

**SUBMISSION TO THE KAIPARA DISTRICT COUNCIL
LONG TERM COMMUNITY PLAN 2009-2019**

Statistics NZ latest report for the March 2009 quarter states that the annual inflation rate has fallen to 3%, down from an 18 year high of 5.1%. The new National Government has clearly signalled that it requires all local and regional government agencies to become more resourceful and to keep rate increases to a minimum. The Government has also stated that it expects the state enterprise agencies' employees not to seek wage increases over the next 12 month period. The Governor General, Prime Minister, Government ministers and many regional bodies have turned down the remuneration authority's proposed increases for national and local government elected personnel.

We are pleased to see that the Kaipara District Council is making an effort to hold rates and we note that Council in their summary has raised the issue of affordability by giving three options to Kaipara ratepayers - keeping the General Rate increase at 1.5% or lower, keeping services levels the same as at present requiring a 3.9% rate increase or adding some improvements with a 5.3% rate increase.

However, we note that the Targeted Rate increases for Stormwater, Wastewater and Household Water have very significant increases ranging from 3.8% for Baylys Beach to 10.1% in Dargaville.

Due to the increased land valuations that were released in December 2008 many ratepayers in urban areas like Dargaville will face significant rate increases due to the increased valuations. The Mangawhai area will only be marginally affected as their valuations did not increase to the same extent as the balance of Kaipara.

We are also aware that Far North and Whangarei District Councils are trying to keep rate increases at minimum levels.

Because of the uncertainty caused through the world-wide recession the majority of our ratepayers are facing uncertainty and hardship. Farmers of New Zealand would prefer the General rate increase to kept at 1.5% for the 2009-2010 year and we encourage the Kaipara District Council to find savings in its operational areas as other councils have been required to do and suggests the LTCCP incorporate a commitment to expenditure reductions especially in fees paid to consultants and suppliers, salaries and honoraria.

The Recession

Farmers of New Zealand have a membership base that extends outside Northland. We have 3,000 farming families on our database. Twenty five percent of New Zealand's farmers are experiencing great difficulty in funding their mortgages due to the fact that they are on fixed mortgages paying in the vicinity of 10% interest and

high overdraft interest rates, in spite of Government's National cash interest rate of 3%. While dairy and beef farmers have enjoyed good returns over the last two year period, the world-wide recession and drop in commodity prices has seriously undermined farmer expectations in relation to income streams.

We are assisting a number of farming families in their dealings with their bankers. We are dealing with cases where a significant number of farmers have been told by their bankers to sell their assets. We have the extreme case where the bank will not honour cheques for basic living costs. Farmers of New Zealand operates a Peer Farm Management committee to help farming families and in fact we assist one farmer under a Court Order where the Court has ordered that he operates under the management of Farmers of New Zealand.

Farmers by their very nature are optimists, even in a crisis. However, we ask the Kaipara District Council to be mindful and responsible when setting rating levels for the next 12 month period. We farmers also are very much aware that in Kaipara's urban community, many are elderly, who have lost their investment funds through the collapse of approximately 30 finance companies nationwide and their investments income from banks are decreasing significantly as their fixed deposits fall due.

However, we wish to see the Kaipara District Council undertake the following action.

Consultation

We believe that the Kaipara District Council's consultation process is flawed and should be reviewed to ensure that every ratepayer in the future receives an Annual Plan summary which spells out more clearly what Council is contemplating doing for the following year. Prior to Council circulating the LTCCP summary the Mayor in his newsletter to all ratepayers omitted to make any mention of the proposed Kauri Coast Community Pool funding options. Council circulated the Plan summary in two newspapers the Dargaville & District News and the Mangawhai Focus and the effect of this was that 2,300 non-residential ratepayers did not receive copy of the summary and therefore would have no input.

We remind councillors that under the Local Government Act consultation requires Council to make a credible effort to ensure that ratepayers, the funders of Council, are made aware of Council's objectives and the cost to ratepayers. Councils have the power under the Act to make the final decision without recourse to the ratepayers, but should always be mindful that their decisions are subject to judicial review.

Dargaville Pool

In our submission to Council's Draft Annual Plan in 2008/2009 we stated ;

Farmers of New Zealand Inc. gives qualified support for a Northland regional swimming pool to be built in Dargaville. We are sceptical in that we do not believe that Dargaville ratepayers can afford a \$2 million rating contribution towards the cost of building the pool. The proposed \$6 million complex is not a 365 day a year facility. The pool needs to be fully enclosed similar to the Dargaville High School swimming pool. We also question whether the Dargaville community can afford the annual operating costs of the proposed pool which also will need to be funded by a Dargaville targeted rate. We recommend that the Kaipara District Council hold

a referendum amongst Dargaville ratepayers as to whether they are prepared to support and fund the new swimming pool.

Kauri Coast Community Pool funding options

At the Mayor's meeting in the Dargaville Town Hall on 11 March 2009, the Mayor stated that Dargaville and surrounding ratepayers should seize the moment and finance the proposed new pool by selling surplus land and using Forestry block money and spending Reserve Contribution funding before Kaipara was merged with part of Rodney district and lost control of their assets. Farmers of New Zealand do not accept that this is a valid reason to plunder available assets that are owned by current ratepayers, to fund a community pool which is going to be controlled by a Trust that has not been settled by the Kaipara District Council. The Council did not see or have any input into this Trust's deed, which was settled outside of the Kaipara District Council 2 November 2006, until 12 December 2008. This Trust is simply five private individuals who have persuaded the Kaipara District Council to hand over to them \$5 million of Kaipara ratepayers' money to build a pool that their Trust will own. They appoint their own replacement trustees and can remove any other trustees with a 66% majority vote at any time of their choosing.

Under Clause:

13.3 *The trustees by this Deed are conferred with absolute and uncontrolled power and discretion in the management of the Trust and the Trust Funds and may do or cause to be done any such acts matters and things of whatsoever kind and nature pertaining to the Trust and sign any such Instrument and documents as they may think proper or expedient as fully unreservedly or unconditionally as if they were the absolute owners of the Trust Funds or as if they were personally acting in the premises.*

13.4 *By this Deed the trustees are empowered to do all acts and things in and about the Trust as they see fit and they are by this Deed directed to manage and control the Trust without recourse to any Court of competent jurisdiction, the trustees being hereby specifically empowered to do any matter or thing which would otherwise involve obtaining judicial consent.*

16.2 *No trustee or officer or employee of the Trust shall be responsible for loss arising out of any act matter or thing, unless such loss shall arise from his own wilful default or neglect.*

17. Winding Up

If for any reason the Trust Fund is wound up then after satisfaction of all debts and liabilities the property of the Trust shall be transferred to such charitable organisation, body or other entity as the trustees in their absolute discretion think fit, but so that such organisation body or entity shall be committed to the advancement of sport and recreation in the Kaipara District and any such transfer of funds may be made by the trustees to one or more of such bodies as the trustees in their absolute discretion determine.

New Pool Trust Deed

We believe the Kaipara District Council should be the Settlor of a new Pool Trust Deed to ensure that the Pool Trustees are elected by the community and there is full accountability to the ratepayer. These trustees should include people with business expertise and have the ability to introduce strategies to ensure that the operational costs are kept to a minimum and provide a strategic plan setting out income projections for the next five years, the objective being to try and mitigate the losses that this Dargaville Pool will have. We do not accept the current Trust's business plan that shows income projections based on 30,000 swims at \$4 per head as being achievable. To suggest that the pool will have a \$50,000 profit and this will be used to fund another \$500,000 loan, is pie in the sky.

We believe that the business plan shows that operational costs have been seriously understated and income projections are challengeable.

Continued Pool Fundraising

The current Pool Trust has only fundraised \$2,000 outside the monies obtained from the Northland Regional Council and the Lotteries Commission. Farmers of New Zealand are concerned along with many ratepayers, that the current Pool Trust will be unable to fundraise to cover the shortfall of \$2.4 million that Council is now considering funding if further Trust fundraising fails to be fruitful. Forming a new Trust with trustees with business expertise and contacts would ensure a continued campaign to seek outside funding.

Equity for Sports Groups

We believe the Kaipara District Council policy on financial assistance for sports clubs and groups needs to be reviewed. Council's core business is providing roads, wastewater and water services for its ratepayer communities. However, it is a well known fact that the Kaipara District Council has given a loan guarantee to the Mangawhai Club, small grants to one or two sporting bodies and of course \$5 million of ratepayers' money to the pool in Dargaville. There are other small communities within Kaipara that suffer from lack of sporting facilities and we believe that the Kaipara District Council should have reviewed or formulated a policy on how it will help small Kaipara communities to establish facilities in those areas.

Reserve Contribution Funding

We do not support the Kaipara District Council using any Reserve Contribution funding, in particular from Dargaville, Baylys Beach and West Coast contributions to fund the Dargaville Pool. We believe that this funding should be spent on providing other facilities in these districts, such as footpath maintenance and construction, picnic tables and developing open space areas.

Roading

We support Council's preference to reduce the seal extension funding by \$150,000 over the next 12 months.

Refuse

We support the current user pays system.

Sewerage Systems

We have supported the upgrade work of sewerage plants for Mangawhai and Maungaturoto townships. We also support the development of new sewerage systems for Baylys Beach, Tinopai and Pahi. We also support Council's policy under the new District Plan that all treated sewerage discharges be to land and not waterways or rivers. We support the Kaipara District Council becoming a strong strategic partner with other Northland Councils acting on a regional basis in pursuing Government financial assistance to address the serious sewerage problems in Kaipara and other Northland districts.

Kaihu Drainage

We support the Kaipara District Council and the Northland Regional Council's approach to upgrade the Kaihu Drainage District. However, we do not support any significant work up and above normal maintenance being carried out until the Northland Regional Council has finalised the Kaihu District Management Plan.

Economic Development

We support Council's proposal to reduce Economic Development funding to \$160,000. We believe that Council should formulate a clear strategy to define the best way to achieve an optimum return for the money spent on economic development before any more money is spent on economic development strategies. We believe the Kaipara District Council has not received value for money spent on economic development over the last nine years despite carrying out a number of different objectives. The only way to ensure economic development in Kaipara is to keep rates and compliance costs at affordable levels and provide the necessary infrastructure services.

The Kaipara District Council must involve itself wherever possible in joint ventures with public and private enterprise in initiating economic development in the Kaipara.

Dargaville Airport Development Upgrade

Council, as part of its economic development strategy, must consider the upgrading of the Dargaville Airport. This important facility is the only one of its type on the West Coast between Kaitaia and Auckland and has significant potential value because it is the longest runway area in Northland and if it was upgraded and tarsealed could prove to be attractive to Air New Zealand and other transporters in providing an important business link between the Western Kaipara, Auckland and Wellington. This could be an opportunity to seek joint venture funding.

Redevelopment of Dargaville Wharf

Farmers of New Zealand supports the initiative to rebuild the pontoon that is part of the Dargaville Wharf. We support soliciting funds from business and private individuals as a means of encouraging Northern Wairoa river transport use. However, we would like to see the pontoon built big enough to meet future needs of people transport and the transportation of goods.

Development of Northern Wairoa Harbour Access

We support the development of more Northern Wairoa harbour access, in particular from the western side of the Northern Wairoa river. We support the development of the Greenhill Quarry reserve area into a recreational reserve and the use of the natural

boat launching metal pad that extends down into the river. This is the best boat launching ramp of its type.

Council Forestry / Forestry Land Sales to fund Dargaville Pool

The Council Forestry and forestry land sales should not be sold to solely fund the Dargaville Pool. The forestry was originally planted by the Dargaville Borough Council to help fund the continuing upgrade and maintenance of the Dargaville water supply. The Hobson County Council planted its forestry with the express objective of funding road improvements throughout the then Hobson County Council area. Council's forestry block at the end of Shepherds Road could be used at minimal cost as a source of metal for both the Council and private use.

The Information Centre / Council Service Centre

The current Information Centre is housed in the former Northpower building which Council purchased for the sum of \$130,000 GST inclusive. The building is well maintained, has very good toilet facilities and the potential to become a high profile asset for Council use with a bit of initiative. We believe the Information Centre itself should be downsized within the building, Council turn it into a Council Service Centre where ratepayers could pay rates and maybe the Mayor could have a consulting room there. We do not support Council divorcing itself from providing information in relation to tourism, general enquiries and business enquiries. We see this building being used as a first stop shop in a high profile area in promoting the Kaipara District Council's branding and what Dargaville and surrounding areas have to offer. The building is in Normanby Street which is the main thoroughfare and part of Transit NZ's roading network. We support a proportion of economic development funding being used annually to facilitate this.

Super Toilet Facility at Selwyn Park

We support Council using Dargaville Reserve Contribution money to building a super toilet facility at Selwyn Park, Dargaville. This facility could also incorporate baby changing facilities and a user pay shower room.

Development and Roothing Contributions

We believe the current policy should be reviewed in the current recession to enable developers who have been caught in the economic downturn to salvage and complete their developments in the southern Kaipara areas. We believe that the above contributions should be structured in a way to allow developers to use a pay as you go system. One option could be to allow some contributions to be paid once the developer has sold the first section. The Kaipara District Council was severely criticised in the Northland press by consultants Reyburn & Bryant for the way the Council handled developers and their agents. They cited Council's continued lack of response and having Council's consultants giving their own interpretation on how the current District Plan should be implemented. Reyburn & Bryant were engaged by the Kaipara District Council to draft the current Council district plan.

Kaipara's District Plan

The Mayor stood on the election platform stating that he was going to introduce policies to control Council's bureaucracy and management and also to tackle the issue of high consultancy costs. It is our view that the Mayor and Council's performance at

the moment on this issue is disappointing. It is in the press that Council's costs to date for Beca Planning's work on the District Plan has increased to \$1.2 million.

We also note in the LTCCP that Council has set aside further substantial funds to complete the draft District Plan but this does not include costs for consultation once the Draft Plan is released for public scrutiny. We believe that these costs are underestimated and that it could cost the Kaipara ratepayers hundreds of thousands of dollars to complete the process.

The new Government has announced that it is going to make significant changes to the Resource Management Act and the Northland Regional Council is yet to complete its review of the Northland Regional Structure Plan. We question the Kaipara District Council's policy of continuing with its current District Plan review in light of the abovementioned issues.

We ask that the Kaipara District Council delay notification of its District Plan for 12 months to ensure that the outcomes of the current legislative review are taken into account (saving \$450,000 in 2009 – 2010)

Structure Plans for Kaiwaka, Maungaturoto and Papanui

While recognising the importance of Structure Plans, Farmers of New Zealand requests that these plans be delayed until 2010-11 when District Plan requirements are clearer and the outcome of the restructuring of Auckland councils creates more clarity.

Relationships with other Northland Councils

Farmers of New Zealand encourages the Kaipara District Council to maintain strong and credible relationships with Northland Regional Council, Far North District Council and Whangarei District Council to ensure the interests of the Kaipara District Council in Northland are promoted and Kaipara District Council stays in the forefront of any proposed changes to territorial authorities in Northland.

Regulatory / Development

We reiterate what we have stated in previous submissions that we want regulatory charges wherever possible, to be based on 100% user pay policy. Currently Council provides approximately \$685,000 from the General Rate to fund so-called public good services. We believe that Health inspection charges and Dog and Stock Control service charges should be 100% user pays. We also recommend that the Regulatory department seriously investigate as to whether further savings can be obtained by the establishment of a Northland Regional Planning department based on combining the regulatory services of the Whangarei District Council, the Northland Regional Council and the Kaipara District Council.

Dog Registration

We welcome Council's statement of proposal in relation to dogs and dog management. However, the legislation we believe has a serious flaw in it. One of Council's ratepayers Mr Dave Hamblin has had a dispute with his lifestyle neighbour, ex Aucklanders. Council has impounded his huntaway dog for the last six months in Council's dog pound. Mr Hamblin's dog was seized by Council's dog contractor following his lifestyle neighbour lodging a complaint that Mr Hamblin's dog had

killed the lifestyler's hens. This matter has appeared before the Dargaville District Court four times and has been set down for a defended hearing in the month of May 2009.

While the Courts will finally decide the fate of Mr Hamblin's dog the issue of Council seizing a dog based on a complaint where the complainant cannot provide concrete proof that the dog has carried out such an act, needs to be carefully considered. We wish to see Council implement a facilitation process with the objective of getting the complainant and the affected party together to try and establish the facts of the complaint. The cost to Mr Hamblin to date in relation to Council seizing his dog is \$3,850 for the 180 days that his dog has been in Council's dog pound plus legal fees.

Mr Hamblin's dog is a valuable asset to his farming operations. He claims that Council sent him an infringement notice which he paid. Some months later Council returned his cheque and decided in late January to take Court action against him. The dog was seized in September 2008.

Last year we submitted and still support the following policy.

We support having a complete review of the Kaipara Dog Control services. We support the introduction of mandatory micro-chipping of all dogs to ensure positive identification. The current collar system of identifying a dog is seriously flawed and provides no means of ensuring that dogs are permanently identified. We believe that a dog owner should be given 12 months to register a new dog and that once a dog is registered and while it belongs to that particular owner the registration fee should be a one-off fee. However, if the dog's ownership should change, the dog is then re-registered and a fee charged. Owners who prove to be unable to control their dogs should be penalised by being forced to pay a registration fee annually.

Micro-chipping will not only positively identify the dog, but will also identify positively the true owner of the dog. Dogs that are not micro-chipped and are straying and impounded by Council, we believe, should be destroyed if the owner cannot be identified.

Public Places Liquor Control By-Law

While Farmers of New Zealand can understand there is a need in some public areas to have liquor control laws, we support the removal of the 24 hour ban in Dargaville and a more sensible attitude to the current liquor ban rules as they apply to the beach front at Mangawhai. In the areas where Council is proposing to have liquor controls put in place from 8.30 p.m. to 7.30 a.m. we would rather see 8.30 p.m. changed to 9 p.m. With daylight saving this would seem to be more realistic.

Wastewater Drainage Policy

We support the contents of the policy but make the point that there are many existing private connections that have been operating in many areas of the Kaipara where they go through neighbouring properties. These hopefully will be dealt with under the proposed changes.

Targeted Rate for Community Halls

We support Council's initiative that where a community wants a targeted rate to maintain their community hall, Council is happy to implement such a policy, but it should also be prepared to adjust its policy of requiring a minimum of \$8,000 before it will consider striking a rate. There are communities such as Te Kopuru who may not be able to meet the \$8,000 minimum benchmark, but may wish to have a targeted hall rate struck to maintain their local hall which now has a doctors' consultation room.

Reserves and Parks

We support the general thrust of Council's Reserves and Parks policy but there are reserves in areas like the township of Te Kopuru where Council has made no effort to control gorse that is growing out of control on Council's property. Council has also allowed the Te Kopuru Domain flood-lighting facilities to end up in a dilapidated state and this needs some urgent action being taken to ensure there is a removal of the fire hazard to the township adjoining Council's property and to allow the Te Kopuru Domain to be used for night-time sports such as athletics.

In conclusion, we wish to be heard and await your confirmation of the hearing date that you wish us to attend.

Yours faithfully,

Wayne Ward
National Vice President
FARMERS OF NEW ZEALAND INC.