

28 May 2020

Louis Houlbrooke
Email: louis@taxpayers.org.nz

Dear Louis

RE: RFS 4007773 - Inquiry for rates round-up

I am in receipt of your correspondence to Council dated 26 May 2020 regarding a round-up of Northland Councils and their respective plans to increase rates.

Far North District Council is aware that many ratepayers are facing economic hardship due to the COVID-19 coronavirus pandemic and the ongoing drought. That is why we acted quickly on 9 April to allow ratepayers experiencing financial hardship to defer rate payments for up to six months. This is an interim measure until the pandemic's full impact on the economy is known.

Since that decision, we have submitted 18 'shovel-ready' infrastructure projects for funding by the Government that will stimulate the economy and reduce impacts of the COVID-19 pandemic. The projects include new water supplies for Kaikohe and Kaitaia, upgrades to wastewater facilities, flood protection, roading, and plans to boost walking and cycling options.

The Government has also announced \$9.51 million in funding for Northland roading projects. This decision followed a joint application made by Northland councils to fund projects that will redeploy residents who have lost jobs.

Far North councillors have discussed the issue of rates. The reality is that we are a significant service provider that directly and indirectly employs hundreds of Far North residents. Tightening our belt by reducing rates would inevitably mean contractors and our own staff would lose their jobs. That would not improve our economy or our recovery. Instead, we are exploring other ways to reduce costs to minimise rate increases and we are working through what is possible alongside Local Government New Zealand and the Crown.

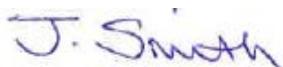
In your correspondence you noted that our Long-Term Plan forecasted a rate increase of 2.0% for 2020/21. In response to the COVID-19 pandemic, the Council will revisit 2020-21 rates during 5 June deliberations.

At this stage, it would be inappropriate for me to discuss the details of the options being considered ahead of the Council's 5 June deliberations or the final decision on rates due on 30 June.

The information that I have outlined here was also issued in a media statement by Hon John Carter QSO dated 25th May 2020.

If you require any further information, please do not hesitate to contact Council on 09 401 5200 or free-phone 0800 920 029.

Yours sincerely



Janice Smith
Chief Financial Officer, Corporate Services