

**Verbal Submission to TCDC Annual Plan 2020/21 consultation**

I dispute some of the reasons listed for the proposed rates increase in your consultation document – particularly no 6 that states that rate increases over the last 10 years have not kept up with inflation. I did my own research on this and can find only 2 years that saw TCDC rates increase at a lower rate than the LGCI (Local Government Cost Index) – from Berl report.

Also No 3 – Actually delivering on the Capex should not be an excuse for increased rates. When Capital works are budgeted for the Operating budget should be adjusted not only to account for the operational cost of owning the asset but also the financial costs such as the interest rates on any loans and depreciation. I hope that your accounting practices have these fundamental practices in place – obviously it is better to budget for these and not need them than to assume you are not going to deliver what you have promised the ratepayers.

I am concerned over what seems like a large increase in expenditure listed under ‘Council Activity’. In 2015 LTP a pie graph showed a total of 8.97% of total budgets were spent on this, whereas the 2020 one shows 21%. Your consultation document explains that there have been significant cost increases in the Core services and also Solid Waste – yet cost for Council is more than Road & Footpaths and Solid Waste combined.

Request that you relook at the opex budgets. With all the positions that have been doubled up in the senior management level and the dissolving of many roles in the Community Board level over recent years there should have been savings.

This point is addressed more specifically to the Thames Councillors - I have concerns about Capex projects in the Thames area that have been removed from the 2020 AP budget. I ask Councillors to carefully check that any projects cancelled or deferred that have a financial commitment from other parties be kept a close eye on and that you insist that these other parties are being consulted with to ensure these decisions do not jeopardise opportunities for external funding. I.e. The CCTV expansion that Thames Business association has raised funds for. And the Rhodes Park Grandstand that is part of the grouped projects that Active Thames have been raising sponsorship for.

I also suggest that regional and domestic tourism be seriously focussed on. It may be that Council can not afford to keep all the information centres open to the same level as they are now – perhaps just keep the i-SITES open. DC is refocussing on domestic visitors only which is a good start. Good events are key to attracting the domestic market back to the Coromandel, particularly in the shoulder seasons. We have some great events though they are not all eligible for financial support from TCDC Economic Development budget. I strongly urge you to review the criteria set for Major Events funding to encourage event organisers. I think you’ll find that this grant pool hasn’t been fully given for years now. While we have great events to support why are rates raised for this purpose not be spent on it – and instead end up in slush funds such as Retained Earnings.

I support Council to assist the local economy – particularly the SMEs who may need lots of guidance on how to operate in this new environment.

Obviously things have changed significantly since the Draft AP was put out. Even the Reforecast Financial Statement adjusted for the Lockdown scenarios do not really reflect what has occurred – note that Solid Waste collection was changed. It will be a challenge but it’s almost ‘back to the drawing board’

This proposed rate increase is really not palatable for many of our ratepayers – as we have a higher than National average of retirees on fixed income and many that work in the hospitality and tourism sector that have been really hit by the Covid 19 virus lockdown (a will be for some time to come).

I do not envy the work you have ahead on you but you must ask the hard questions and get the rates down while ensuring that the Council delivers on its core activities (and not neglecting the social activities that make this place what it is) in the most efficient way possible.

Diane Connors