

Natural Environment Targeted Rate Proposal

Purpose

1. To propose increased investment to support protection of the natural environment by extending the Natural Environment Targeted Rate for an additional three years.

Summary of proposal

2. We propose to extend the Natural Environment Targeted Rate (NETR) for an additional three years, through to 2030/2031, adding a further \$106.6m. This will ensure that sunk costs from investment prior to that are not lost and ensure on-going protection for indigenous biodiversity within the region, through biosecurity activities and biodiversity protection.

Background

3. Indigenous biodiversity in the region is under substantial stress due to a range of factors, particularly habitat loss and invasive species (pests). **The NETR has provided a 189 per cent increase in investment in Auckland's natural environment.**
4. Under the current settings for the NETR, we will be able to double the number of threatened species we're actively managing to 86 species by 2028, up from 43 species in 2018. The targeted rate has also enabled active management of pest pressures across 72 per cent of prioritised ecosystems within the region. However, this represents only a portion of the total ecosystem in the region.
5. The NETR is currently set to expire in 2028. This would result in a rapid reversal of the biodiversity gains enabled by the NETR investment to date and would end up costing ratepayers more in the long-term, as early intervention in pest management is more cost effective.
6. Climate change will also cause a range of new pressures to indigenous biodiversity. Of these additional climate induced stresses, only some are directly manageable. The key action that can be taken is to effectively manage pests so that indigenous species and ecosystems can be as resilient as possible to unmanageable climate stressors.

Proposal for increased investment to support protection of the natural environment in response to climate change

7. We propose to extend the rate to 2031 (to align with the 10-Year Budget 2021-2031). This will provide additional revenue as set out in the table below.

NETR	2028/2029	2029/2030	2030/2031	3-year total
Extra revenue based on current rate	\$34.9m	\$35.5m	\$36.2m	\$106.6m

8. Stopping the rate in 2027/2028 as currently planned would significantly reduce the amount we are able to invest in protecting and enhancing Auckland's natural environment. Future investment would need to compete with all the other activities the council undertakes for a share of general rates funding.
9. If the NETR ends in 2027/2028, it is likely that:

- Auckland will see a rapid reversal of biodiversity gains made from the targeted rate investment. This is because decreased levels of pest management will result in the return of invasive species in areas where pest control has ceased
- the council will no longer be able to provide the same level of support to community conservation activity. Working with community groups allows council to achieve far greater environmental outcomes than would be achievable if council was to undertake all the work directly
- the council will face increased natural environment management costs long-term, as early intervention in pest management is 40 times more cost effective long-term than delayed action
- the council will not be able to respond to climate change risks to the natural environment.

10. The outcomes that would be funded by the NETR in the additional years 2029-2031 are as follows:

- Maintaining 50 per cent of rural Auckland under sustained possum control and
- Maintaining 66 per cent of priority ecologically significant parkland under sustained pest plant control
- Progressive containment of feral goats and deer
- Regional pest plant projects including eradications and biocontrol
- Integrated management of pest plant and animal pressures on and around parkland
- Implementation of the Regional Pest Management Plan including land-owner obligations and trade regulation
- Licencing and other operating costs for major new IT platforms developed through the targeted rate (eg Ruru bioinformation database, NESE Customer Relationship Management System, Tiaki Tāmaki conservation portal)
- Ability to stay up to date with changes in software, including increased emphasis on automation and machine learning to achieve efficiencies and make effective use of data
- Ability to work at an inter-agency level and provide support to community conservation sector in the region
- Beginning of 10-yearly asset renewals programme for kauri dieback tracks that were upgraded at the beginning of the targeted rate
- On-going delivery of other kauri dieback and myrtle rust projects such as outreach ambassadors, compliance, phosphite treatment
- Implementation of Regional Pest Management Plan and Controlled Area Notices
- Continued delivery of island biosecurity including outreach ambassadors, compliance, Pest Free Warrants, dog handler inspections
- Implementation of Regional Pest Management Plan and Hauraki Gulf Controlled Area Notice
- Continued delivery of marine biosecurity including hull surveillance, outreach ambassadors, compliance,

- Development of an Inter-regional Marine Pest Pathway Management plan with other Top of the North councils under the Biosecurity Act
- Support to community-led eradication of rats from Waiheke Island (Te Korowai o Waiheke)
- Pest plant eradications from Aotea
- Integrated management of pest plants and animals at priority sites on Waiheke and other inner gulf islands
- Increased practical support (tools, resources, advice, training and funding) to grow community-led conservation and the ability for communities to effectively respond to increasing climate change impacts on local ecosystems and species

11. Under this proposal, the average residential ratepayer will pay an additional \$140 over the three years from 2029 to 2031, while the average business ratepayer will pay an additional \$650.

Attachments

No.	Title
A	Options assessment

	Rationale	Impact on Rates	Impact on Debt	Impact on level of service
Status Quo:	<i>Status quo – maintain rates at same level</i>	None	None	None
Option One: Extend the Natural Environment Targeted Rate to 2031	<i>Enables the current Natural Environment programme to continue for three additional years to 2031, ensuring that the gains of pest management funded by the rate are not lost. This will ensure that sunk costs from investment prior to that are not lost and ensure on-going protection for indigenous biodiversity within the region, through biosecurity activities and biodiversity protection.</i>	\$106.6m in additional rates. The average residential ratepayer will continue to pay \$46.80 over the three years from 2028/2029 to 2030/2031, while the average business ratepayer will continue to \$217.	This proposal will have no impact on the council's debt as any additional revenue is offset by additional expenditure	Maintains existing service levels for the protection of the natural environment for an additional three years until 30 June 2031. Likely to see increasing declines in natural heritage due to effects of climate change.