

Auckland's Emergency Budget 2020/2021

Online Community Webinars

Additional Questions and Answers

Online Community Webinar - East
Sunday 7 June, 2020, 5pm-6.30pm



All questions that were discussed during the session can be viewed by either watching the webinar video or reading the transcript. The below are additional questions and answers that were submitted but not covered during the session.

Q. The budget document talks about some community facilities potentially being closed. Please provide specifics on what facilities these would be . Thankyou

A. The proposal does not have a list of facilities attached but signals that an option for reducing costs is the closure of facilities. Information is being gathered which considers facilities that have low utilisation to determine whether those facilities can be considered for closure. This information would be consulted on with Local Boards and relevant committees before a final decision to close is made.

Q. The Eastern Busway shows a decrease in spending for the Pakuranga Bus Station and Reeves Road Flyover from \$37m to \$15m with a comment "Proceed with IPA phase, but not PAA". Does this mean there will be a delay to the delivery of these stages of the project?

The reduction in the 2020/2021 Eastern Busway budget from \$37 million to \$15 million is due to overall slippage in the delivery of the project, rather than a planned slow down. It mainly represents delays in the timing of planned land purchases. The main focus next year remains setting up the Interim Project Alliance (IPA). The inclusion of this project in the Emergency Budget shows council's commitment to proceed with this project.

Q. Under regulatory services the document says that induction, training and graduate programmes will be cancelled due to a reduction in development activities. The resource consent team is already inefficient and incredibly slow and costly (for the customer). Why will removing induction for new staff and training for existing improve this!

The reduction in budget related to new staff inductions has been made based on the premise that the work volumes will be 25 % lower and therefore there won't be the demand for new staff (including graduates) over the next year. In terms of training, the majority of the technical training requirements will be delivered by the in-house training team. There will be training budget savings from a reduction in the attendance of external courses and conferences.

Q. The Eastern Busway shows the \$69m for Panmure to Pakuranga is unchanged. Does this mean this stage of the project will continue as planned to be completed by 2025?

Yes. Currently this stage of the project is scheduled to go ahead as planned.

Q. I have noticed that many of the off-peak buses are not well patronised. Could we reduce the frequency of some services and save money?

With the move to alert level 1 earlier than anticipated we are expecting use of public transport usage to start increasing gradually for both peak and off-peak services. Consultation feedback on the mix and frequency of bus services is something being considered for the Emergency Budget. We encourage you to also make a formal submission on the Emergency Budget through <https://www.aucklandcouncil.govt.nz/have-your-say/topics-you-can-have-your-say-on/emergency-budget/Pages/default.aspx> to make sure your views are heard.

Q. Why will AT not repair footpaths and walkways. I have a particular concern about the current issues that all apparently no longer get fixed. However they seem to be able to create bike lanes in central Auckland for "social distancing" which from next Thursday will no longer be required. It seems that it makes no sense as to why the people of Auckland should suffer due to AT incompetence or political agendas.

Final decisions on savings and service level changes will be made after considering feedback provided through the Emergency Budget consultation. We encourage you to make a submission through akhaveyoursay.nz/emergency-budget to make sure your views are considered.

Q. It seems that the budget says that community group funding may be affected. One of the objectives stated elsewhere is that the community should be supported and that possible changes should avoid making those community groups worse off. If that is the case, why have local theatre groups already received correspondence indicating that they will not have any ongoing funding.

There is no specific change to funding of local theatre groups in the proposed emergency budget consultation materials. Recent correspondence from the Arts, Community and Events (ACE) department to funded partner organisations (including theatres and local theatre groups) was to inform partners that the emergency budget is now open for consultation and invited them to submit their feedback, however it did not include any specific detail about impacts to ongoing funding to local theatre groups. As with all Council budgets, we are waiting on the process which includes consultation with the public, input from Local Boards and decisions by the Governing Body.

Q. Can you clarify what the reduction in community grants would be for East Auckland if Aucklanders vote for a 3.5% increase in rates versus a 2.5%?

The emergency budget consultation document under the 3.5% option proposes a reduction in contestable Auckland-wide regional grants funding. This funding is not attributed to specific areas (of Auckland) as it is fully contestable. Under the 2.5% option there is a proposal of a reduction in Regional Grants and this again is not attributed to specific areas.

Q. Under Transport at the 2.5% rates increase level there is a mention of charging for some Park & Ride facilities. Why isn't a charge such as \$5 introduced for all Park & Ride facilities at both the 2.5% and the 3.5% levels with a higher rate charged at key P&R facilities e.g. \$10 where demand can sustain it?

The charging for Park and Ride facilities is something being considered through the Emergency Budget. Final decisions on how changes are implemented will be considered once all feedback has been received and considered by council. We encourage you to make a submission through [akhaveyoursay.nz/emergency-budget](https://www.aucklandcouncil.govt.nz/have-your-say/topics-you-can-have-your-say-on/emergency-budget) to make sure your views are considered.

Q. I have a very real concern at the cutting of the planned road safety improvements that will see a projected increase in deaths and serious injuries. I can understand the cutting of some council services, and the investing in certain key areas to keep the city going but not at the cost of lives.

Thank you for your feedback. Final budget decisions will be made after all the consultation feedback has been received and considered. We encourage you to make a submission through [akhaveyoursay.nz/emergency-budget](https://www.aucklandcouncil.govt.nz/have-your-say/topics-you-can-have-your-say-on/emergency-budget) to make sure your views are considered.

Q. The budget mentions that the “the creation of the Community Safety Fund will be compromised” - what does this mean? Will there be no CSF or will it be smaller or later?

The Community Safety Fund (CSF) is to be allocated from the overall Safety budget specifically for Local boards projects. However, given the funding constraints in the Emergency Budget (currently out for consultation), most of these projects will not be able to be delivered as available funding will only take them to investigation and design stages. Final decisions on budgets will be made after considering feedback provided through the Emergency Budget consultation. We encourage you to make a submission through <https://www.aucklandcouncil.govt.nz/have-your-say/topics-you-can-have-your-say-on/emergency-budget/Pages/default.aspx> to make sure your views are considered.

Q. Healthy waters is intending to defer what appears to be really critical stormwater work from an eco perspective. for example - Waiheke is a very delicate environment. Why is this deferral considered sustainable?

Due to the unprecedented financial impacts of Covid 19, Auckland Council has been forced to review many projects. The Healthy Waters department is no exception and needs to make a significant reduction to next year's Capital programme to support the Council finances.

To this end Healthy Waters will use a risk-based prioritization approach across our works programme to minimize the Council's exposure to financial, safety and environmental risks. Where projects have to be deferred, we will need to rely on monitoring and preventative maintenance to minimize the safety and environmental risks., but the residual risk of asset failure is always present and there is the possibility of extreme rainfall that exceed the system capacity.

In some cases on the small water supply and onsite wastewater systems we operate, avoiding the risk is a safer option than monitoring and maintenance. We may need to temporarily close those facilities where water quality and discharge standards cannot be met. Demand on these facilities is predicted to be much

lower due to the decline in tourism, so the inconvenience of the temporary will not be as significant as a normal year.

Q. The budget appears to be focused on cost cutting with little focus on regeneration of revenue. Why is this?

Unfortunately, while we will continue to explore new revenue opportunities for council we don't foresee many in the short-term.

Most of the projected reductions in non-rates revenue are due to new Covid-19 health restrictions, such as border restrictions, and a general slowdown in economic activity. While the council may have some small influence, these factors are largely out of our control.

Q. Government are putting \$50B into the recovery. Sounds like council is trying to shut up shop. How does this help the economy?

(Why doesn't the council borrow like central government have done? They are doing this to keep the economy going. Does the council not realise how important local government spend is to our economy? We seem to be cutting back at a time the economy needs the most stimulus.)

Central government is planning substantial increased spending to support economic recovery with this spending funded by large increases in government debt. This is possible because in recent years they have been maintaining low debt levels with substantial unused borrowing capacity.

Unlike central government, the council is currently up against our borrowing limits. This is because we have borrowed heavily in recent years to invest in critical infrastructure to support our rapidly growing city.

It is important our financial response to Covid-19 balances the need to stimulate Auckland's economy while maintaining financial prudence. A failure to do this, by excessively breaching our debt limits, could make it harder to raise financing in the future – constraining our ability to deal with future shocks and address major issues such as the climate crisis and road safety. The balance that the council is proposing is to temporarily exceed our debt limits for a single year. This will allow us to maintain the majority of our investment programme without excessively raising rates or taking on too much financial risk.

We are talking with central government about how their investment might benefit Auckland. If the government decides to invest in some of the projects we have identified or support us some other way, then this might enable us to provide more services and investments next year, which would enable us to play a bigger role in supporting jobs and business activity. However, there is not yet enough certainty or clarity about this and so we can't plan for it yet. Hopefully this will become clearer before we adopt our final emergency budget in July 2020

Q. The budget says, "Ormiston town centre upgrade - need to put on hold." and there is no funding allocated. What does this mean for the Town Centre and planned Aquatic Centre?

Work will continue on the Ormiston town centre related planning and meeting our obligations under our development agreements.

Flat Bush Aquatic and Leisure Centre is Howick Local Board's priority One Local Initiative project. Under the 3.5 per cent rates increase, we anticipate delays in the One Local Initiative programme as no design, planning or construction contracts are in place for this project. The Howick Local Board recently decided to pursue a 50-metre length lap pool and 2-metre-deep water which is significantly more than the \$48 million allocated budget. In addition to the delays to the programme anticipated by the Emergency Budget, the board will also need to advocate to the Governing Body for additional funding. The report and decision regarding the 50 metre, deep water pool can be found on the council's website.

Transport related aspects of the development are however proposed to be put on hold under the Emergency Budget currently out for consultation.

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recover stronger.*

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