SUBMISSION TO
AUCKLAND COUNCIL ANNUAL PLAN 2025/2026

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Introduction

The Parnell Business Association represents over 1,100 businesses and a capital value in excess of $2.2 billion.
Our role in the Auckland economy is to improve the business environment of our area, promote innovation, prosperity and employment as well as attract new businesses, customers and visitors.

We share this common goal with the Auckland Council group to promote Auckland's economic prosperity. The council group plays a pivotal role in providing efficient and effective core services for the city. In addition, Auckland must continually strive to attract more visitors, and bid competitively to host major events, as well as support economic development activities.

Funding destination management and major events

You have noted you would continue to fund cultural festivals, but that without a bed night visitor levy, you would have a $7 million budget shortfall for funding of major events for the 2025/2026 financial year.

A bed night visitor levy requires central government legislative change and government have yet to agree to introduce this legislation.

A bed night visitor levy of 2.5 per cent to 3 per cent paid by visitors who stay in short-stay accommodation, would raise around $27 million each year to fund destination management, marketing and major events activities in Auckland.

Investment at this level would allow you to deliver a full 'destination management' and major events programme, including ongoing national sport content and major one-off international events.

You have also noted that due to time limitations, you are unable to reintroduce the Accommodation Provider Targeted Rate for Annual Plan 2025/2026. Unlike the bed night visitor levy, the APTR is not closely tied to sector revenue as it is based on the capital value of a property and is payable regardless of the number of visitor nights the accommodation provider has, and you believe that bed night visitor levy is a better funding tool.

We agree that attracting visitors and securing, promoting and delivering major festivals and events, is vital to developing Auckland's economy.

We agree that Auckland needs a sustainable long-term solution for the funding of major events, destination marketing and visitor attraction. We have never supported the Accommodation Provider Targeted Rate and agree that a bed night visitor levy is a better funding tool as it is well recognised in cities worldwide.

We are however concerned about the time it will take for government to implement such as plan and that for the upcoming year there will be a shortfall in income for major events. 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.

We would like to reiterate the importance of events on the trade in our town centres such as Parnell. Our hospitality providers report a definite uptake in days pre and post a large concert, especially if it is held in Spark Arena or Eden Park, and to a far lesser extent if it takes place at Mount Smart. Even the smaller concerts such as Chris Stapleton recently was reported by Parnell hospitality as providing additional traffic. It is harder to measure a definite uptake in trade from waterside events such as Moana Auckland, potentially due to the amount of hospitality near the event, but we still support their importance as contributing to a vital exciting city.

We ask that you continue to advocate to central government to introduce this levy as soon as possible so a good pipeline of events can be planned by Tātaki Auckland Unlimited. Ultimately, Auckland Council is in the drivers seat to champion 'Brand Auckland.'

Business Differential

You have noted that the council will set the business differential to raise around 31 per cent of general rates (UAGC and value based general rates) from business properties. You have said this approach to the business differential removes the impact on the split of rates between business and non-business properties that changes in property values have resulting from the triennial region-wide revaluation.

We were opposed to your proposal to discontinue the Long Term Differential Strategy which has been gradually lowering the share of general rates paid by businesses and for business ratepayers.

We do not accept that a business differential should be applied to rates especially for your reasons that "businesses place more demand on, and impose more costs on, the council's transport and stormwater services", or that "rates are more affordable for businesses" or because "businesses can also claim back GST on rates and expense rates against tax." These reasons do not justify the business differential, particularly for small businesses who make up most businesses in Auckland.

In addition we are opposed to your proposal to increase the share that businesses pay of generally applied targeted rates (Water Quality, Natural Environment, and Climate Action

Transport targeted rates) from 25.8 per cent (originally set at the same level of the end target of the LTDS) to 31 per cent.

Local Board Priorities – Waitematā Local Board

The Waitematā Local Board have stated their key priorities for the Annual Plan 2025-2026.

We are very grateful and looking forward to the delivery of the upgrade in Heard Park as well as a new playspace, which we believe will be well utilised by locals and employees in our community.

You have asked for feedback on which 3 areas of activity are the most important to us. While all the activities are important, the one that would probably provide the most benefit to the business community, would be that of Local events & Grants.

While large city events & concerts provide indirect benefits and uptake within our town centres, local events provide a tangible and immediate benefit. The Waitematā Local Board host the Parnell Festival of Roses every year, and while it is a well-loved event for local residents, it does not provide any benefit to the business community due to its locality. We would like to advocate for support from the local board for an annual event in the town centre.

The current range of grants via the Waitematā Local Board are fairly limited. Even though we are funded by our members, additional grants would be really welcome to support our extensive activities in crime prevention, towards events or business development, or even to progress sustainable objectives.

As noted when we presented at the Waitematā Local Board recently, we have asked for:-

- Continued advocacy for the safety improvements as well as maintenance renewals proposed for St Georges Bay Rd, scheduled for January 2026.
- Completion of the Parnell wayfinding project.
- Continued advocacy for improvements around Parnell Station as soon as the land becomes available.

Kind Regards
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