

Inspiring Communities and other community partners are supporting submissions to the Auckland Council 2023-2024 budget. Council is calling for submissions that offer suggestions that are “credible, affordable, sustainable, implementable and specific”.

Auckland Budget 2023-24 conversations

What we heard

Overall:

People don’t believe that there is nothing to be done about the “financial weather” of the “black hole” of \$290Million except cut services, increase charges and fees, and sell airport shares.

Communication from Council appears to be partial - what was, for example, the role of Covid-19 lockdowns in the deficit? Is the deficit really a crisis? Revenue will increase further over the next year as, for example, the full capacity of Auckland Airport is once again utilised and people venture out more often to events.

Tightening Council’s belt at this time, when households are struggling and the city is dealing with recovery from Covid-19 lockdowns and severe weather, is not prudent.

The consultation approach also “pits Wards and people in them against each other” in a “bidding war of who’s more deserving”. What overall strategic plan for or vision for the future of Auckland, do these proposals align to?

How do we know these spending reductions won't cost more than they are worth over time? For Tāmaki Makaurau to be a thriving city where residents are able to live good lives in a range of ways, existing investment needs to be maintained and increased. We are facing cost of living and climate crises! This is not the time to be reducing spending.

It is, however, time to make visible voluntary labour so it is accounted for, valued and included in Council budgets.

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Legal obligations

Council has legal and moral obligations and responsibilities to deliver on Te Tiriti o Waitangi. What does the proposed budget look like through a Te Tiriti o Waitangi lens? This information is not available.

Council also has legal and moral obligations and responsibilities to provide for the four wellbeings: Social, cultural, economic and environmental. Economic wellbeing is favoured in this budget, at the expense of the other 3 wellbeings yet there is no cost benefit analysis.

Impacts

Although this is an annual budget, its effects will be felt for many years if it is adopted. This budget is “incredibly short-sighted” and will undermine the ability of communities to flourish, perpetuate and exacerbate inequities and extinguish many community groups and organisations.

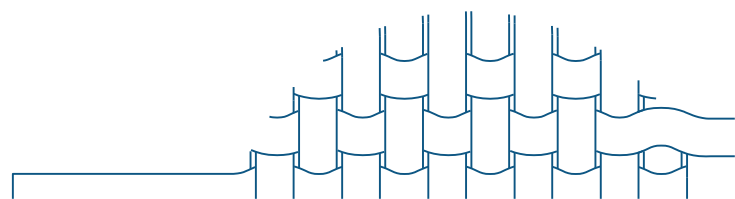
Impacts are non-linear and will have effects that are unable to be foreseen as well as rippling out across time and over a range of scales. These impacts will include reductions in health and wellbeing of individuals, population groups (youth, Rainbow, disability, ethnic, socio-economic, mental health) and communities of place, with the least resilient communities experiencing the largest, deepest impacts.

Specific impacts include:

- Increased social isolation, less social cohesion, less connection with one another and the environment
- Increased vulnerability of people, property and natural amenities from climate change and reduced capacity to prepare, respond and recover from disasters, crises and emergencies of all kinds (such cost of living increases)
- Increased contribution to climate change (such as from reduced use of public transport and reduced provision of cycle and walking infrastructure)
- Fewer community groups and organisations, less community activities
- Increased reliance on ever-decreasing pools of volunteers. Volunteering has costs
- Underutilised council facilities
- A city with no soul

Value of community

The budget does not value community. This is a “kick in the teeth” for those who have “put in the hard yards following Covid, plus floods and storms to address community need” yet investing in community infrastructure is key to ensuring good quality of life across the region and needs to be prioritised as a critical part of business as usual for Auckland Council at all times



Investment in community supports effective:

- Disaster, crisis and emergency preparedness, response and recovery
- A diverse range of high quality everyday lives for residents
- Addressing of inequities and leveraging of existing strengths to bridge gaps and grow partnerships
- Mitigation of the impacts of climate change,
- support for strong local economies and thriving natural environments
- facilitation of participation, inclusion and belonging which leads to bridging and bonding social capital and improved social cohesion that respects and honours differences too

Both **physical structures** (facilities, amenities) and **programming** that enables trust, connection and belonging to grow are essential for this to happen. Community and social infrastructure help make places work for the people that live, work, play and invest in them. It also helps places themselves to thrive.

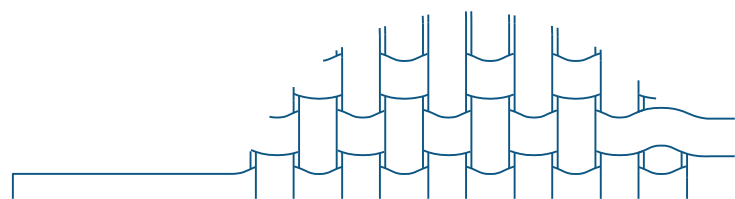
- Community creates spaces, places and activities that create a sense of belonging - part of the fabric of what a society is and needs
- Example of Perfectly Imperfect at GHub, The Whole 09, Piha and Karekare emergency plans, Uptempo, Awataha Stream, Te Auanga

Limits of feedback form

The feedback form is very limited and forces people to comment on a budget that is underpinned by a philosophy/ideology that does not value community and that does not consider the ripple effects of the proposed changes. Reducing or removing investment in Locally Driven Initiatives (LDIs) and Asset Based Services (ABS) will, for example, impact negatively on social isolation, social cohesion and community safety. Further, freezing targeted rates Water Quality Targeted Rate and the Natural Environment Targeted Rate will impact negatively on preparedness for future weather events. LDIs, ABS and both targeted rates should remain.

Why isn't the feedback form also talking about increased charges to community groups e.g. maintenance fees and leases? Not only are community groups facing access to significantly less funding, they are also faced with potentially exponential increases in costs which will need to be passed on or mean a whole lot of services and initiatives don't happen at all. Council's assets such as buildings and open spaces will be significantly underutilised.

Desley Simpson at AK Have Your Say events has asked for submissions to provide credible, sustainable, affordable, implementable, and specific alternatives but no space is offered on the form for this.



Institutional knowledge

Institutional knowledge, consistency and reliability of services, trust and relationship will be lost in groups, organisations and communities. Without these there will be less partnership between and among groups, organisations and communities as well as less partnership with Council and CCOs.

Auckland Council holds a unique position to invest in community infrastructure as it operates at a number of collective levels - Auckland region, Wards, Local Boards and neighbourhoods - and because it has relationships with a large number of other investors, such as central government, large firms and various population groups. Council's investment leverages investment from elsewhere and is part of an ecosystem of investment where the sum is both bigger than the contributing parts and reliant on each contributing part.

Council management and staff have positional advantage to broker and pathway relationships and investment with other large organisations and central government that can benefit communities and community/population groups. This budget will see the end to that as well as a loss of institutional knowledge at Council.

Paying for a thriving city

Are there really limited options available to manage the "budget challenge"?

There is an appetite for increased borrowing, especially to invest in future wellbeing. Auckland Council has a Standard and Poors AA credit rating (gold standard) debt to revenue ratio of 250%. Limited by Local Government funding agency to 290%. Council has several hundred million dollars of borrowing available. Council spends 10% of revenues on servicing debt. Many individuals spend 30-40% of revenue on servicing debt. Clearly, the debt/revenue ratio can increase to leverage capital to ensure equitable quality of life across the city.

Not freezing targeted rates

Creating a targeted rate for community initiatives and infrastructure.

Partnering with business eg insurance, banking

"Scrutinizing contractor services" and reviewing maintenance contracts with external providers - are there more cost-effective providers or options? -Are there local providers who can provide the service cheaper and easier? This will require opening the procurement process up to be less restrictive - enabling more local providers to do the work locally without jumping through hoops and supporting local business. "Stop the practice of "upping the price" just because the service is for council".

Make locally-led solutions easier - e.g. volunteers to occupy facilities, do maintenance etc - with the relevant infrastructure to support the volunteers.

Share stuff more - make Council resources / equipment / assets available for use to community groups etc (so different groups don't have to purchase/hire them)

Sell Council-owned golf courses or make them pay the same rates as other community facilities.

