



Dear Ratepayers

I would like to take this opportunity to advise progress on some important work areas. I would also like to advise some key objectives for Commissioners in 2013.

### **Debt**

Currently, Kaipara District Council's debt stands at around \$79 million. This year, for the first time in many years, debt is not projected to increase. While this level of Council debt is high relative to Kaipara's size, it is manageable.

I have previously advised that the Government will not pay off Kaipara's debt. I have since heard some people suggest that the banks should 'forgive' much of the debt. That is not going to happen.

Kaipara District Council incurred this debt. While a significant portion of the debt is a reflection of poor project management and budgeting from previous administrations going back some years, the major part of it was incurred to build assets and provide services. Commissioners share the disappointment and frustration of ratepayers who are now lumbered with the debt that relates to poor practices in the past. However, we need to deal with it and we are doing that.

### **Budget**

We expect to complete the Council's financial year ending 30 June 2013 on budget. Again, this will be a first for several years.

### **Rating irregularities**

We also expect to make significant progress this year on resolving historical rating errors. A number of procedural or technical errors were made between 2006 and 2012. The services the rates paid for were supplied but procedural errors were made when the rates were set. These errors do not impact on the 2012/2013 rates.

Commissioners believe very strongly that the historical rating errors need to be addressed in a way that allows past decisions to be opened up to full and independent public scrutiny. We need to shine a light on past mistakes in a very public way and ensure that the community is given the opportunity to have its say on how these issues should be addressed.

For this reason, we have decided to pursue a Local Bill. The Local Bill would go to a Select Committee of Parliament which (we hope) would hold hearings in the Kaipara district. This would allow people to attend and hear everything that was said, as well as have their say. The process would not be fast, but it would be full and thorough.

We are drafting a Local Bill for consideration now. We would expect a Bill to be introduced to Parliament in March or April and submissions to be heard in the middle of 2013.

It is important that ratepayers understand that a Local Bill would include specific actions to address issues of inequity around the Mangawhai targeted rate. This is important for some Mangawhai ratepayers.

It is also important to understand that a Local Bill would not hinder possible legal action by the Council or other authorities over matters around the extension of the Mangawhai Community Wastewater Scheme. The Auditor-General's office is still investigating the scheme, with a report due out this year. We will consider that report with urgency.

### **Community Engagement**

We appreciate the number of people who have already taken the time to share their views and offer their help to get Kaipara back on track. We are continuing to meet with a large number of community groups and are happy to do so.

This year, we will hold half of the Council meetings outside Dargaville. We hope this will encourage more people to attend Council meetings and to meet the Commissioners and senior staff.

42 Hokianga Road,  
Private Bag 1001,  
Dargaville 0340, Northland,  
New Zealand

p 09 439 3123  
p 0800 727 059  
f 09 439 6756

e [council@kaipara.govt.nz](mailto:council@kaipara.govt.nz)  
[www.kaipara.govt.nz](http://www.kaipara.govt.nz)



Kaipara te Oranganui

**KAIPARA  
DISTRICT**

Two Oceans Two Harbours

We also expect to have considerable engagement with Kaipara residents and ratepayers as we consult on proposed amendments to the Council's 2012/2022 Long Term Plan. The Plan was adopted before our appointment and sets out what the Council will do for the next 10 years. We want to make sure the Plan is robust and that it can deliver what it promised.

The Commissioners are likely to propose that certain parts of the Long Term Plan be changed. Once we have specific proposals to discuss, we will begin a formal consultation process and call for your input. This process is likely to begin in March 2013.

### Rates

This letter accompanies your next rates instalment for the 2012/2013 year. As at the end of December 2012, 74.6 per cent of ratepayers had paid their rates bills in full, 13.9 per cent had made part-payments and 11.5 per cent had not paid anything.<sup>1</sup>

The non-payment of some rates has already impacted on projects around the District. In December, Council deferred some road rebuilding and wastewater work because Commissioners were not prepared to exceed forecast debt levels to pay for this work. We will not incur costs that take the District further into debt.

I urge those people who are withholding their rates to play their part in helping fund critical services for the District. It is not fair that some people pay and others do not. If you are struggling to meet payments due, please contact customer service staff at the Council on 09 439 3123 or 0800 72 7059 who may be able to help. It is important that your rates are paid on time so that you are not incurring penalty charges.

On behalf of all Commissioners, thank you for your ongoing support and interest in the issues we are dealing with on your behalf. There are many challenges ahead, but there are now some important disciplines and plans in place that mean we can move ahead with confidence.

As always, we appreciate hearing your views. Should you have any questions or comments about the issues raised in this letter, please email [council@kaipara.govt.nz](mailto:council@kaipara.govt.nz) or email me directly on [jrobertson@kaipara.govt.nz](mailto:jrobertson@kaipara.govt.nz). We post regular news releases and information on Council's website, [www.kaipara.govt.nz](http://www.kaipara.govt.nz) and you can receive news and other updates direct to your email in-box by signing up for Council's new email information service.

Sincerely

**John Robertson**

*Chair of Commissioners*

42 Hokianga Road,  
Private Bag 1001,  
Dargaville 0340, Northland,  
New Zealand

p 09 439 3123

p 0800 727 059

f 09 439 6756

e [council@kaipara.govt.nz](mailto:council@kaipara.govt.nz)

[www.kaipara.govt.nz](http://www.kaipara.govt.nz)

<sup>1</sup> In a letter to ratepayers in early November, two figures were incorrect. We advised that 8.5 per cent had not paid any rates. That figure should have been 14.8 per cent. As at the end of December, that figure had dropped to 11.5 per cent. In November we also advised that 19 per cent of ratepayers had made part payments. That figure should have been 12.5 per cent. We apologise for these errors.