



Kaipara te Orangahui

**KAIPARA  
DISTRICT**

Two Oceans Two Harbours

January 2016

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Dear Ratepayer

Enclosed with this letter is the third of four rates invoices that you will receive for Kaipara District Council's financial year ending 30 June 2016.

I reported to you in my last letter on the ongoing improvement of the financial position of Kaipara District Council. This improvement continues.

Expenditure is being tightly managed. For the first six months of this financial year we have tracked closely to budget, except with respect to legal fees.

These legal costs are difficult to forecast accurately. They relate to:

- Preparing to defend an application for a Judicial Review filed in July 2015 by the Mangawhai Ratepayers and Residents Association (MRRA) and Richard Bruce Rogan and Heather Elizabeth Rogan. (Hearing set down for May 2016.)
- Responding to the appeal by the MRRA against a Judicial Review decision by the High Court handed down in 2014. (Court of Appeal dismissed this appeal in a judgment released last month.)
- Rates collection proceedings in the District Court against parties who, for some years now, have withheld rates for reasons related to the above proceedings. (In November 2015 the District Court provided judgment in Council's favour, however subsequently an appeal has been lodged by the defendants.)
- Council taking action against two parties that we believe should be held to account for poor advice to Council in past years, being the former Chief Executive and the Auditor-General.

Debt continues to drop. It is likely to fall below \$74 million by year end. Debt is now at a level that is readily manageable by a Council the size of Kaipara.

As well as focusing on getting the financial management of Council into good shape, Commissioners have made a number of other changes to the way Council operates that will see the organisation in a good state for handing over to elected members in October 2016.

Firstly, a large part of Council's business relates to the development and maintenance of public infrastructure, like roads, stormwater, wastewater and drainage. The oversight and planning of this work has been strengthened. Four years ago, there were few resources within Council with expertise in these areas as almost everything, including management, was contracted out. Today, expertise and oversight is held within Council.

Secondly, we have been investing to improve Council's information systems and customer service. Four years ago, Council's information and accounting systems were in a dismal shape, with poor information being generated and financial reporting failing to meet timelines defined under statute. Poor information meant poor decision-making. Today, information is far more reliable and timely, some smart technology is being applied, and a customer services culture is developing well.

Thirdly, we are engaging with the many and different Kaipara communities in an open and transparent way. We have brought Council into line with the purpose of local government legislation, engaging and playing a facilitation role with community groups, however not having ratepayers take on the responsibility for funding numerous community inspired projects. Kaipara's community groups show enormous leadership, along with an approach of rolling up their sleeves and getting on with their project. There is a healthy degree of independence and entrepreneurship. Council officers will lend a hand when asked, however they are not the leaders of community initiatives.

Finally, where Council has the opportunity to have a community trust or commercial enterprise manage activities that are not core Council business, we are doing so. The Mangawhai Heads Campground is now managed by a commercial operator under a long term lease, for instance. Last month, a community group took over the management of 34 Council community housing units in Dargaville and Ruawai. Such contractors have key performance indicators to meet. We expect service to lift under their management, as they apply their specialist skills.

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).

Council staff and Commissioners wish you all the best for the New Year.



John Robertson, QSO

**On behalf of the Commissioners**