

CCRG Feedback on Waitemata Local Board Priorities 2023/24 Annual Budget

It is proposed to reduce funding by \$16 million across all local boards which will impact the activities and services delivered by local boards. Given this possible reduction in funding, what do you think of our proposed priorities for services and activities in this local board in 2023/2024?

CCRG do not support any cuts to budgets, in fact local budgets for climate change work and mitigations need to increase.

Local Boards provide crucial grass roots level support and integration, helping residents form communities and neighbourhoods - this is particularly critical in high density situations, such as apartment living in the city centre.

"If you always do, what you always did, you'll always get, what you always got".

Council budgets over recent years represent an excellent example of this maxim. The result is that the citizens of Auckland, are now being asked to sacrifice their quality of life because the right decisions have not been made by the right people at the right time to ensure a financially and environmentally secure future for all of us.

That is what has to change now.

If we want to deliver on the stated objectives to have a credible, sustainable, affordable and implementable local board budget it is important that Council follows its own dictum from the its draft document -

"Balances the need for long-term solutions against the need for fixes that can be put in place immediately. Temporary solutions might create larger budget challenges for future years, whereas solutions that provide ongoing benefits, such as revenue growth or permanent cost reductions, best support long-term financial sustainability".

Page 29 of the budget indicates where the major financial flaw lays – Councils external revenue stream is just 6% of total expenditure. That is a totally unsustainable financial situation given that there are huge private benefits from users of Council assets who contribute nothing for that use.

For many decades Councils have worked hard to generate some revenue from this source and these are usually associated with community facilities predominantly used by families such as sports grounds, swimming pools, tennis courts, halls, libraries, museums, art galleries, etc. The revenue generated was considered to be not a full 'user pays' arrangement but a reasonable 'user contributes' system.

CCRG made a submission to the 2022/23 Auckland Council Annual Plan where exactly the same budget in-balance issues were raised. Briefly the submission suggested that Council had a valid and defensible opportunity to set an annual parking fee for all vehicles to use when parking on public roads and street 24/7.

The proposal offers a solution to Councils external revenue gap by requiring every registered vehicle in Auckland to purchase an annual parking permit of (say) \$500.00. This represents a cost of \$1.37 per day to park a vehicle and is likely very cheap compared to those who currently need to pay for street parking e.g. trades, service and delivery vehicles. This could also mean that current metered parking is likely no longer required other than for use as time limiting devices in town and city centres.

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In December last year we were asked to present this revenue generating proposal to Councils Expenditure Control and Procurement committee which occurred on 21 February this year. The committee determined that the matter should be referred to Auckland Transport.

The financial situation for Auckland Council has deteriorated even further so the urgency of implementing a proposal based on the formula CCRG have provided is now a top budget priority for the Auckland Council family.

To achieve that end, CCRG would suggest that a viable option for Council to balance its budget would be to require that Auckland Transport's budget be reduced by the current shortfall and increasing annually to a figure of around \$1b. That would result in Council external revenue generating around 20% of total budget expenditure and 50% of transport expenditure.

That arrangement fits perfectly with the ones referred to above that have been in use for decades e.g. a 'user contributes' system rather than a full 'user pays' process.

If Auckland Council is genuine about the commitments it has made in the TERP and Te Tāruke-ā-Tāwhiri there could be no revenue generating opportunity fairer than what CCRG are suggesting.

An additional, yet significant revenue contribution for the city centre, would be to increase the annual residential portion of the CCTR from \$67.00 per annum so (say) \$200 per annum per residential property. This would increase the CCTR fund by around \$4m and represent a fairer portion of the resident benefits of the programmes funded from this source as well as giving residents a stronger voice, especially when advocating for residential areas that have no investment for decades - such as the upper ends of Hobson and Nelson streets.

In the recent CITY CENTRE RESIDENTS' SURVEY 2022 undertaken by Auckland Council it is clear that people (72%) want a sense of community but that fewer people (20%) think a sense of community exists.

Cutting funding to community initiatives and groups will make this worse.

Perceptions of living in the city centre – changes over time

% who agreed with each statement

	2013	2016	2022
A feeling of community is important to me	66	61	72
There is a feeling of community in the city centre	33	25	20

So in essence we are asking council to look at ways to increase the budget, rather than focus entirely on slashing and cutting.

And we have provided one key, reasonably practicable solution. One that also has excellent climate credentials.