



Dear Ratepayer

Enclosed with this letter is the second of four rating invoices that you will receive for Kaipara District Council's financial year ending 30 June 2015.

As a property owner in the District, there are some matters that Commissioners wish to advise you of as we progress our work to develop the Council into a high performing organisation.

Getting the Council in a good financial shape has been a key goal of the Commissioners. We have made good progress on this front.

- The Annual Report and Accounts for the year ending 30 June 2014 have been finalised. That this has occurred a month before statutory deadlines represents progress in itself.
- Our Auditors have given the Council a clean Audit Report with the exception of the risks to Council should Mangawhai Residents and Ratepayers Association win their appeal, discussed below.
- For the second year in a row Council has returned an operating surplus – this time of \$1.08 million. Last year was \$0.98 million.
- For the second year in a row bank debt has reduced. It now stands at \$76.3 million. Last year it was \$77.54 million.

You can be reassured from these results that the Council is performing well from a financial perspective. We are controlling expenditure tightly and keeping to budgets.

Secondly, from an organisational perspective, the Council is going through a number of changes.

- A customer services culture is being built, and over time will infiltrate the entire organisation.
- Major contracts are being monitored carefully, with some management expertise being brought in house rather than contracted out.
- We are responding to market forces. Residential growth on the eastern side of the district, and in Mangawhai in particular, has been strong. Thus the office at Mangawhai has been expanded as the building and consenting teams have needed to respond.
- Building consent processes have been overhauled and new technology applied. Council can now receive applications on-line and uses a software as a service system to process applications and record inspections electronically. IANZ, the accreditation organisation for the licensing of local government Building Consent Authorities, has just audited Council and passed us with a glowing report. They have rated us as among the "top handful" of councils in New Zealand.

In addition to these developments, the Council organisation has new leadership. Steve Ruru, who led the Council from the end of 2011, has moved on to take over the Chief Executive position at the Southland District Council. Steve did a sterling job through difficult times. We appreciate his efforts.

Dr Jill McPherson has replaced Steve. Dr McPherson brings considerable local government senior management experience to Kaipara, having held senior management positions at Auckland City Council. She has been supporting Mr Ruru for the past two years as a member of the senior management team. We welcome Jill into the position of Acting Chief Executive, while we await the decisions on local government reform for Northland.

Matters of history continue to take up some of our time.

We announced in August that we were seeking to hold Audit New Zealand and the former chief executive to account for some of the costs incurred by the Council, including with respect to a poorly planned and project managed Mangawhai Community Wastewater Scheme, and with respect to rating matters. These matters are now in the hands of Council's lawyers.

Regretfully, we are needing to mount a defence once more against action being taken by the Mangawhai Ratepayers and Residents Association against the Council. This group appears not content with the decisions handed down by the High Court with respect to the Judicial Review, and has now lodged an appeal in the Court of Appeal.

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Kaipara te Oranganui

**KAIPARA  
DISTRICT**

Two Oceans Two Harbours

Commissioners look forward to the day when all of Council's efforts can be focussed on the future rather than so much expended on the past. That requires our efforts to secure accountability to be successful. It also requires the executive of the Mangawhai Ratepayers and Residents Association to end litigation against your Council.

If you have any questions of Commissioners, please feel free to contact us through my email address, [jrobertson@kaipara.govt.nz](mailto:jrobertson@kaipara.govt.nz).

Sincerely

John Robertson

On behalf of the Commissioners

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