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## Online Community Webinars

### Transcript

**Webinar – Rates Focus**

**Monday, 1 March 2021**

**7pm - 8:30pm**



**Eddie Tuiavii:** Kia ora koutou, good evening and welcome to this webinar about Auckland Council's 10-year budget from 2021 to 2031 with a special focus on rates, this 10-year budget will respond to the impacts of climate change, protect our environment and continue to provide essential and key services to Aucklanders. The budget also sets out our commitment to prudent management of our finances and a continued focus on savings to manage the loss of council income from covid-19 from the governance division of the Te kaunihera o Tamaki Makaurau. My name is Eddie Tuiavii and its indeed my pleasure to be your host this evening. In No Particular Order joinining me tonight to korero about Kaupapa, Desley Simpson, Councillor for the Orakei ward and chairperson of the Finance and Performance Committee. Talofa lava to you Councillor Simpson. Pippa Coom, the deputy chair of Environment and Climate Change and councillor for the Waitemata ward. Kia ora Councillor Coom. Angela Dalton, Councillor for the Manurewa Papakura ward and liaison councillor for the Maori portfolio, Tena koutou this evening. Venturing further south, I'd like to introduce to you Bill Cashmore, the deputy mayor and councillor for the Franklin Ward. Good evening, Deputy Mayor Cashmore. Hopping across a few postcodes to the West, I'd like to introduce Shane Henderson, Councillor for the Henderson Massey ward, Kia ora Councillor Henderson. Last but certainly not least of our councillors, Christine Fletcher, Councillor for the Albert Eden Puketapapa ward and who holds the Parks and Open Spaces portfolio, a very good evening indeed to you Councillor Fletcher.

Now, look, I'm mindful that using this platform is a bit of a new thing for some of us, and so I just want to go around and see if I've missed any of our lovely elected members before introducing the rest of the staff. It would seem not. The finance team tonight, this evening, are ably represented by Andrew Duncan, who is the manager of financial policy. But again, our biggest welcome is to those of you, the members of our public who have taken the time to tune in to our Korero this evening.

This evening's webinar will take about 90 minutes. It will be recorded and made available on the website alongside questions and responses to these. As a reminder, if you've not really done so, visit [akhaveyoursay.nz/recoverybudget](http://akhaveyoursay.nz/recoverybudget) and check out the resources available there, as well as the portal for making your submission. At various points throughout the webinar, panellists will refer to the consultation document. This can also be found at the same web address, [akhaveyoursay.nz/recoverybudget](http://akhaveyoursay.nz/recoverybudget). Momentarily, I will invite our subject matter expert, Andrew Duncan, to make a brief presentation about tonight's Kaupapa. While we get that screen shot going well prepared, I'd like to point out that the immediate financial challenges require a suite of urgent measures to be enacted. One such measure is the focus of the PowerPoint presentation you will now be given. But to kick off the presentation, you'll get an opportunity to hear from his worship, Mayor Phil Goff by way of a short video. Thank you.

**Video:** This year is the year of recovery from covid-19. We stop the spread of the disease, but the economic impact and head on council revenue was real, this 10- year budget is about how we get the best outcomes for Auckland. It will provide for our city's future while keeping our rates and prices low compared to other growth cities in New Zealand will help Auckland economy recover, support our communities, build water and housing infrastructure and improve our transport network. We will continue to make progress on cleaning up our beaches and streams and on our long-term response to climate change.

Auckland Council is forecast to take a one-billion-dollar revenue hit because of covid-19. This budget aims to find a balance between investing in our city and not overburdening our residents. We need your feedback on these issues and how we pay for them. To have your say, go to [akhaveyoursay.nz/recoverybudget](http://akhaveyoursay.nz/recoverybudget) and tell us what you think of our plans for the future of Auckland.

**Eddie Tuiavii:** Sorry about that, ladies and gentlemen, we're just going to switch across now to the PowerPoint presentation to be given by Andrew Duncan. While that's being loaded, I'd just like to remind you folks that you're able to ask a question through the Q&A function, which will turn our attention to in about ten minutes, the PowerPoint is almost up and ready for us. While we give that a moment, Councillor Cashmore, I understand that this budget was an agonising one and I understand it took the elected members around 77 hours to hold deliberations around this. Could you comment about A, the significance of this budget and B, how incredibly important it is for us to hear from a community councillor Cashmore.

**Councillor Cashmore:** Thanks very much, Eddie, and hi to everybody who's online and a special thank you to our staff for their time this evening. It's very real, this private stuff, and it's no more real than we're seeing it tonight. The challenges have been incredible, and council has faced the challenges alongside the public of Auckland and New Zealand in the businesses of Auckland, New Zealand, and the hit is quite substantial. So for us, we've got a billion dollar hit over four years, and that is going to mean we have to make some really hard calls, which is why it's so important we hear back from the public. What services do we retain? What services do we minimise? What services do we look at trimming, what is essential to people and what is critical? How is our economy going to pivot in Auckland to face the fact that we're not going to have tourism for a while? We may not even have students for a while. So, we have to counter all these things and we have to face up the reality that the covid world is real and we have to be smart how we go and challenge that. So, I'm really looking forward to hearing from the responses from the people who have got some positive solutions, some ideas and concepts and some new realities for us to deliver Auckland into the future post covid, post an economic downturn. I'm looking for a bright and positive future for New Zealand's biggest city. Thanks Eddie.

**Eddie Tuiavii:** Thank you, Councillor Cashmore. We're just having a few difficulties with our PowerPoint, so we'll keep going with these comments from our elected members. I could be wrong. Marina, could you give us a thumbs up with a good to go? Not quite. I've got a question here for Councillor Simpson. Councillor Simpson, you'll recall that our emergency budget webinar series last year, we talked about making savings of between ninety and one hundred and twenty dollars million here at council. Would you be able to give us an update how we're tracking? Are we likely to make that savings target that we quite somewhat off Councillor Simpson some comments from you regarding that, if you will?

**Councillor Simpson:** Look, the emergency budget, as you've said, had a savings target of one hundred and twenty million, and that was outstandingly huge, the highest ever and in Auckland Council's history. And if you sort of think of what one hundred and twenty million worth is, it sort of is over a seven per cent rates and it's huge. But as of the end of January, we're tracking well over one hundred million now and so we believe that we're absolutely on track to deliver that hundred and twenty dollars million worth of savings. And I think that's really important. You know, before we put our hand out to anybody else, we've got to really show that we're doing our best to actually create more efficiencies and deliver a better operating model than what we've had before. Going forward into the LTP, we have plus ninety million dollars going through continuously through that, through our LTP proposal, and then there's a bit of a price increase really. So yeah, I think the savings targets are a significant, a hundred and twenty, as I said, the highest that we've had in the history of Auckland Council are ninety million a year will be the second highest.

**Eddie Tuiavii:** Kia ora. Thank you very much, councillor. My apologies and you understand that we've had the issue sorted. Take three. Andrew Duncan over to you.

**Andrew Duncan:** Good evening. This is not a business-as-usual budget, the council, like so many of us, is feeling significant impacts of covid-19 we're projecting to lose around a billion dollars in revenue over the next four years. Meanwhile, we still need to plan for the projective growth of the city and to look after the infrastructure levels, the services we value. We all need to face up to the challenges of climate change, both in terms of emission reduction and adaption to a changing climate. This is what we were referring to this is our recovery budget. So, what are the challenges we face on the next slide? We can look at five key issues. Our challenges, the real challenge behind this budget is one of balance, on the one hand, an increased need for council investment, but on the other, less availability of funds to make this investment. I've already mentioned Auckland's growth, infrastructure needs and climate change, but we also need to continue the work we have started on our transport network. We need to ensure our activities match changing needs of our people, and we need to play our part in supporting recovery from covid-19. At the same time, we have less capacity to invest. We've talked about the reductions in expected revenue due to covid. But we also need to be careful how much we borrow, ensure we have it for any shocks. Large sections of our funding are already committed through major projects such as the CRL or the central interceptor.

We also need to consider the overall impact of funding options we propose on the community we serve. So, our proposed investment package. Looking across five key issues. The first issue is the investment package essentially our response to balancing in the last slide. We are proposing to invest thirty-one million over the next 10 years. This includes nine hundred million for investment in the next three years. The timing of this investment is crucial given the challenges we are facing. Our proposal enables this investment average two point nine million for the next three years, total nine hundred million that we would otherwise be able to afford. To achieve this, we will continue our focus on savings in value and lock in at least 90 million of permanent ongoing annual savings Councillor Simpson just referred to. As we did in the emergency budget, we will release 70 million a year over

the next three years by selling leasing surplus properties. We've got to increase our borrowing to a temporarily higher debt to revenue ratio of up to two hundred and ninety per cent for the first three years, gradually returning to two hundred and seventy percent thereafter. And stick with rates increases of three-point five percent over the long term but have a higher increase of 5 percent for next year. Now, with this additional investment on the next slide, you can see, five hundred and fifty million extras for Auckland's transport network. We're going to accelerate the removal of local network pipes. Renewal, sorry. Fifty-four million additional funding for stormwater infrastructure. And sixty-five million for community and parks. And deliver sports park capacity in the areas of greatest need.

The next slide. Welcome to address health and safety concerns around closed landfill sites and earlier restoration of the Art Gallery Heritage building. The next key issue is responding to climate change. It's not down to the council to tackle climate change on our own. We want to lead from the front. We're already doing a lot of work to tackle emissions, including phasing out our gas spoilers at council aquatic centres, introducing more electric vehicle. And providing walking, cycling as transport options. But in addition, the package includes no new diesel buses, more electric or hydrogen for next year. This is part of an extra one hundred and fifty million dollars investment would be funded by rates increase. Big planting projects, including street trees and more native forest. Increasing our zero-waste recovery resource network. Improving efficiency of our facilities and partnering with others and supporting our communities to reduce emissions as well as energy costs.

We've also got to respond to housing and growth. So, our growth investment on the next slide. We're expecting two hundred and sixty thousand more people to call Auckland home. The unitary plans enable development of more than a million homes existing in residential area. A hundred and thirty-seven thousand urban areas. We need to provide infrastructure and services to support this we can't afford to do it without. So, we are proposing a focus on our resources on a few key locations. Areas agreed with the government as part of the Auckland housing program like Mount Roskill, Mangere. With this other significant government investment, such in areas of the Northeast. And where investment like big projects, CRL is being made.

But along with growth, we've got to invest in our existing community. And we need to be more adaptable in how we provide community services. Now, the next slide talks about. Traditionally, we've provided community services using a large network of building and properties. Many of these reflect what we were doing 50 years ago, we've changed since that time. We need to become more adaptable in how we provide these services to keep up with changing needs of the city and the people that live here. Much of our investment locked in to 18 community buildings, still spending more on renewables and this detracts from what we spend delivering services Aucklanders need. The recovery budget's proposing a move away from an asset dominated approach, community services. We propose to consider how to better use partnerships, grants and non-asset-based approach more tailored to community needs. Over time, the implementation of this new approach would see us closing some assets that aren't fit for purpose and reinvesting in services and facilities that better meet the needs of our community.

We also have to invest in the environment in the previous budget, accelerated actions, improve water quality for the environment. This was funded by the water quality targeted rates and natural environment targeted rate. We're proposing to extend an increase in this investment. So, we can continue to invest in different parts of the city. Now, the budget proposes to extend the water quality targeted rate past its in date of 2028 until 2031. So, we can continue to invest in different parts of the city. And we're also proposing to increase in line with the predicted average increase in prices. That's five per cent of the first year and three and a half for later years. This will be an increase in the

average value for the residential property of three dollars thirty a year for water quality rate. This will enable us to increased revenue and the longer time period and enable us to extend our water quality work to do more of the Manukau harbour, Tamaki estuary, the beaches stretching from Parnell to Glendowie. And for construction to start in 2022-23 rather than six years later. But to also fund additional little trips across the entire region to remove contaminants, improve fresh water and coastal water.

We're also going to extend the natural environment targeted rate. The moment this expires in 2028, we're looking to extend that to 2031. That means that the work we're doing to address Kauri Dieback, and to deal with possums and weed control, we will be able to continue. Now we have some other priorities as well. With regards to Maori outcomes, the council is committed to a treaty-based partnership with Maori. We will enable delivery against 10 Maori outcomes, strategic priorities for our Maori outcomes. This portfolio includes our day to day activities, supplemented targeted use of the Maori outcomes fund, 150 million investment over the next 10 years. Examples include the Marae infrastructure program, which helps Marae to be healthy, sustainable. Nga Kete Akoranga is our capability program. Te Kete Rukuruku is returning names to parks and places across Tamaki Makaurau. And helps to ensure the Maori language is seen, heard, spoken, and learnt in our everyday lives.

The recovery budgets, reinstating the contestable funds which were reduced as part of the emergency budget for the year. We're also proposing to embed a five hundred thousand dollars on annual operational budget to work with other organisations. Continued work on the Southern initiatives, Western initiative to help disadvantaged segments about the community, the skills training, and employment. But the other side of the balance in this package is the impact of rates, so proposing a one-off increase of five per cent to help support the important investment Auckland needs and then three and a half percent thereafter. Now for the average value residential property in Auckland is 1.08 million dollars, that will mean an increase of 150 dollars per year. That includes the increase of \$3.30 on a water quality targeted rate. And for the average value business property, \$583. Your individual property, you can go to our website at this web address and see what that rates increases that are being proposed would mean for your property. That will show you the different components of the changes. Some properties may be affected by some other rates changes and I will talk about those now. In present, rural properties, residential and business properties in the rural areas pay 90 per cent of the sets to the dollar, multiplied by the property's value to establish the general rates payment. These properties are differentiated from urban properties by our urban rating area. We set this 10 years ago. The city has grown a lot since then and urban levels of service are available to the properties that have been developed just outside the boundary in some of the neighbouring townships. So, we're proposing to extend urban rating area to cover all land with urban development is permissive. This doesn't include Warkworth as the service levels haven't reached similar levels as the urban Auckland in that area yet. Now, farm and lifestyle properties, wherever they're located in the open region, 80 per cent of the cents in the dollar multiplied by properties. This includes properties, farm and livestock property within the urban rating area that can be developed for residential use and business use. We're proposing to rate these properties at the urban residential rate so farm and lifestyle properties that developed in the urban rating area, those are the ones that they would pay urban rate. What these two proposals mean is that properties with similar access to services, will pay a similar rate.

Other proposed rating changes. Last year, when our borders were closed, the council reduced its expenditure on physical attraction that made destination. Council has accommodation provider targeted rate which has motels, hotels and Airbnb properties make a contribution to that expenditure.

In response to the closure of borders and international visitors stopping being able to come to Auckland, we reduced the spending and suspended the rate for a year. We're consulting this year on when we should reintroduce that rate. There are three options on the table. The end of that first year's suspension 1<sup>st</sup> April, or 1<sup>st</sup> January 2022, or the 1<sup>st</sup> July 2022. Having these three options on the table, it's the councillors who will be able to consider the feedback from community in response to this consultation we're going through now, and all the latest information of borders are likely to open again, visitors are able to come to our city. We're also proposing to introduce a electricity network, resilience targeted rate, and will be paid by Vector, we will use the money from that rate to enhance our management of our trees and their power lines. This will improve the public safety around power lines and also electricity supplies your rate money will pay.

We also have a city centre targeted rate. We use the funds from this to make additional investments in the city centre, make it an attractive place to work, live and visit. This rate expires in 2024-2025. It's only paid by city centre business properties with proposing to extend that until 2030/2031 so that we can continue our expanded investment program.

We're also consulting on introducing a bus service between Paremoremo and Albany to allow Paremoremo residents to connect to the wider public transport network. This will be funded under the proposal by a targeted rate on the residents in the area. There's quite a lot of material I've just gone through. You can find out more about that. But attending an webinar like this, there's opportunities to provide feedback online. We want as many people as possible, all of Auckland's communities, to have a say in the process. There's difficult decisions and balances to be made, and your views are important part of that.

Background documents are available online and at service centres and libraries. We can post them out to you. They're available in several languages. You can also give us your views on social media, from our website [akhaveyoursay.nz](http://akhaveyoursay.nz) as I noted on the previous slide. There are other avenues on the next slide. Very much looking forward to hearing your views on important part of our decision making. Thank you.

**Eddie Tuiavii:** Thank you very much, Andrew. I noticed that the question machine is well and truly fired up, which is terrific, and we'll come to those momentarily. I did, however, note from a couple of our elected members that there are some comments that you wanted to make with some questions in particular that you wanted to pick up and speak to. So, I'll start with you, Councillor Henderson, if we've got you there on the line, if you like.

**Councillor Henderson:** Thank you. Yeah, have you got me? Yeah, wonderful. So, yes, I wanted to say that a couple of questions are in here around core business. And I think obviously that's totally a valid concern. And a lot of cases, a lot of the questions we're going to have tonight are actually around the services people value saying, look, I value this but not that. I think that's part of our discussion on what is the core business of council. And it's certainly something that as councillors, we, your friends repeatedly as we've gone through this process. And I think as part of this budget, we've got to look at it and say, look, this is a service that we want council to deliver and we really value. This is one that we don't necessarily value. But also, one last thing on that is when we're talking about rates versus service levels and if we're asking to lower our service level in an activity due to cost, I think that's perfectly valid piece of feedback. But just to be aware that some people will value a service and some people won't, that's just kind of the nature of it all. But I think we're always open to that conversation. And you have to really appreciate people bringing their views on what councils should be doing.

**Eddie Tuiavii:** Thank you Shane. Councillor Dalton, you wanted to speak to this one as well or did Shane cover that all of.

**Councillor Dalton:** Thank you. And what we are experiencing is the impact of using 49 per cent of ratepayer's money to fund councils' operations and the remaining 51 per cent has significantly impacted us comes from alternate revenues like public transport, another user charges. So, what councillors have top of mind is to not to continue to burden ratepayers. But what we're experiencing is the impact of what happens when we are not 100 per cent funded by rights. And the other thing I'll support showing that councils continue to talk about our priorities. What is our business? We need to look at our business. And that discussion is about to take place and in the next few months. And that's a valid question that we need to do this, and we will respond. Thank you. Thanks Eddie.

**Eddie Tuiavii:** Thank you. Councillor Coom, you wanted to get in there as well.

**Councillor Coom:** Kia ora, good evening, everybody. I see there's quite a few questions coming through about climate action, so I thought I could make a few comments about that. So, for the first time in the 10-year budget, we have got some funds allocated to specific climate action. And one of the questions is why are we making that a priority? Well, we did declare a climate emergency in 2019 and we signed off a climate plan and all of Auckland climate plan, and that is looking to all sectors to get behind climate action, not just council, but we have to walk the talk and we need to show leadership, just as we expect that from government and business, iwi, the community is all contributing. So, there was a question there about some of that funding. Where is it going? And particularly on EV buses. So, the proposal is that we will have new buses or new buses will be electric or hydrogen powered from 2021 rather than 2025 as previously planned. And there is a page in the consultation material at page 30 that's worth checking out for some of the other actions that we're proposing. Of course, that hundred and fifty million that it's to climate action isn't that complete, isn't the only funding that we have towards climate action, but because it's more of a holistic picture. So, there's lots of other things that we're doing that contribute in terms of our investment in our water, transport, community facilities, parks across the board or make a difference. Thank you.

**Eddie Tuiavii:** Thank you, councillor, I'm going to come to Councillor Cashmore in a moment. I noticed that in our questions, we've got you asking about how you make your submission. Again, that email, that web address. Sorry is [akhaveyoursay.nz/recoverybudget](https://akhaveyoursay.nz/recoverybudget). Councillor Cashmore, you recall that a lot of the feedback at the emergency budget webinars last year and some of the questions were of a similar nature. Tonight, we're getting these kinds of questions as well as I thought, if you wanted to comment. And it's quite simply put, and I think it also speaks to how our community feels. And the comment is if the budget is so short of funds. So, if council is so short of funds, why don't we just stop all expenditure and stick to core services until the budget is balanced instead of just borrowing more and more? Why do we just stop expenditure council cash? Have you any thoughts about that?

**Councillor Cashmore:** Or any we can certainly do that, we could shut your library, your local park, we won't mow, we won't fix playground, we won't fix rotting potholes. And if your water line to your house doesn't work, that won't to be repaired or your sewage running away from your house, but they won't be repaired. So, if you think of all the things the council touches you, we pick up your rubbish, we supply you with water, you have community facilities we can go and do yoga or Taekwondo, can do whatever else happens there. You have a library. You have sports fields. You have swimming pools, you have a whole raft of council supplied activities from public transport to playgrounds, council touches everyone's life and a multiple number of ways every day. And everyone treasures those services that think back connected back to what they pay in the rates bill. We've tried to strike a balance between refining and making cost savings by using a scale and scope to have smarter



procurement, to reduce costs, but also to try and keep supplying the key services that Aucklanders love and cherish. I saw one of the comments and the chat was about why people don't apply to visit the art gallery. Why don't we make people pay and visit the museum? The sports field. The kid's playground. Why don't we make it public transport, one hundred percent cost recovery, because there is an economic balance that has to be made between public good and economic return, and that's a really hard call that every person sitting on a local board or in the council chamber has to make. And it's not easy. It's a balance between what is required, what is necessary. And what is? Potentially it can be taken, or it can be given. And everyone has an opinion on that, and we as elected members, the responsibility back to our communities, to our city and indeed to our country have to make a call on what is the right thing to do. So, it's very easy to make some very simplistic calls about will do less and not that. But not everyone's going to agree with that, and that's not often the best way to do it. So why don't we just together take everyone's views are coming through thick and fast. That's great. And find that balance, because that balance will be probably in the right place and also a lot of people sort of quite back, always bitter back to the good old days when you look hard at the good old days, pre-amalgamation, actually weren't that flash. We had huge problems with infrastructure. There was no coordination. It wasn't linked together. And what we've done in the past 10 years, we've had a huge population increase of over 300000 people. You know, hard cash savings are over 300 million. What was delivered record amounts of infrastructure, and community assets such as parks. But also lost a little bit of the local. And we have to be mindful that there is good in some ways, but also, we have to remind ourselves that the local community, no matter whether it's the Auckland City Centre or a little town or village on the coast of Franklin or Rodney are equally important. So, we have to deliver for all those people, and it makes the job very complex and difficult. This budget has been hit by covid driven impacts. But we have a scale in this city, it's not replicated anywhere else in New Zealand that we can actually still continue to deliver. It helps keep employment up, helps keep the economy going, delivers things for our communities, though it might not be as much as we would like, it is still delivering. And we need to continue on that focus of doing what we absolutely can within a fiscal and prudent responsibilities which we elected to deliver. Thanks, Eddie.

**Eddie Tuiavii:** Thank you very much indeed, Deputy Mayor Cashmore. I'm going across to Councillor Fletcher in a moment, but just a quick prompter, elected members, you'll notice that in our Q&A we're quite spoilt for choice in terms of the questions in the areas that they cover. So, if you could please just pop in there, have a look and indicate we have a chat, which of those you might wish to address. That'd be fantastic. Councillor Fletcher, over to you.

**Councillor Fletcher:** Oh, thank you, Eddie. I want to touch on some of the things that Bill has referred to. You know, the city has to remain functional. We can't allow for a dysfunctional city. I think the other thing that people really need to understand is that we have to honour the existing contracts. CRL is huge and we can't just suddenly decide to go and walk away from it. The thing that I would say is that the budget is attempting to grapple with the vexed issue of renewals and somebody in the talk bar here is asking questions around maintenance. It's something that I feel passionately about, and I think that even with or without covid, I don't actually look at this and say recovery budget. I look at this and say this budget is attempting to grapple with things that we should have dealt with for quite a long time in and around the renewals area. The thing that hasn't been said is as we try and find that balance between growth and existing services and so forth, the role in the relationship with central government, I am really tired of the chest beating that goes on about our failure to deliver houses. We could deliver houses tomorrow if we could get that partnership. And I'm not saying this in a political way. I think it's just as much of a problem under National as it is with Labour. But we need a better funding relationship with central government. It's improving in the area of transport, but



there's still some naivety in terms of what it will take before we can actually move sensibly forward. And finally, on that issue of public good, I care really passionately about parks. And I know a lot of people who are paying a lot in rates and the issue of affordability for them. And the question I should be asking is, are we leveraging sufficiently well off our balance sheet? But I wouldn't want to see the investment that we've made in our regional park network, which is probably more impacting on us in a positive sense than the Department of Conservation does. We've got to continue to do those things because they're for our children, they're for the future. And you're always going to find with art galleries these sorts of things they can have, as the museum does exhibitions from time to time that are paid. But we actually provide those because it enhances it brings cohesion to our community. So, do I think that it's palatable to have such a big one-off rate increase? I don't know. I want to hear from you this evening, but it isn't just about covid. There are a whole bunch of other things that we need to do which are a direct result of amalgamation and actually coming to grips with maintenance of the wider Auckland region. We have spent hours and hours and hours on this, and so it will be really important to hear back from you what you think of what we've done.

**Eddie Tuiavii:** Thank you, Councillor Fletcher. Councillor Simpson.

**Councillor Simpson:** Sorry about that, I'm thinking I had to unmute my button. I just want to support Councillor Fletcher and her comments around renewals because, you know, the mistake that a council can make is it's all good to build nice new shiny stuff. But what about the existing stuff you've got? You've sort of got to look after that as well. So just give some financial context around it. Our renewals are up 50 percent from the last LTP and 75 percent from the one before. So out of our five point two dollars billion increase in capital program compared to the last LTP, that thirty-one point four billion, up from twenty-six point two. Seventy-five per cent of that increase is for renewals. And that's, as I said I share Councillor Fletcher's concerns and I think that's one of the positive things that we are offering Aucklanders that support around the renewals budget. Thank you.

**Eddie Tuiavii:** Thank you, Councillor Simpson. I've got a question here and just indicate which of you are elected members would like to answer this and it comes up time and time again. And it's along the lines of as a community, they're all concerned. It's the future of Tamaki Makaurau. I want to have their say. They want to make a submission. But the general sense out there is, well, what for? The elected members don't listen to us. And you'll be familiar with this kind of rhetoric that was fed back to us last year during the emergency budget. We've been asked and, you know, whoever would like to address this to does the community making a submission actually matter? What's the process? What happens to the submission as it's the only consideration that you based your decision-making deliberations off of? Or are there other considerations, elected members first in place? Councillor Cashmore.

**Councillor Cashmore:** I'll be very brief with my fellow councillors have a say, but the feedback from the public is absolutely crucial. I'm watching this chat continuously, writing the notes in my book about what people are saying. We need to hear from you about what you think is critical and what you think is expendable. We need to hear from you about what do you think we should be focusing on or what we should not be focusing on. Your views do matter. And sometimes you might feel at the end of the day, your opinions weren't heard. Well, that is the wash up that we have to face, the decision making that we have to make. And it's a real hard challenge. And I would like rates increases to be minus 10, but it's not feasible or practical would cause huge unemployment and put our infrastructure delivery back 40 years when enough of that. We have to actually deliver what is best for the economy of a city and for the people of city. So, let's just put your feedback through. Think about it, be rational and be constructive because the alternative is not flash, and we need to actually have good positive outcomes for the city. Thanks, Eddie.

**Eddie Tuiavii:** Thanks councillor Cashmore. I've got a supplementary for you before I hand over to councillor Dalton. And the question here, the comment speaks to the precedent of just extending the duration of the targeted rates just reinforces a view that this is a general rate increase introduced by stealth. Have your comment to make on that, please, Councillor Cashman. Then I'll come to you, Councillor Dalton.

**Councillor Cashmore:** You think that it's a really good point and the targeted rights were introduced to actually focus down on certain key issues, whether it's environmental quality, water quality or transport. I was involved in the initial transport rate, because Auckland council back in 2010-2013 was balancing its books by cutting the Auckland Transport budget and we had to actually prove to the government at the time, Jon Key's government that we were committed to putting a hand in our own pocket or their ratepayers' pocket, you know, I'm a ratepayer. To fund transport and then to reintroduce the first targeted rate which was the transport living, popular, unpopular as it was, it actually achieved its purpose for people to get up and started setting up the Auckland Transport a lot of project, which is a combined deal between council and government, the water quality targeted rate fixes water issues in Auckland. And it's got it's a 10- or 15-year program, but it's time that money goes on. It is targeted to that. When that solution is delivered is when the targeted rate will stop. The environmental targeted rate is exactly the same. We need a better environment. We need more trees, especially in urban areas, especially in the south and the West. We need to protect our beautiful islands of the Gulf. We need to protect the magnificent Manukau harbours. We need to protect beaches, we need to protect our infrastructure, we need to protect what is important to us, and these are the reasons at the targeted rates are in place. By saying that the dollars that you pay, I actually hypothecated directly to that endeavor and can't be taken and swapped out of somewhere else. That's the critical point.

**Eddie Tuiavii:** Thank you very much indeed. Councillor Dalton.

**Councillor Dalton:** Thanks, Eddie. Just responding to is this feedback of any value? Because have councillors already made their minds up? You know, I was on a local board for nine years, and when the community feedback on projects, it did make a difference. So, we re-prioritised when community gave us feedback and I carry the same value through, and I will be listening, and I will be wanting to know because we are at a critical point. I want to know what Aucklanders think. Core services for council will be different for everybody by a different for every politician around the table. And if people don't say what they think, then majority is always will rule. You know, we've got a democracy, but we need to hear what you've got to say. It's very difficult for me to advocate a point if nobody is providing feedback so that it matters. And I would encourage everybody to contribute to the long-term planning consultation.

**Eddie Tuiavii:** Thank you, Councillor Dalton, over to Councillor Simpson.

**Councillor Simpson:** OK, I've got a question on the sidebar for me specifically, and it says Desley Simpson referenced the savings due to a better operating model. Is there anything that we can see that explains the underlying facts and how they improved our operating model has delivered these savings? Look, I'm really happy to answer that, because I know that's kind of really well. The council is now operating three hundred and sixteen million dollars a year, less than it was for the same level of service in 2011-2012. That compiled level of savings is one point nine million over the 10 years. So, what are some of the things that we've done before and that we're looking forward that we're going to do? So, one of the recent things we've looked at is the merger of two CCOs. RFA, the regional facilities and ATEED. And that merger, which was part of our CCO review, is saving us between five and seven million dollars per annum. And we've also taken on quite a lot of savings from our healthy waters and sourcing expense rather than using consultants. And on that, we're

doing a lot more around improved contract management around that. We are trying to insource more. Look, that means an increase in staffing numbers, but it actually means a savings over overall. And we've made some savings, some insurance claim management, and we're using IT quite a bit to sort of get our operation a little bit smarter. And another example of that is how we've automated our vehicle tracking to improve the efficiency of our regulatory fleet. So those are just a couple of little examples that we've done operating wise to be a little bit more efficient. Thank you.

**Eddie Tuiavii:** Thank you, Councillor Simpson. I'm wondering if Councillor Henderson would like to get in here. I know that he's got a young one that needs to attend to. So, Councillor Henderson, if you're there, just chime in when you are able to. I've got a comment here question and it was it's very much in line with a lot of the sentiment revealed last year at the emergency budget webinar, and that is the salaries of staff at Auckland Council now thinking about the deficit of one billion dollars and potentially. Councillor Cashmore, I know that you spoke to this last year. There is a. A lot of feedback, if you cut council staff salaries, you'll be able to claw back that one billion dollars. Is that the case, Councillor Cashmore?

**Councillor Cashmore:** So, it's a work in progress, everyone was given the opportunity and the council staff and elected members to take salary cuts. I think virtually every council took 10 percent. The mayor and I took 20 percent cut. Some of the ELT (Executive Leadership Team) have taken 20 percent and others around council have taken 10 percent pay cuts. So, it is the very real endeavour there. Some don't have the ability because they've got big mortgages to pay or other financial commitments. However, I think Desley also touched on it, too, sometimes the council salary package or the number of people we employ is directly related to what the services we deliver. For instance, let's say we bought animal management back inhouse. I think a 2013 or 2014, it saved a million dollars added to our employee numbers, but it did save a million dollars a year and is continuing to do so. Desley talked about stormwater. They are fairly the same thing with taking a long-term contract on our legal services that's being currently reviewed and that's taken some big savings as well. So, the fact that we can take long term chunks of procurement brings through long term savings. Sometimes we bring people back in-house that make savings and consenting, and resource consenting is a very true point of it. So, it's very simplistic just to say, oh, we got to make staff you pay too much. The end of the day is it is the service that's delivered and how effective it is and value for money. And that's the most important outcome. Thanks Eddie.

**Eddie Tuiavii:** Thank you, Councillor Cashmore. I'm not looking around the screen to any of our elected members council. Councillor Fletcher, you wanting to get in? Go ahead.

**Councillor Fletcher:** I just want to add to what Bill Cashmore has said and that we only employ as councillors and elected members, we only employ one person and that is our CEO. And I want to highlight the fact that we have a new CEO. He is utterly committed to the objectives that we have set him. He is committed to a more efficient operating model. And I'm watching with great interest is to see how he will come to us and offer up a little more than we've currently got. The other thing that I'm looking to him to do is to be as frank and fearless in the options that he put to us in the future in terms of how we can leverage off the balance sheet somewhat better going into the future. Because even if we pass this budget, even if we ratify it with the increases that we have, it still doesn't really come to grips with the challenges we've got facing us. So, we do need to find some circuit breakers, not the least, as I touched on before, the importance of pushing central government into a better financial partnership. But we're also going to have to look at other things. So, our relationship with our CEO is utterly fundamental. I think he's a good guy. He's a calm, unflappable kind of person, and he's well acquainted with the challenges that we've got for us.

**Eddie Tuiavii:** Thank you, Councillor Fletcher will go to Councillor Coom.

**Councillor Coom:** Thanks. There are a few questions coming through around how we're funding transport projects, for example, getting what was known as the sky path over the Harbour Bridge that is now a government funded project. So, government has investing, I think is about three hundred and twenty million in that project and all the details can be found on the website, the Waka Kotahi website under the Northern Pathway, new walking and cycling link. And in terms of government investment, I mean, that's what we're trying to improve our situation by tapping into all the sources of funding that's available. So, the majority of our transport projects are funded 50 per cent by government, and that includes funding for cycleways. So, we do have investment to continue in our cycleways. And if we didn't have that in the budget, then we wouldn't be able to tap into the government investment that's available. So, I think there was a question about whether that's still a priority. Well, absolutely it is, to continue building the cycle network, not just in the city centre, but extending across Auckland. And there's quite a few projects that we've got underway and we're looking to deliver into the future.

**Eddie Tuiavii:** Thank you, Councillor Dalton.

**Councillor Dalton:** Thanks Eddie. I just wanted to add on to Councillor Cashmore and Fletcher around the salaries, we are one of the biggest employers in Auckland, if not the biggest, we are a multi-billion dollar organisation, if we don't employ the right people with the right skill, that will cost the ratepayers more money. And so, it's important that we do have the right people doing the right job and these people will be earning less at council than they will in the market. And so, they do it for the right reasons for themselves. They want to serve the communities. They don't want to be elected. Completely understand that. But we must pay for the skill that we need to do the best job we can to comply with legislation, to comply to our responsibilities as a council. We also employ many people, possibly everyone on this call. Now on the Skype, well zoom. We'll know somebody who works for council and could be in any particular role. And at the moment, we're going through a restructure and these people are losing their jobs too, you know, we've got a thousand people, maybe more losing their jobs. So, when we talk about salaries and the costs that council has to a community, it's very difficult for everyone, councillors, community and employees. So, I think it's sometimes a little difficult to get into that conversation because it looks like we're all on the pigs back. You don't actually get rich from being a politician at the end of the day. But appreciate that there's a lot of people hurting out there. But let's keep in mind the people that we employ and the ones that are having to sacrifice their roles as well and the need for us to do our job efficiently, effectively, and it could cost to the council.

**Eddie Tuiavii:** Thank you very much indeed, looking at Councillor Simpson and Fletcher, a lot of the commentary tonight speak. I apologize. A lot of the commentary tonight speaks about the fact that the fiscal constraints that we're currently under means that we have to tighten our belts. Every dollar must count. It must be maximised. So, the question is, what are we doing to make sure that our spending is fit for purpose? What are the checks and balances going forward on every dollar that comes? And henceforth and it dominates a lot of the commentary that I'm reading tonight, everybody has to do more with less. How do we Te konihera o Tamaki Makarū ensure the rate payers and also a community that every dollar is not only going to where it's going, there's a check and balance that we say that we do what we say we will do. Councillor Simpson or Fletcher?

**Councillor Simpson:** I'm happy to help with it. I mean, at the end of the day, it is really the chief executive's role to do that from a governance perspective, we are asking for efficiencies and value for money and everything we do. And then it's up to our employee or our chief executive to deliver it through the organisation. Look, we do have a special committee on value for money now, and it's actually been embraced as part of the Finance and Performance Committee due to the very tight

fiscal constraints we have around covid-19. But that's a special committee that has been set up to absolutely look at the value for money, deliverables and opportunities for council.

**Councillor Fletcher:** Thanks, Eddie. I think it's a great question, and Desley has quite properly answered it in terms of Jim Stabback and all of the staff of council, but where we are responsible in a policy sense is the parameters that we actually want to put around ourselves in terms of what activities do we actually want to fund. And so, it takes us back to the very beginning. We've actually got the opportunity through this budget to really think hard. And if I look at the more, the wider context of the governance structure that we work, we have all the local boards, we have the wards. And what we've been trying to grapple with for some time is to look at all of the sporting facilities and activities. You're not going to have a hockey turf in every single local board area. We probably can't in every local board area have swimming pools. So it's about making sure that there is equity across the region in terms of those services and saying, well, these are the things that irrespective of where you live in Auckland, that they are the things that we want for our communities, but then delivering them in such a way that they're not gold plated, that they are fit for purpose, and that they are not duplicating services that are immediately nearby. And those are really challenging debates to have. But that's where we must sit in the governance role and a lot of the work on amalgamation, we still have to yet complete.

**Eddie Tuiavii:** Thank you both. I've got Councillor Henderson wanting to get in.

**Councillor Henderson:** Yes, hello. So, I've seen a question on borrowing now that's a bit of a tough one because local government has a different operating model of central government in terms of borrowing. We actually have a debt limit. So, when times are tough, there's only so much we can borrow up to a certain point in this budget proposes moving to two hundred ninety percent of our borrowings. So, yes.

So basically, in terms of the question of haven't we borrowed enough? Well, whenever you're borrowing something, you're actually kicking it down to future generations to pay it back. So, you have to be very careful in terms of what you are borrowing. Well, at the same time, people are expecting to maintain a certain level of services in terms of building infrastructure. And we build our infrastructure through borrowing through our capital spin's. So, like everything, there is a balance that we made. And again, that's part of why we consultors to get a sense of where that balance is balances that people.

**Eddie Tuiavii:** Thank you, I've got a supplementary now that we've got you there and the question is, well the comment is the question. I'm impressed by the reiteration of we want to hear from Ratepayer's. But all my prior experience, which is that council consultation is not genuine. So, the question, councillors, what has changed? How is this consultation different?

**Councillor Henderson:** I think the premise of the question is that they've never been genuine. And I would actually challenge that. Councillors discuss the submissions. We eventually vote on these submissions and we all read these submissions. So, in fact, we do pay very careful attention to what you are saying. And none of us go into this process with a fixed mind. We all come with an open mind and ready to be convinced on what your viewpoints. And I know that that's how all of our councillors operate and certainly how I operate. So, yeah, I think it's very important that we put our submissions in and this is all part of the process. And I just really thank everybody for attending. It's something that we've all got a lot out of so far as well.

**Eddie Tuiavii:** Thank you, Councillor Henderson. There are a couple of questions here, and if I grouped them and listed to what the core premise of them is, councillor's, have we exhausted every avenue? Isn't there some assets that we've got that we can sell off? And there's a common in here about selling airport shares is also another comment in here about Tauranga has effectively floated the shares in the ports and things like that. And it's been successful. Not quite sure about the accuracy, but, you know, you can see that our attendees this evening are thinking of other ways, non-rates ways, non-rates increase ways to claw some of that one-billion-dollar deficit back and so on and so forth. Councillors and this is a first. Have we considered every potential avenue or have we just gone well, we tried and it is rates, rates it is. Councillor Dalton, I'll come to you.

**Councillor Dalton:** I think that one thing that we've really, we haven't nailed yet as how we can access the facilities on school grounds so these assets belong to the taxpayers, which are us, and there are pools, there are gymnasiums, there are sports fields. There are no you know, there's no end of assets that we could be sharing with our community. And that would prevent council from having to continue to think about building new assets. And there's multiple dimensions to that. And that is getting community onto school grounds where there are barriers in the south, there are barriers to getting our people onto school grounds, our family, our whanau and that is just, you know, we could break that down by opening up these facilities that can be used for organised sport. So, if the deal was that council need to consider how it could fund some operational costs around security or renewals that are certainly a lot cheaper than having to build these new assets ourselves, I think it's an opportunity that we just haven't been able to broker. And that's a conversation that needs to continue to be had. And that's one way that we can reduce our debt levels in terms of assets going into the future and be a return on investment to both the ratepayer and the taxpayer.

**Eddie Tuiavii:** Thank you, Councillor Dalton. I'm going to come across to Councillor Cashmore in terms of have we exhausted every avenue? Have we left no stone unturned? And then I'll come to Andrew Duncan, who wants to get in. I just want to make a comment for our attendees. Are our viewers. Appreciate your patience. We've got well over 100 questions and the Q&A function, again, we will prepare a response to every question. We'll have them uploaded to the website. You'll appreciate that we're trying to group this up so that we can address some of them, a couple of them all in one go. But I do appreciate your patience. And as you've heard this evening, the elected members are indeed looking at the Q&A machine and they're also trying to pick up these questions of yours as well. Councillor Cashmore, have we left any stone unturned?

**Councillor Cashmore:** Depends what you mean by unturned. We're looking at our key plate silver assets, the port and Auckland international airport may have traditionally returned as very solid dividends, not so much at the moment because covid has knocked that stuff around pretty badly in the ports going through a major recapitalisation as far as automation is concerned. So, yes, that's hurting. And we've lost over the next four years it's going to be four hundred sixty million dollars we projected loss dividends from those assets, but in the past they have returned well. That is a really crucial debate because once you sell them, you are probably never going to be able to buy them back. And we need to think long and hard about that. I'm not denying it's one of the balls in the air that we have to think about. But is an area which I want to go to at this point in time? I'm seeing the as that is our last-ditch insurance policy, and I would like to retain them. Potentially we could, but I will take advice and guidance from our communities and from our experts and my fellow councillors around that as your other state is always going to be storms that we can turn over and it's better. What's acceptable? Do we charge groups who use our community facilities and sports fields, a higher lease or rent rather than a dollar a year? Do we bring in other charges that reflect user pays and helped change behavior such as congestion charging? Do we look at fuel taxes then to incentivise

people to go more to electrics? There is a whole raft of issues to face here, and none of it's simple and it all has upsides and downsides. And some of the things we introduce you would hurt the most vulnerable in our communities. And it's not fair or equitable either. So, I think the councillors look about what can we do to progress the economy forward? What can we do to grow employment? What can we do to grow equity and fairness? And what can we do to make Auckland a better place for Aucklanders yourselves and internationally? It's a very challenging question at times. There are no simple answers out there. There are simplistic solutions, but they often have countervailing hits that aren't fair or equitable. So, yeah, it's a lot to weigh up here. And this is probably one of the most important LTPs or recovery budgets that we've ever seen at this council, in this country's history quite frankly, at the scale of Auckland is now. Thanks, Eddie.

**Eddie Tuiavii:** Thank you, Councillor. I'm going to go to councillor Fletcher and then to Andrew, but I'm also going to ask the elected members to help the MC out a bit. And just quickly check the Q&A machine if there's any questions that you're happy to pick up or help me address before we wrap up. That'll be fantastic. Councillor Fletcher, over to you.

**Councillor Fletcher:** I just want to touch on the fact that whenever we've tried to have a debate on some of these strategic assets, we are told because we are a creature of statute, that we can't do it in the consultation for that particular annual plan or that particular long-term plan, and that there is a source of some frustration. I think it makes it difficult getting the advice from the officers because they'll say, well, you can't do it because of some statutory restraint. Just so I'll just park that for a moment and then add to what Bill has said. I think it's time for some really big ideas and fresh thinking. I am in the ward where there are a lot of people who have lived in their houses for a long time. And because of the increase in valuations, they are going to be facing some pretty hefty rates coming up. And that's really hard because their income hasn't necessarily increased. And I have a real difficulty with the way in which we have capital value being the basis for rates. But I'd like to instead of just battling on that, I'd like to challenge the government. Where are they with the congestion charging? Where are they on some of these big items that will make a fundamental difference in delivering the infrastructure that we must have. So, again, it's coming back to the right partnership between central government and local government. And at the moment, it's a bit disjointed. So covid is obviously absorbing all of us. You know, we want Auckland to survive. We want and New Zealand won't survive unless Auckland survives. But that is not an excuse for not dealing with some of these other pieces of legislation that we need and that we're poised and ready to go in and can actually accommodate that growth going into the future. But that's probably the subject of another webinar. Thanks, Eddie, for letting me chip in.

**Eddie Tuiavii:** Thank you. Councillor Fletcher. Andrew will come to you now for comment.

**Andrew Duncan:** We had a question earlier about borrowing, I would like to add something to the answer the Councillor Henderson provided. Many of the investments that we've talked about tonight that the council's planning in the next 10 years of the assets that will last 20, 30, 40, 50 years in many of the assets we enjoy now having lasted that long. One of the reasons the council borrows is if we're borrowing money to invest in an asset that lasts 30 years, we'll pay that back over a 30-year period. So, the benefits we get from that asset will get every year for 30 years by borrowing. And paying that back over time, ratepayers pay each year for the benefits they get for over the time period, if we funded those assets out of cash to be getting paid for by current rate payers, many of the benefits extend over a much longer period. We're also coming up to an evaluation that will come into effect not for the year we're talking about here, but for the following year. So, when your property goes up in value, it doesn't necessarily affect your rates. Everyone's property goes up by the same amount, their rates will be gone by the same amount. Our value is how we share the rates burden across the city,



so by more than the average, they'll get more than an average increase of someone less than the average. They'll get at least the average increase. Thank you.

**Eddie Tuiavii:** Thank you Andrew. I've got a question here, and this can be, I guess, you know, the councils, if you'd like to chime in on this. So, there's a lot of questions, a lot of feedback around we're investing more in buses, but no one rides them. We're investing a lot in cycleways, but not everybody uses them. And you'll appreciate if you look at the question machine, it's quite a common kind of a theme. And I guess I'm starting to think about the vision that we've got for Tamaki Makaurau, being a vibrant city that's accessible to everybody being quite active. Any of you elected members have any comments to make about that? Let's go to Councillor Coom.

**Councillor Coom:** Thank you, Eddie, for bringing those questions together. As a council, we're very much committed to a connected and accessible Auckland for everybody, and that involves investing all in transport choice for everyone. So even if you're a car driver and don't want to use the bus or don't want to get on a bike, motorists benefit from that investment because it means there'll be more capacity on the roads. So, at the moment, well, historically, Auckland has invested very heavily in our roading network and now we're looking at more investment with the government in public transport in the CRL, which is really going to make a huge difference for Aucklanders right across the region in terms of accessing the airport investment and our train stations are about to get a fantastic new link to the airport on electric buses from a new Puhinui station. So, all of those, you know, transport investments really help Auckland move, get Aucklanders moving whether they know however they need to travel. So, it's really important that we invest widely in our transport network, just not in one mode. So, I hope that brings together a few of the questions that have been asked. But again, I would say, you know, this is why we're doing this consultation process. We want to know what the priorities of Aucklanders are. And over the almost 11 years, I have been on council hearing very strongly that Aucklanders do want transport choice. And I think that this is what their budgets, this budget is looking to address.

**Eddie Tuiavii:** Thank you, Councillor Coom, I've got a supplementary comment from Councillor Henderson and then we'll come to Councillor Simpson about the targeted water rate issue. We'll come back to you in a moment. Councillor Henderson, Councillor Simpson.

**Councillor Simpson:** Thanks, Eddie, look, I thought seeing this webinar was on rates, I should mention a couple of things on that on the real dollar value. I want to mention first about the water quality targeted rate. So, the options in the consultation document on the water quality targeted rate. First, should we extend it another three years so to get 10 years of the water quality targeted rate? And then there's another option is should it be increased to deal with the next two large water problems that Auckland has? So, for the last three years, we've taken a water quality targeted rates from ratepayers, and in the main, that has been put towards what they call the Westernesse. You know, one of the worst water quality issues around Herne Bay, St. Marys Bay etc. As you know, we're building the big central interceptor through there. And the water quality targeted rate has almost looked at the central interceptor as a motorway and looked at the on and off ramps towards that which actually helped improve the water quality in that part of Auckland. But if that rate was only extended, which was in the original mayoral proposal for three years. We would not be able to do any further water targeted investment for at least six years or so by adding an additional increase to the water quality targeted rate of \$3.30 for the average residential ratepayer. That would bring forward two very, very large water projects. One is what they call the Eastern Isthmus Water Quality Improvement Program, and that really deals with Parnell all the way through to Glendowie, the Tamaki River, the Waitemata around the Hobson Bay and begins to address the poor water quality about there. I mean, and Hobson Bay, they've got signs they're all around at the moment. It's a health

risk. You can't swim in it. It's really, really bad. But concurrently, we are also being able to, if the increase happens, be able to look at the improvement of water quality and the Manukau. So, this is an option for that I'm really keen to hear from ratepayers is how important do they believe improving of the water quality? And do they think that investment and those two large areas should happen sooner than they're waiting for another six years? And if so, are they prepared to pay that increase of five percent, which would be \$3.30 for the average ratepayer? Thank you.

**Eddie Tuiavii:** Thank you, councillor Simpson. We will come now to you, councillor Henderson. Welcome back.

**Councillor Henderson:** Yes, thank you. My apologies. I got kicked off the stream, but I've just got back on. Yeah, look, just briefly, on public transport, I was a kid in the 90s in West Auckland. I know a lot of you remember how horrible our public transport system truly was. Disrepair, low patronage, frequency was horrible. Even the train stations were full of graffiti. So, we have made huge advantages as a city. And many of the residents in my ward say there's actually much more needs. But if I took a poll on this cha t, I think nearly all of us would say, look, you guys have to do something about congestion that's out of control. We want to spend more time with my family and less time commuting. And I feel the same way as well. When we get a proper public transport system and proper cycling infrastructure, so people feel safe, that actually means less cars on the road for people that have to drive. So, it's part of a transport network that works a lot better for Aucklanders.

**Eddie Tuiavii:** Thank you, Councillor Henderson. Councillor Dalton.

**Councillor Dalton:** I just wanted to acknowledge the comments regarding nobody using cycleways and not many people on buses, and that's a fact. And we haven't done a great job and we've got a long way to go. And I just wanted people who are on the Zoom to understand or know that we do have these robust conversations around the council table. So, we're all on the same page in terms of where we want to get to and acknowledge that perhaps we haven't done so well getting to the point where we are at the moment. I agree with Councillor Henderson, the bus timetables have improved and there is more consistency. Still not a lot of people on those buses in my particular area and some even going around empty and absolutely nobody on our cycle lanes because they are unsafe. And a lot of money has gone into these projects with little return. And I can completely understand the frustration. So, a goal for this council is to do a much better job and to get some safer cycleways in and get some you know, we talk about the transition for lower income communities in particular to be able to transition to electric cars, to public transport. You have a big family. You can't just catch a bus in the morning and do all your drop offs. So those are the conversations that we have. And between the twenty-one of us, we get more informed and we get better at our decision making. So thank your Eddie. I just wanted to add to that conversation.

**Eddie Tuiavii:** Thank you, Councillor Dalton. I've got a comment from Andrew here, and I just wanted to give a heads up to Councillor Cashmore that there is a question in here about rural rates and the provision of services. If you could probably prepare a response to that, please. Andrew, over to you.

And there is a bit of lag, Andrew, can you? Are you receiving this OK? You wanted to get in and make a comment, over to you.

**Andrew Duncan:** I've seen a couple of comments about some of the participants noting the impact of the rates increases might have on them and the council does have some options to help people who might be struggling to pay their rates. We would very much encourage you to get in contact with our call center. We can put in place arrangements to pay your rates over time. We also administer the rates rebate scheme by the government, which can provide some support with paying your rates,

they'll pay if you qualify for the scheme. We will organise that and you can get a rebate on your rates. And in addition, we offer rates postponement. There's no income test for that, any residential ratepayer can apply for rates postponement that allows the rates on the property to be deferred. While you've got a while, you still have 80 percent equity in the property at the council's very low interest rates, so a pretty good scheme. No test. So, if any of you would like to find out more about that, you can contact our call center and I'll work through all of those arrangements with you. Thanks.

**Eddie Tuiavii:** Thank you, Andrew. We're going to wrap this up shortly, and I'm going to come to Councillor Cashmore for our viewers and attendees. I just wanted to clarify that there are a lot of comments that are in our Q&A section. So, what we're doing is if it is a comment, we are compiling that, we're recording that as feedback and we're just trying to go through the questions this evening. Councillor Cashmore, there is a bit of feedback in terms of questions on our rural communities and they pay rates and that sort of thing. I guess the question is what kind of a commitment are we making at council to serving our rural communities?

**Councillor Cashmore:** Yes, thanks Eddie, I saw the question, I think it's from Rodney people. A couple of points straight out front, both big rural areas of Auckland, Rodney and Franklin, and a net recipients of council rates and that's sometimes a hard message to give. But that's the truth. But that doesn't necessarily flow back to the individual farm or horticultural grower or kiwifruit person or rural business operating those areas. A lot of those areas in the rural parts of a city with some of the most poorly provided with infrastructure legacy wise. So, Franklin council, for instance, my ward had the poorest water quality in Pukekohe than anywhere in the country that had to be sorted out and work has been a hundred and sixty million dollars and doing it and the same thing with wastewater that's been spent over half a billion dollars in Franklin. That's similar sort of amount in Rodney. These are crucial things that make all of our lives better. Our kids can go to their playgrounds and go to the parks and not worry about wastewater trickling across. However, individual property owners who are paying rates as farmers pay exponentially. Rates on their sheep, cattle, cows, and machinery. That arguably is not correct in places like the U.K., that they only pay on your house and buildings, not the lane properly. However, that's not the rules of the law in New Zealand, and we have what we have at the moment and we are continuously working to try and bring things better. We had a big roading program in for Rodney and that starts getting the road sealing going faster and working out and taking the shingle roads and improving into a stage that they're ready for sealing. And that's where the work is being driven by the Rodney Local Board and councillor Sayers and showing big dividends. But it's going to take a bit of time to roll out and now covid has delayed some of that, which is really unfortunate. But we didn't hear a major legacy deficit in Rodney about road sealing that we have to try and solve over the coming years. You can't do it in one hit. It's just not possible. Franklin did a lot of that over a targeted rate over all rural properties to get roading sealed in a hurry. But there's still ongoing maintenance issues about because of the quality of the sealing work that was done back in those days. And the other big point to bear in mind is that Rodney and Franklin take a huge amount of heavy truck traffic. So out of the Franklin Ward, it's 88 per cent of all because aggregate, which is the building blocks for all roading and all building housing. So, it's gone from six million tons in 2012 to 16 million tons now, hits those roads. Southern motorway heading north to build the city. And these are crucial points of infrastructure that need to be delivered the same as Rodney, this big landfills with that same 20 million tons going out of the city and it goes in the rural areas to put a deposit in. Those are the areas we need to focus on whether or not there's heavy traffic movements to improve the quality of those roads to enable a better delivery for all of Auckland. And it's a very hard challenge for rural people to get their head around the fact that they're paying a lot of rates and often the second or third biggest bill on their cap on the end of year financial accounts. That's one of the prices that we pay for being rural. Cheers.

**Eddie Tuiavii:** Thank you, Councillor Cashmore. Listen, folks, it's all we've got time for this evening. I wanted to give a big thank you to our elected members and to our subject matter expert for joining us this evening. I appreciate that not only is it a complex conversation to have, there are also lots of moving pieces and there's a lot of feedback on our Zoom webinar this evening. A biggest thanks goes out to our community, for tuning and chiming in. We understand that there are time constraints out there and that everyone's time poor, you're juggling a lot. And again, we're in lockdown level three. However, we genuinely do appreciate you taking time out of your evening to join us and ask questions. I also want to reiterate that the questions that were asked in our Q&A feature that weren't addressed tonight, we do promise to address them. We do promise to provide a response to them. They will be uploaded to our website. Our next webinar is this later on this week as climate change begins at seven o'clock and you can register by going to [akhaveyoursay.nz/recoverybudget](https://akhaveyoursay.nz/recoverybudget). We trust that you'll stay safe and well or have a great evening. Thank you very much indeed.