentally, we do not accept that a business differential should be applied to rates particularly for small businesses who make up most businesses in Auckland, many of whom are already facing immense financial pressure as a result of COVID 19 as we have already highlighted.

Watercare's increase in charges

We are concerned that the substantial increases in water charges proposed by Watercare have not been highlighted in the Recovery Budget 2021/2031. We question whether these substantial increases in water charges are reasonable at a time when many businesses are struggling to survive.

4. Regional Fuel Tax underspend

While we have supported a regional fuel tax of 10 cents per litre (plus GST), we ask for greater transparency regarding the spending of this tax on specific transport projects and services. We wish to avoid the regional fuel tax, which is the equivalent of a significant rates increase (especially for transport operators), being used as a 'top up' for overall transport budgets.

We note the ongoing underspend of the Regional Fuel Tax. We are concerned that:

- the RFT is being under-spent
- businesses are being over-taxed
- infrastructure is not being built at the required pace

5. Climate Change

We note the Council's emphasis in the Recovery Budget 2021/2031 on climate change. BIDs are involved with a variety of initiatives relating to climate change, such as supporting mode shift in transport, electrification of the bus fleet and sustainable waste initiatives.

As the majority of businesses across the Auckland Region are small to medium sized, we welcome initiatives that support and incentivise business to make the necessary changes. Funding for business education is particularly important to raise awareness and drive change to enable business to support the successful implementation of Council's Auckland Climate Plan.

6. Summary

In summary, we believe there are few, if any, tangible benefits for businesses out of this budget. We all want Auckland to succeed. We live, work, and play here and a thriving Auckland is imperative for everyone's success.



Budgets don't just have to accommodate big ticket items. We believe there is also an opportunity to identifying small wins that could demonstrate some support to businesses when recent times have been very tough for many of them.

Tactical initiatives could include the likes of:

- Supporting hospitality by considering reducing outdoor licensing costs or fees for other services.
- Reducing or eliminating costs for closing roads for some community events. (This was identified last year but we have not heard anything further about this going ahead).
- Reduced rubbish rates or additional support to help business to be more sustainable – many are unprepared for changing their practices.
- Creating greater accessibility to businesses by bringing customers to the door (with options varying depending on specific precinct needs).
 - Wayfinding – town centres need support to identify car parking, trains, and buses in order to maximise resources.
 - Car-parking – in many communities this is still the number one method of accessing retail and hospitality businesses. Certain areas could benefit from free parking at off peak times or evenings.
 - Better cycle parking infrastructure in all town centres.
 - Free public transport, possibly on weekends or at selected times to support businesses– including ferries, trains and buses to encourage people to get out and explore our city. We also understand that when people are battling, they don't care about climate change. Free public transport helps immensely, particularly for families.

Finally, we would advocate for more support for town centre managers in the greater Auckland community. We work closely with Local Boards; we understand our neighbourhoods. We are well connected and hear about key issues affecting our members, whether that be local transport, more targeted community events or business development opportunities.

We firmly believe that business is at the heart of the community and the Recovery Budget 2021-2031 needs to reflect that.

7. LOCAL BOARD PRIORITIES

We note the Waitematā Local Board Priorities in the Recovery Budget 2021/2031.

Several Local Boards have requested the reinstatement of the Local Board Discretionary Transport Capital fund and we support this request, as several BIDs are dependent on the initiatives this fund can support in their local communities.



Streetscape Upgrade St Georges Bay Rd/Faraday loop

The Waitemata Local Board has highlighted this as a priority advocacy project in the Local Board Plan 2021.

The project is highlighted as a key project in the Parnell Plan.

The need for the upgrade is as follows:

1. Safety and more efficient use of the road space.

There are significant concerns about the safety in these streets, as over the past few years there has been a dramatic increase in the working population in this area, and with additional hospitality, there are many more people crossing the street.

New Zealand Couriers are based at the top of the Lower St Georges Bay Rd and speed coming down the road, with little regard for pedestrians crossing.

The entrance to St Georges Bay Rd from The Strand is also very tricky and couriers and motor vehicles speed around that corner.

Auckland Transport put forward a proposal for a much needed pedestrian crossing about 18 months ago, but this was put on hold due to placement issues, and it was decided it would be incorporated into the full proposal.

Certain parts of St Georges Bay Road are very wide, and could be better utilised.

Footpaths in and around the Textile Building on Kenwyn, Watt and Faraday are extremely narrow and not pedestrian friendly at all.

The loop around Kenwyn, Watt and Faraday could be turned into a one way, which would still provide an efficient option for the parking needed to support the hospitality, as well as making better use of the roads.

2. Maintenance requirements.

St Georges Bay Road, Kenwyn, Watt and Faraday are all in need of maintenance. We have been in contact with Auckland Transport since 2017 on this matter and have chosen to forgo the planned renewals in an effort not to waste budget that could be put towards a full upgrade.

The footpaths in Kenwyn, Watt and Faraday are crumbling and full of patches, which is not in line with the current retail and hospitality offering.

3. Added amenity

Over the past 3-5 years the landowners in St Georges Bay Road have invested hundreds of millions of dollars into transformational infrastructure which now supports a working population of around 2,000 people. The Faraday precinct is an award winning space, with former warehouses being repurposed to create a dynamic series of spaces in which to work, shop and eat, thereby providing a generous addition to the public urban infrastructure



We have been advocating for several years on this project, yet despite significant private investment, Auckland Council and Auckland Transport have neglected the streetscapes and general environs on this side of the city.

We are asking the Governing Body and Auckland Transport to fund the streetscapes improvement as part of the upcoming Regional Land Transport Plan.

Prior to the budget in 2020, several of our members made submissions on this issue, which council has receipt of and should be noted as part of this submission. **(Attached in email)**

We have also attached several additional submissions (and you may be in receipt of several others sent directly to your email). **(Attached in email)**

Kind Regards
Cheryl Adamson
General Manager, Parnell Business Association
cheryl@parnell.net.nz