



[www.nelsonresidents.co.nz](http://www.nelsonresidents.co.nz)



# Town Crier

**Newsletter of the Nelson Residents Association  
Vol 2 Issue 3**

**Free - Your donation is welcome  
Please Read and Pass on to Others**



More Spin - page 3



Secret Meetings Continue -  
P3

Damn Wrong - page 3

## LONG TERM PLAN - MORE OF THE SAME

As we go to press the Long Term Plan for 2018-2018 is about to be ratified by Council. The plan, the product of numerous secret "workshop" meetings and the usual "insultation" process is little more than a continuation of previous policies of debt-funded binging; corporate welfare; poorly targeted expenditure; unaffordable rate increases and rank populism. The plan lacks leadership and real vision. One positive is that Council does now seem to have an appreciation of the extent that infrastructure, especially stormwater facilities, has been neglected and does seem to be placing more focus in this area. However, at the NRA we have concerns that Council is not organisationally equipped to deliver the infrastructure aspects of the Plan.

Lowlights from the Plan are:

### **MORE** Debt

Debt is projected to reach \$186.3 million in 2024/2025. In 2007 Council debt was \$35.7 million. Council has relied on debt for 11 straight years to balance the books and is planning on accumulating debt for at least a further 7 years. Rate increases are being held artificially low by using debt and sending the bill to future generations. This populist Council has avoided taking any hard spending decisions and continues to spray money that it doesn't have around to every special interest group that comes knocking on the door. And don't be fooled by the spin that we are going to be hearing that the increase in debt is going to infrastructure - infrastructure renewal expenditure remains less than the depreciation we are being charged through our rates.

### **MORE** Unaffordable rate increases

The average rate increase for residential ratepayers for the next year will be 3.8%. Council continues to think that somehow it is entitled to increase rates at greater than inflation, despite the fact that an ever-increasing

proportion of Nelson's population will be over 65 and on a fixed income. Council claims that its costs increase at a rate greater than the CPI and uses a "Local Government Cost Index - LGCI" to justify its rate increases. However, we understand that the LGCI last year was actually lower than the CPI.

**MORE** water charges

Buried away in the Plan is an increase in water rates. Nelsonians already pay one of the highest water rates of any Council in the country and the average residential water consumer will be facing a 6.0% increase in their water bill in 2018/2019.

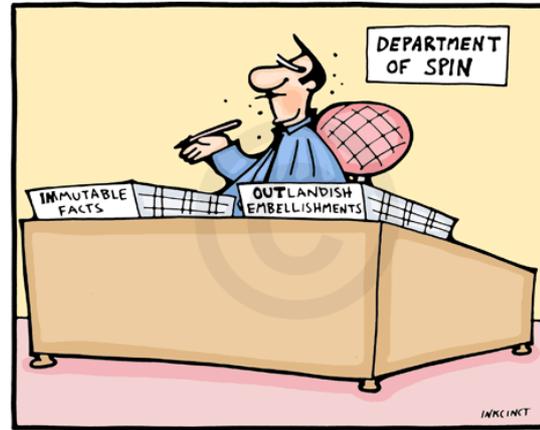
**MORE** non core expenditure

- NCC contribution to Suter Art Gallery now \$910,000 p.a versus actual for 2016/2017 of \$690,000
- Arts work program \$181,000 for 2018/2019 versus actual 2016/2017 of \$86,000
- Brook Sanctuary \$250,000 for 2018/2019 versus \$71,000 actual for 2016/2017.
- Natureland grant \$250,000 for 2018/2019
- Refinery Gallery \$400,000 for earthquake strengthening
- Saxton Field \$1.7 million for capital improvements in 2018/2019
- \$1.95 million on "economic development" in 2018/2019 versus actual of \$1.64 million in 2016/2017

and so on .....

More analysis in the next issue of Town Crier. We do the dirty work so you don't have to!

\*\*\*\*



**1. Budget for Spin Doctors Goes Up(again)**

Ratepayers will be delighted to know that their hard-earned enforced contribution to Council coffers is being well spent on "Council Publicity". The budget for spin is now \$733,000 per annum. Here at Town Crier, where we bring you the truth, not spin, our budget is a glass of wine and two cookies!

Readers might remember that less than 5 years ago a certain mayoral candidate made an issue at the time of how much was being spent on "Live Nelson". Actual expenditure on Council publicity back in 2014/2015 was \$403,000 for the year.

It makes sense though - the more spin that is needed to make Council look good the more it will cost.

\*\*\*\*

"The Council would benefit from analyzing the value of amenities and non-core activities to better align with the Council's intention of keeping rates affordable"

Local Government NZ CouncilMARK™  
report on NCC October 2017

*"I felt intimidated at times from some of the conversations that we have had in this room and outside."*

*"Some of the reports that appeared by magic out of the sky, or others, telling us that we have water problems and another one that said the exact opposite and contradicted everything the first one said."*

We can't help but agree that the dam project has been appallingly managed and it still is. This project had an estimated cost of \$20-\$25 million back in 2007 and is now (optimistically) estimated at \$82 million and rising. At least five secret workshops were held where NCC Councillors were "indoctrinated" by proponents of the dam before there was any public discussion about NCC funding for the dam.

Certain NCC Councillors have been desperate to find reasons for NCC to contribute to the dam. Firstly, Councillors were told that if they didn't contribute \$5 million to the dam, TDC would terminate the water supply arrangements it has for supplying Nelson South, meaning NCC would have to pay \$3.2 million for a new pipeline in order to supply that area itself. The failing in that analysis is that NCC would be collecting \$700,000 or so per annum in revenue from water sales - not a bad investment!

So then a "Drought Security Report" magically appeared, suggesting that Nelson was going to run out of water sometime around 2050 and needed to secure new water sources. This report was a disgraceful piece of work, containing within it some fantastical assumptions about future water demand. These assumptions, which formed a major part of the analysis,

## That Damn Dam

Somewhat predictably, but disappointingly, Council voted 8:5 in favour of gifting \$5.0 million towards the cost of the Lee Valley dam. This project has been described by reputed economist Peter Fraser as "stupidity on a stick".

The debate on this corporate welfare to Waimea Plains irrigators can be found on YouTube at [https://www.youtube.com/watch?v=UHSU\\_s80DRI](https://www.youtube.com/watch?v=UHSU_s80DRI), starting at 6:15:40.

In the same video clip, starting at 7:20:40 Deputy Mayor Paul Matheson discusses the project, which he describes as

*"one of the most appalling[ly] managed projects I've ever experienced in 24 years on a local authority".* (Editors Note: We think the Trafalgar Centre and Greenmeadows Centre would have to be close-run for 2nd and 3rd).

Deputy Mayor Matheson further stated (in respect to the dam) that

*"over the last 2-3 years and especially in the last 18 months the water has become so muddy, so confused, it's like a porridge that's been sitting there for some time and it's got a horribly dry head on it."*

*"I've been under intense scrutiny, I can tell you, and lobbying from various people that I've known for some time, suggesting that if I waved a magic wand around the world would change ."*

weren't made explicit in the report. Once this dodgy analysis was exposed for what it was, it no longer formed justification for the \$5 million gift. The sole argument for gifting \$5 million towards the dam now seems to be one of "regional co-operation" and "neighbourly goodwill". The \$5 million is to be funded from debt, even though there is no tangible benefit for future generations - Nelson will never need any water from the dam, and even if it did millions of dollars would have to be spent on new pipelines to get it here. The decision to fund from debt is a gutless one by those Councillors in favour of this expenditure. If they truly think this expenditure is so essential they should be prepared to fund it directly from rates and explain to ratepayers why the expenditure is so crucial. The decision is clearly politically driven rather than driven by any defensible logic.

For the record, Councillors who voted against this expenditure were Crs Walker; Skinner; Lawrey; Acland and Fulton.

\*\*\*\*

## NRA Meeting with NCC CEO

Members of the NRA recently met with the new(ish) CEO, Pat Dougherty. Right up front we acknowledge and appreciate that he took time to meet with us - a refreshing change from the previous administration.

We covered a wide range of topics. We were encouraged by Mr Dougherty's heartfelt commitment to infrastructure improvements.

We are also pleased to see that an appointment is to be made for someone to deal with Official Information requests. We are hopeful that this will

see a freer flow of information, without the need for constant appeals to the Ombudsman. Up until now, Council staff have been very uncooperative about releasing information - just another symptom of a culture of secrecy.

Mr Dougherty also indicated that he would consider release of "public excluded" minutes once the reason for their exclusion has expired. Many other Councils already do this as a matter of course but not NCC.

We are however disappointed that Mr Dougherty seems to support non-public "workshop" meetings. We see no reason why these so-called workshops can't be open to the public. A number of progressive Councils throughout NZ do have open workshops, which provide openness and transparency. We don't understand why staff feel the need to operate in secrecy when workshops aren't meant to be anything other than briefings.

Openness around workshops remains a core area of focus for the NRA.

\*\*\*

*"However, the Council's budget priorities are not clear. For example, some staff and councillors appear to believe that it is acceptable to increase rates to beyond the affordable level for ratepayers on a fixed income such as a pension."*

*Local Government NZ CouncilMARK™ report on NCC October 2017*

\*\*\*

## Competition



Here at Town Crier we have become accustomed to seeing vague, waffly statements come out of the Nelson Regional Development Agency ("NRDA"), which uses gobbledegook and esoteric language to disguise its ineffectiveness. The main purpose of the NRDA seems to be to act as some sort of money laundering operation for events funding so that Nelson ratepayers have no idea of the huge amounts of money NCC spends on events.

The quote below is straight from the NRDA Statement of Intent for 2018/2019:

*"The above set of considerations have led to the following key changes in the 2108/2019 SOI when compared to the 2017/2018 version*

- 1. The core focus on the NRDA facilitating and coordinating the understanding of the future sustainable economic development aspirations of the region within the identity framework. Then establishing an aligned multi-stakeholder approach to driving the transformational strategies required to achieve the desired outcomes."*

Editor will give a chocolate fish to whoever can come up with the best translation of this. Remember, next year \$1.95 million of NCC ratepayer

funding will be going to this waste-of-time entity.

We have our own gobbledegook to describe the NRDA. Our opinion is that the NRDA is nothing more than a NCC dingleberry<sup>1</sup>.

\*\*\*

## NCC now a Family Business

There has recently been two new senior management appointments made at NCC - Nicky McDonald to Group Manager Strategy and Communications and Roger Ball to Group Manager Community Services.

This married couple will no doubt have much to talk about at home after work.

\*\*\*

## Code of Conduct Complaints

The widely reported reaction by Cr Rutledge when proposed funding to Natureland was cut back revealed that there are other Code of Conduct complaints under investigation. Cr Mel Courtney is reported as saying he was aware of "a couple of outstanding code of conduct issues" which were "all about bullying".

NRA has previously expressed concerns about the NCC Code of Conduct, which could be seen to be "gagging" Councillors. We now have additional concerns that Code of Conduct reviews will be a secret process where the public don't get to find the outcome. We hope that NCC will be open and transparent about Code of Conduct complaints and the findings of any

---

<sup>1</sup> Dictionary.com defines dingleberry as "a small clot of dung, as clinging to the hindquarters of an animal"

review, rather than sweeping incidents under the carpet.

\*\*\*

## Greenmeadows Centre

Ratepayers will have no doubt noticed the hive of inactivity that is the Greenmeadows Centre, a project that has a very citric odour about it. Estimates for the LTP show that 2018/2019 Operating costs for the Greenmeadows Centre will be \$174,000. A Business Case was presented to Council in September 2016 stating that operating and maintenance costs would be \$45,000 p.a (70% confident). Once again we see what poor management there has been of this project and how unrealistic cost estimates have been.

Related to this, ratepayers may have noticed the installation of a pedestrian refuge on Main Rd Stoke, opposite the new Centre and outside Squires Cafe. Concerned ratepayers presented a petition with over 400 signatures on it to Council. Concerns include the loss of carpark spaces outside Stoke businesses; the inherent danger of the pedestrian refuge given that some people see them as being pedestrian crossings, and the location of the refuge, being only 52m away from a set of lights which provide for safe crossing.

Council's response to the petition was to state that a "safety audit" would be conducted. Surely the time to undertake safety audits is before the works are constructed, not afterwards. Council seems to have learnt nothing from the Brook St narrowing fiasco, where traffic calming islands were installed then removed after safety concerns were identified by road users.

At that time the Chief Spinmeister for NCC said "Council will modify their procedures to ensure that this does not occur again."

We understand that there has already been some close calls with the Stoke refuge, which is getting very little usage.



Brook St narrowing subsequently removed

\*\*\*

## Secret Meetings Continue



Somewhat disappointingly, secret workshop meetings are continuing under the new CEO. For a short period NRA members were able to attend some workshops but it is now clear that future public attendance won't be allowed. We have also noted that, after NRA members started making official information requests for notes from workshops, staff have stopped taking notes altogether or are taking only scanty notes.

We now have clear evidence that decisions have been made at

Workshops, in breach of the Local Government Act. We also know that staff have presented reports at Workshops that have never been presented at public Committee or Council meetings. What we are seeing is that workshops are where the real debate occurs and public meetings become little more than re-enactments of what has already been stitched up in closed meetings.

Recent events, particularly around the Waimea dam, have also caused us to query the objectivity of staff advice. The biggest danger with workshops is the potential politicisation of staff, producing analysis to order to fit the predominant political agenda. Good governance relies on staff presenting professional, frank, fearless and objective information to Councillors. Secret workshop presentations cut right across this fundamental premise of staff objectivity.

\*\*\*

## **Don't miss out on future newsletters**

Get your Town Crier by e-mail and never miss out on getting an issue. Send an e-mail to us at [NelsonResidentsOffice@gmail.com](mailto:NelsonResidentsOffice@gmail.com) with "Town Crier" in the subject heading and we will put you on our e-mail list. You can unsubscribe at any time.

\*\*\*\*

## **Membership Form**

If you would like to join the NRA a membership form is attached to this newsletter. We have a special introductory offer for new members of \$5 for a single membership, \$10 for a couple.

\*\*\*

## **Donations**

The Nelson Residents Association welcomes donations to help us represent ratepayers. We accept donations to our bank account 03-0703-0313476-00.

**Editor: Steve Cross**

