



AK Have Your Say
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AUCKLAND COUNCIL ANNUAL BUDGET 2023/24

Introduction

Parnell, particularly businesses along The Strand and St Georges Bay Rd, suffered enormous damage in the floods of 27th January, and that is foremost in our mind when responding to this budget.

The damage has resulted in insurance claims for hundreds of millions of dollars, some businesses have had to close for six months or relocate for a time. Many of these businesses are high-end home décor and home furnishing, a category of which we are very proud of in Parnell, as a destination driver and distinctive feature of our tenant mix. Many of our landowners are anxious about the future value of their properties and certain tenants are considering relocating – pending feedback from their insurers. Indications we have had from some members thus far are increased premiums, increased excesses and flood exclusions. All of this contributes to a huge cost for business.

Sadly, one of the most consistent comments received from the businesses was that their drains had not been cleaned, and several businesses noted alerting council and other agencies during the course of 2022, when several were flooded before. The Strand has a peculiar set of challenges, being owned by Waka Kotahi, with certain services being provided by Auckland Transport. Intersecting roads such as St Georges Bay Rd fall under the responsibility of Council/Auckland Transport, but some feeder roads (165-132 The Strand, plus Tennis Lane), have the unenviable status of being in a kind of no-mans land. All of this made it extremely frustrating trying to get the drains serviced and cleaned before the second rains and then Cyclone Gabrielle.

Very little assistance was received from council following the 27th Jan.

At the top of lower St Georges Bay Rd, the landowners of no 69 and 79, spent a full night cleaning a blocked drain in Alberon Reserve, on the night of Cyclone Gabrielle, in order to avoid a repeat of substantial flooding in their tenancies that occurred on the 27th January. The steel grate on the drain remains damaged from the force of the debris that hit it.

Following the 27th January, several businesses along The Strand called in their own contractors – who validated the concern about the drains, and others even resorted to removing debris and filters from catch-pits themselves, in order to avoid further potential damage from the cyclone. (Waka Kotahi and Auckland Transport did action some remedial work on The Strand prior to the cyclone).

When we finally managed to gather the parties in one room (Waka Kohati, Auckland Transport and Auckland Council/Healthy Waters), what emerged was not only the ridiculous silos within which every organisation operates, but that fact that Auckland Council only clean the drains once annually. Apparently the schedule was reduced to annually in July 2020. This is hopelessly inadequate, especially for an area that sits in a flood plain and is subject to significant leaf fall from mature trees in the immediate catchment, combined with ageing earthenware pipes.

Yes the rain on the 27th January was unprecedented, but the question on everyone's mind is how much this could have been mitigated if maintenance was more frequent. What we now understand is the extent of flooding and subsequent damage could have been reduced if maintenance was more frequent.

Introduce a \$20 million storm response fund.

We support increasing Council's operating budgets to improve Council's capability and capacity to prepare for and respond to future storms. We agree that changes to Council's investment in land, infrastructure, buildings and equipment will be needed, with some new investments being delayed so urgent repairs and replacements can be undertaken. We understand that work on the Central Interceptor will not be affected, and the pipe to the Ports of Auckland Stormwater outlet project needs completion ASAP, in order to assist with mitigating the effects of a future storm in Parnell.

Our question is whether \$20million is sufficient to respond both proactively and reactively to the goals set out below?

- funding recovery works, for example clean up and repair costs, waste removal, building inspections, processing relief claims
- increasing the frequency of our stormwater network clearing programme.
- increased budget provision for Emergency Management activities
- supporting Aucklanders by setting up capacity to rapidly set up evacuation centres and provide support to affected communities when needed.

At a bare minimum the maintenance schedule needs to be doubled, but likely tripled in flood prone catchment areas. We therefore accept that in order to ensure a more financially credible and sustainable solution, general rates would need to be up to 1 per cent higher than currently planned.

However, we believe that funds should be 'ring fenced' for these purposes.

We also recommend that both Waka Kotahi and Auckland Council amend the classification of roads as they relate to stormwater in order to prioritise areas that are in flood plains. They also need to provide clear lines of responsibilities so they can be responded to appropriately.

Auckland International Airport Limited (AIAL) – sale of shares

We support the sale of some shares, not to pay down debt, but to invest in critical core infrastructure such as stormwater, water and sewage. Much of this infrastructure needs to be brought up to standard and we would suggest the proposed sales of shares be kept at a minimum to afford this capital injection.

Tataki Auckland Unlimited - reduction in operating funding for regional facilities and economic development activities

In addition to the existing operating savings of \$17 million, the council proposes to reduce council operating expenditure funding provided to Tataki Auckland Unlimited (TAU) by a further \$27.5 million. The proposal is in addition to the \$15.1 million funding reduction for TAU's visitor attraction and major events activities as the currently planned. We do not support this.

We are very concerned that there will be the loss of capability and capacity to market and manage Auckland as a tourism destination (loss of campaigns, industry coordination, product). TAU will no longer be able to attract and deliver major events, an annual programme of anchor events, and business events. By your own admission there will be a consequential negative impact on regional GDP, businesses and jobs.

In a competitive global tourism landscape, fuelled by a constant fight for attention in the minds of potential visitors, the absence of highlighting and profiling the attributes of our city, could make us instantly forgettable, the impetus of which cannot be caught up simply by turning on the tap again.

However, for the balance of activities, we understand that there will be implications for service delivery on certain facilities, and the level of support TAU may continue to provide concerning economic development activity.

Open Space Maintenance

We are concerned about the proposal to reduce open space maintenance by reducing 30 per cent of litter bins across the region. In our view, keeping our region, but especially our town centres tidy and free from litter, is core business and must be maintained.

We are also concerned about the reductions in garden maintenance for 80 per cent of gardens. Again, we don't want to see this result in the reduction of amenity of gardens in our town centres.

The presentation of our city to visitors is paramount.

Pausing the long-term differential strategy, the NETR and WQTR

We do not support pausing the long-term differential strategy for another year. Under the current policy, annual increases to general rates for business properties are appropriately less than for non-business (residential and farm/lifestyle) properties, so that over time the share of general rates paid by business properties is fairer. However, every time there is a budget challenge, Auckland Council decides to pause the long-term differential strategy. We are of the view that Council should not be pausing the long-term differential strategy for another year.

However, we do support reducing the Natural Environment Targeted Rate (NETR) and Water Quality Targeted Rate (WQTR) by around two thirds and using the money Council has already collected from these targeted rates to continue delivering these work programmes in 2023/2024.

Auckland Transport - Reduced funding for public transport service provision

The council is proposing to reduce the funding provided to Auckland Transport by holding public transport (PT) services around current levels by not reinstating all trips removed in November 2022 as a result of the bus driver shortage.

The current schedule is less than satisfactory for commuters, but we do understand the staff challenges being experienced by Auckland Transport. Instead of maintaining the currently reduced number of public transport services, we ask that they be increased gradually as more staff become available.

The Link Busses are key for Parnell, in transporting both visitors and commuters to our precinct. It is critical that they are maintained, as that is the only frequent PT service to Parnell. Improvements to access to The Parnell Station have been stalled for several years and the single bus along The Strand is inadequate to serve that area of employment.

Rates Increase

We support a nett increase in general rates in line with inflation, plus the additional percentage required for the storm response.

Other Items

We absolutely support Auckland Council holding “tough” talks with the Government to push it to pay more for the City Rail Link. This is a fundamental piece of national infrastructure and should always have been fully funded by Government.

In terms of the need for efficiencies and savings, we ask that the detailed review of services across the Auckland Council group be progressed more quickly. We believe there should be a sharp focus on finding savings from the management of contractors and consultants by the Auckland Council group, as we still see evidence of wastage.

Local Board Priorities – Waitematā Local Board

You have stated that the council has proposed to mitigate the budget pressures for 2023/2024 by reducing the funding for local boards by \$16 million, which would require the Waitematā Local Board to reduce their funding by \$840,000. You have asked us to highlight which three services are most important to us.

Activity	Detail / Service level and community implications
<p>Community delivery</p> <p>Potential reductions up to \$367,000</p>	<ul style="list-style-type: none"> Discontinue or reduce community delivery programmes such as City Centre Network, Cultural Events, Social Housing Community Support, <u>Homeless support</u> and garden, food and sustainability programmes, the Albert Park Caretakers Cottage activations, Youth Voice, and the Artspace co-ordinator The area of greatest concern for Parnell would be a reduction in delivery of support for the homeless. We understand that this reduction relates to a co-ordination of initiatives for the homeless. We agree the burden for this should fall to government agencies, who are underperforming in this regard. The impact of the homeless on our town centres is undesirable, in fact more wrap around support needs to be provided.
<p>Identify additional areas within parks and reserves for no-mow/low-mow</p> <p>Potential reduction is dependent on availability and suitability of spaces</p>	<ul style="list-style-type: none"> Reduce or stop mowing specific areas in local parks: ‘no mow’ in areas that are well suited for native plants to regenerate and ‘low mow’ creating meadow-like open spaces (not including sports fields and streetscapes). We do not believe that either Fraser Park or Heard Park are options for ‘no mow’ and hope they would be considered under streetscapes. Fraser Park is often seen as the gateway to Parnell and Heard Park is in the heart of our town centre. If either were not mowed regularly, it would affect the overall presentation of our retail on Parnell Rd.
<p>Events</p> <p>Potential reductions up to \$213,000</p>	<ul style="list-style-type: none"> Stop or reduce funding local board signature events e.g. <u>Parnell Festival of Roses</u> and Good Citizens Awards The Parnell Festival of Roses has never enriched or encouraged patronage of our businesses (except the very few located near the event), so the majority of businesses in Parnell would be unaffected by this change.

<p>Water quality and waterside restoration</p> <p>Potential reductions up to \$77,000</p>	<ul style="list-style-type: none"> • <i>Reduce riparian planting and fencing for water quality and waterside restoration programmes</i> • <i>Programmes affected include Newmarket/Middleton, <u>Waipapa</u>, and Waipāruru streams, Waitītiko / Meola Creek and Te Wai Ōrea (Western Springs) lake and wetland</i> • <i>Changes could result in biodiversity decline, restored sites may not be adequately maintained, reduced support to local groups, community, and environmental action.</i> • <i>We are unclear if this would affect the water quality and stormwater assets. Recent storm activity in Parnell has directed our focus on the importance of maintaining and upgrading this infrastructure.</i>
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Overall, our feedback on the priorities of the Waitematā Local board is as follows:-

- We believe the eastern side of the city, including Parnell, has suffered from underfunding for both capex and project support from the Waitematā Local Board over the past two terms, and this needs to change. (WLB Funds spent in Parnell 2019-20 5.9%, 2020-21 6.6%, 2021-22 4.1%.
- We have aspirations to realise some of the major projects outlined in the Parnell Plan, which was launched in 2019. However we understand that there is limited funding at the moment. The most important service we require from the local board at this time is advocacy, and to serve as an integral link between ourselves and the wider council family- Auckland Council and CCO's. We need the board to facilitate and enable pathways so our projects can find their way into the next rounds of long-term planning and funding, when hopefully more funding will be available.
- We believe that it is paramount to focus on improving core services in this budget, the maintenance of parks and community facilities, until we are in a position again to revive some of the additional activities.

Conclusion

Our role in the Auckland economy is to improve the business environment of our areas, promote innovation, prosperity and employment as well as attract new businesses, customers and visitors.

We share this common goal with the Auckland Council group of promoting Auckland's economic prosperity.

- The council group play a pivotal role in providing efficient and effective core services for the city, which includes the regular maintenance of infrastructure and stormwater assets, as well as the maintenance of parks and collection of rubbish.
- Auckland must continually strive to attract more visitors, and bid competitively to host major events, as well as supporting economic development activities. The marketing of "Auckland Inc" firmly sits within the scope of council's core services - no other entity has the resources, nor the single minded focus, to position our brand internationally. Council must continue investing in this important service to support economic development.
- We support a nett increase in general rates in line with inflation, plus the additional percentage required for the storm response, as well as the sale of the minimum amount of airport shares. For capital projects (not operational expenses), especially if related to water, we would consider prudent borrowing and option to address the shortfall.

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