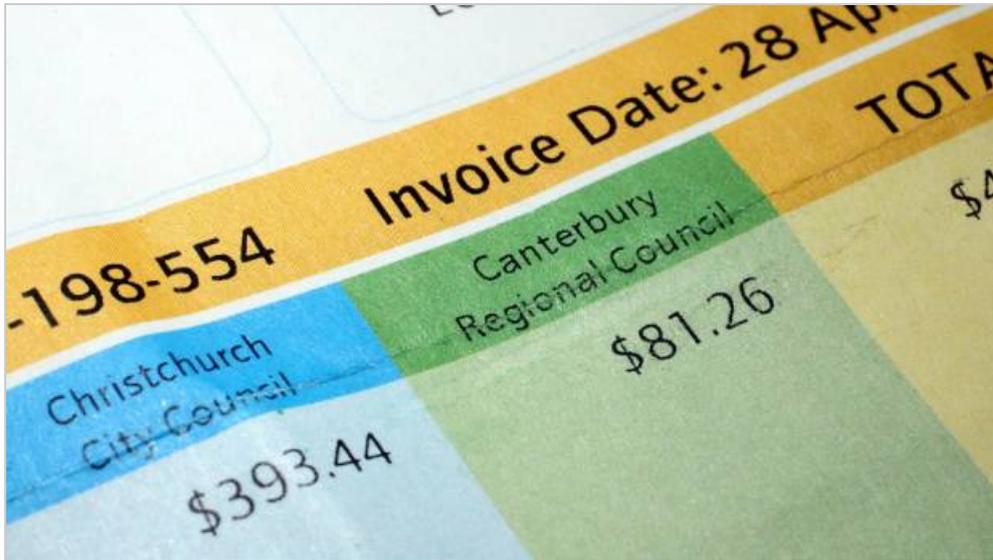


Council rates across New Zealand rise at five times the speed of inflation

TINA LAW
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DAVID HALLETT/STUFF

Rates charged by local authorities in New Zealand have risen by an average of 12.8 per cent, the New Zealand Taxpayers' Union says.

Rates are rising across New Zealand at almost five times the speed of inflation.

During the past three years, rates charged by local authorities have risen by an average of 12.8 per cent. At the same time, total inflation has equalled 2.6 per cent, according to figures released by the New Zealand Taxpayers' Union.

The lobby group released its second Ratepayers' Report on Tuesday, which compares the performance and financial position of every local authority in the country.



STUFF

The Mackenzie District is home to the country's cheapest residential rates, according to a union report.

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The report shows the debt per residential ratepayer has increased on average by 6.8 per cent nationally, but some local authorities have experienced a much greater increase. Auckland Council is the second most indebted council in New Zealand owing \$22,189 for every ratepayer, up 34 per cent from \$16,555 in 2014.

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Christchurch City Council followed closely behind Auckland, owing \$21,431 for every residential ratepayer, up 44 per cent from \$14,810 in 2014. Auckland and Christchurch's debt per ratepayer was three times the national average of \$6989. Waitomo District Council was the most indebted per ratepayer. It owed \$24,600 for each of its 2454 ratepayers.

Taxpayers' Union executive director Jordan Williams said the data showed debts were continuing to increase, even on a per person basis, which was a worrying trend.

Property Council of New Zealand government relations director Matt Paterson said he was not surprised debt levels were going up because councils were having to cater for a lot of unexpected growth.

"Building cities costs a lot of money and providing infrastructure to cater for that growth is a large part of that."

Paterson said increasing debt was quite a sensible reaction, especially when councils were not expecting such growth.

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He said using the rating system to fund capital expenditure was an "out of date and unsustainable" model that was never going to deliver the infrastructure and housing that was needed.

"There's a real need for innovative solutions for council funding."

The report also details rates increases across councils and shows Western Bay of Plenty District had the most expensive average residential rates in both 2014 and 2017 (\$3274 and \$3234 respectively).

At the other end of the scale, the Mackenzie District Council had the cheapest residential rates in the country at \$1637. The district also recorded the largest percentage increase

nationwide, of 48 per cent from 2014 when rates were \$1104.

Mackenzie Mayor Graham Smith said the council's debt was low, so ratepayers were not being rated for debt. According to the report, the Mackenzie District had \$1063 of debt for each of its 2704 ratepayers, much lower than the \$5576 average for rural councils.

"We're definitely a small, but very efficient council," Smith said.

He signalled another rate increase of about 7 or 8 per cent for next year, saying the council was working off a low base and was in "catch up mode".

Local Government New Zealand president Dave Cull said it was difficult to compare each council because they provided different levels of service and catered to different needs including housing, tourism and infrastructure.

He defended the rate increases, saying councils' costs were increasing at different rates to overall inflation.

The average rise in local government costs was 3 per cent annually, Cull said.

"Just to stand still you would have, on average, a rise of 3 per cent a year; if you want to do more, then clearly you'd have to go up further."

Cull said total debt was growing but it was largely a result of the bigger cities like Auckland building infrastructure to cater for a record number of migrants.

Councils were not able to invest in infrastructure without raising capital somewhere.

He said the Christchurch City Council obviously had to raise its debt level to rebuild the city after the earthquakes.

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Girl Guide Biscuits



Hi Everyone. I am a Leader at Welcome Bay Girl Guides and co-ordinating a se...

Found Cat

Black, young, long hair, friendly, hanging around for over a week now. Near Coas...

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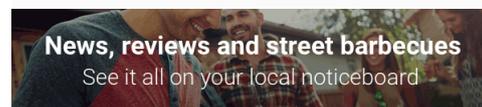
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Topped

2 days ago

Hopefully profits from the proposed Cathedral cafe will pay it off,

+4

stokey

2 days ago

Re I wonder why questions. All good valid points but this pre supposes that we have any good investigative journalists left? I doubt it?

+4

Shaka

2 days ago

So large increase in debt at a time of large rates increases. Sounds like those professional CEO's are not managing the organisations. Perhaps a big pay cut?

+9

bert

2 days ago

National have refused to allow councils to employ other revenue streams such as fuel tax while imposing many additional costs onto councils eg infrastructure costs due to high immigration.
National force councils into greater debt as it serves their foreign bank sponsors.

-2

Arfa_minute

2 days ago

Soon wont be able to live in your own house or for that matter supply a home for someone else to live in - if you are that lucky .
The Local council will have gobbled up all the money .

+12

Arfa_minute

2 days ago

Rate payers Property Owners . Landlords - Tenants . All being RIPPED OFF at the hands of Local Councils .
Shame on all the councils ! Time for a Change to realistic charges and Councils to "Live Within" Budget !!
So much unnecessary Works being done just so One Council can Out Do another at Whose got the best ...
Whatever !
Its Time to stop this nonsense !
Its time for Councils to Be Accountable to the local paying public !
Its time for Councils to be accountable to Local and senior Govt !
Its time for a BIG change alllover .

+17

i wonder why

2 days ago

URGENT

could the Press pls obtain a listing of all the executives earning more than 100,000 pa, indicating not the names but the job titles and the organisations, companies, etc they are working for, incl the airport and the port authorities...

Could the Press also obtain information on the amount of money spent on consultants, reviews and committee member fees for the past 12 months...

Could the Press also obtain information on how much council employees (and employees of council owned or operated companies and institutions) spent on overseas travel, on courses, workshops and seminar attendance in Godzon and abroad. Which were the favourite locations?

Could the Press please also obtain how much is being spent on salaries, travel, training, etc for all those other new institutions supposedly working on the recovery or regeneration and related.. how much do they spend on consultants, advisors, committees, research reports, consultations etc etc

+18

Paul 03

2 days ago

I'm sure the treaty says nothing about Councillors.... get rid

+9

Uncle Fred

2 days ago

Does any one believe the reported rate of inflation ?

Anything we purchase has gone up in price.
Groceries in particular has seen a huge price hike.

So I take this article with a grain of salt.

3 replies

-1

HumphreyBBear

2 days ago

Google how inflation is worked out. It's based on things like buying a new car or new television every year. Items that get cheaper as technology advances and items that we don't generally buy every year. They avoid sensible things like groceries so inflation doesn't go through the roof and make off shore investors jumpy.

+8

i wonder why

2 days ago

It seems the official inflation excludes anything which increases in price

+8

Andy

2 days ago

Whats more important is to know how much average incomes are going up - its us that has to pay these extortionate rates

+7

Terry Hedge

2 days ago

How in hell can they justify the increases??? People need to band together and say no more increases. Take to the street!!

1 reply

+21

Cam Sauce

2 days ago

Pitch forks is the only language they understand !!

+8

D Todd

2 days ago

New Zealand rate payers should all stick together and stop paying rates altogether until councils get real with charges ?? They are thieving

1 reply

+15

Arfa_minute

2 days ago

Yes i agree but doing that may cost you extra chargers 10% late pay penalty.
And yes they are a thieving pack ofso ...so so...s

+9

Action100

2 days ago

Just wait until Labour realise they have to clean up Urban pollution of waterways from sewerage and stormwater. Rates will double to tackle that.

+3

JohnnySaucePants

2 days ago

Perhaps a way to fix this, especially in ChCh is an en-mass rates revolt.

+8

impco

2 days ago

The Councils mandate should be to mow berms, pick up rubbish sort drains and sewerage, and fix potholes.

Auckland has a whole department dedicated to wasting our money called ATEED.

The Council won't mow berms now and keep thinking of ways to charge more for rubbish collection again and neglecting to maintain water and sewerage systems up to a standard expected for the 1980's.

They have also instigated many creative ideas to waste our money such as narrowing streets, repainting our approx 1000 buses a new colour which is almost the same as the old colour, overpaying private companies for sub-standard road work, spending millions on a new building, then millions more to make it safe and usable, because of lack of due diligence, paying for many public events, parties, celebrations, etc, ongoing millions for a downtown tourist tram system that does not go..... too much more to mention. If the Council stuck to it's core services they would not need to borrow millions and could lower rates.

+12

Jalona

2 days ago

I would be happy to only have essential infrastructure and services for a couple of years and get the debt under control. I sure don't want art, more employees and feel good projects, whilst I feel councils have no fiscal responsibility. Unless it is absolute essential, such as water and sewage, the principle should be, if we cannot afford it, we can not have it.

All government departments need their top income earners capped at a multiple of the lowest wage earner employed. They are in service to the people, not in private enterprise. Perks also need to be scaled back or possibly eliminated altogether.

I would vote for a freeze on unessential spending and a miser to go through the budget and eliminate every unnecessary perk, junket, consultant etc, and insert strict rules of no more debt until they can balance the books and no more pay rises until they can do unessential projects without incurring further debt.

We cannot tinker to get this problem under control, we need a major fix.

+13

ohmygoodness

2 days ago

If councils reduced the wages at the top, there would be a few more thousand to throw around. Just the other day there was an article that was showing how much CEO's were being paid.

The huge wages at the top need to stop. I'm sure there are plenty of wannabe CEO's and managers that would happily take the job for a respectable wage, not over the top wage.

Stop the greed at the top for goodness sake!

+15

RachyP

2 days ago

Finally! Someone points out that Western Bay rates are heinous. Thank you, I feel validated. It irks me every time I hear Aucklanders complain about their rates and I see their amazing libraries, pools and public transport, not to mention events and recycling. And I look around at my tiny library, a pool shared with the high school, virtually no public transport, and no events bar an annual santa parade, for \$3500 per year on a 120sqm section with a 72sqm house.

Please, people of big cities, be happy for what you have. Because all us regional folk have is roads and sewer pipes (60% of my rates pay for these). And in turn, I will promise to be happy that I have roads and sanitation.

1 reply

+4

Pauline1

2 days ago

Auckland's rates are actually quite reasonable compared to those elsewhere - the advantage of having a larger population to spread the cost.

+2

cecil75

2 days ago

Rates are far too expensive already. People cannot afford them now, another increase will mean some will lose their home.

+9

Ranter86

2 days ago

Time to remove democracy from council level, maybe just vote in a Mayor and in large cities a couple of other representatives. The rest can be qualified people who apply for positions. Once these people who pretend to be working for the people get in they cannot be removed and all they do is spend, Chch council must be the worst, events, artworks, and even low income housing which is none of their business, they even want to buy electric cars with no regard that they cost double and depreciate rapidly. These "politicians" both local and nationally cost us way, way more than the so called bludgers ever have. They are on very highly paid benefits.

+7

Voice

2 days ago

Have you noticed when there are complex issues like - fixing the housing crisis or fixing NZ congested roads, local councils and the government tend to blame each other for not having a fix and no-one is held to account.

It's hard to tell who wastes more money, Central government or local government. There just as bad as each other.

+12

stokey

2 days ago

The present rating system is obsolete, corrupt, pernicious and unfair. It enables poor management and no accountability for results. If incompetent decisions result in massive overspending it doesn't matter - just hike up the rates? Empire building is endemic and inflated ego's are the norm. I suspect that many contracts awarded would not stand up to scrutiny and the end result is that the poor old ratepayer pays time and time again. If anyone out there is listening, read some of these comments in Stuff and DO SOMETHING about it, before WE DO!!!

+11

oldmoza

2 days ago

I dont get everyone wanting to ride the councillors when, at the end of the day, it is the executives that work at the councils that should be held more accountable. The pittance that councillors are paid is quite minor compared to that of a CEO etc.

2 replies

-5

Cam Sauce

2 days ago

Since when did \$100,000 councillor salaries become a pittance ??

+8

Vva

2 days ago

The Councillors should be paid a similar rate to a commercial board of directors, and the role should reflect it - otherwise we get the issues that we see now (almost daily).

This is because we have a series of unqualified elected members making multi-million dollar decisions when they simply do not have the skillset or nouse to do so.

Turn it into a mirror image of a professional board of directors and watch the calibre of candidates go through the rough.

+4

Logon

2 days ago

Well what do you expect when the South Wairarapa District Council would rather waste money on the White Elephant (Wainaga) Centre the year before Wairarapa council amalgamation - they're only building a monument to their egos and glorifying Martinborough at the expense of Featherston and Greytown. None of the wider ratepayer base wanted their ego-trip or the increase in rates that they tell us are nothing to do with their grandiose plans.

1 reply

+4

Robert71

2 days ago

They are above the law when it comes to mismanagement of public money. No political party cares or will even comment about councils.

+3

Vva

2 days ago

The rates model is flawed - why should a widow who lives in a two bedroom townhouse in Merivale pay three or four times as much in rates as a family of six that lives in Richmond?

+5

Vva

2 days ago

yays lets borrow more \$\$ all the while my rates have increased 240% since 2013.

+8

jo2lo

2 days ago

Gormley Statues, plans for covered stadiums, "vibrant" city centres. All just \$pend, \$pend ,\$pend, just because the councils are permitted under the LGA laws to extract moeny out of ratepayers pockets with little consequence.

NZ council CEO's quip that they get 10% plus remuneration increases because they are good at saving money! An oxymoron if ever heard!

Christchurch people could understand when there was a "levy" placed immediately after the 2011 EQ because there would be extraordinary extra costs for the recovery. But they never mentioned installing million dollar plus rusty statues in the Avon as part of the deal.

It's well past time that the CCC wage increases were matched to the rate of inflation. Then all their staff will be in tune with many who haven't had income increases for years and years.

1 reply

+10

Oldboy

2 days ago

Does Christchurch actually have a CEO? The last time I heard is was a she, and she has been invisible since being appointed. But then again she was appointed by Dalziel so will be kept firmly under her foot.

0

cecil75

2 days ago

Please! No more rate increases.

+7

Bruce2

2 days ago

Its time that the Govt stepped in and sorted councils out. They are spending money, without worrying that some poor person had to get out of bed to earn it. I still wonder how many of the people within councils get to the position of power that they have... Its all too easy to set a budget then go to the rate payers, and once we have sucked the rate payer dry we will then look at other avenues, such as a bed tax...

+7

A voter

2 days ago

Apparently, in Auckland, there is one council worker for every 69 people. The only time I see anyone employed by the council is at the library or when a potential councillor wants my vote. They go on about trying to pay a living wage, yet their policy of not freeing up land for housing has significantly contributed to the housing crisis. This coupled with the high cost of getting building consent makes it seem rich that they complain about affordability. They have borrowed to the max and yet there is little to show for it. 38% of my rates goes toward public transport. On numerous ocasions, the buses run nearly empty. They have so many senior staff being paid over 100K, but can't fix the basics. Time to go back to square one.

+7

bier

2 days ago

Don't worry about fiscal responsibility, we'll just keep raising rates like there's no tomorrow.

+13

bring back nz

2 days ago

The three things that put price out of the reach of average people
1 council raising rates/compliance costs / also council building rules
2 Realestate agents
3 property developers
Housing should not be a financial investment.
It should be an invest in the well being of our people.

The big picture is healthy people
Have less sick days
Have less mental health issues
Have sense of belonging
hospital costsgo down
Can work longer
want to work
Im sure all these and many more reasons would more than cure the most of the problems
plaguing our country

+9

Original cantab

2 days ago

The govt. should pass law to stop councils raising rates past inflation. We are constantly told that these highly paid CEOs are required due to their business nous when all they do is spend ratepayers money. If they were like a 'real' business their outgoings would be limited by income/sales. Here they just seem to think they can spend as they want.

Secondly, councils need to stick to their core role of infrastructure, not other roles.

And CCC, you can't use the quakes as an excuse (especially when you are buying expensive art and trying to get into housing for the low income (the govts. job)). Insurance should cover the rebuild costs. Whats that? your previous highly paid CEO didn't insure properly?

1 reply

+10

Cam Sauce

2 days ago

Their business is limited by income, unlimited income in fact. They can increase rates as much as they like and YOU are required by law to bend over !!

+6

Shaka

3 days ago

But last week there was an article telling us council CEO's needed to be well paid and they kept costs down.

Council tax and give too much money away, around 9% of the total rates take in christchurch. This year it will be even higher.

+7

bd120132

3 days ago

Im in Carterton and pay over \$3K a year in rates on my property with a value of \$270K

1 reply

+7

Logon

2 days ago

I'm just south of Greytown and have the circus we call South Wairarapa District Council.

We don't even have Adequately Performing Monkeys in our circus - although we do have a Fox and that one is a lone voice in the wilderness of self-interest.

+4

Voice

3 days ago

Never ending rates increases by local councils are like tax increases every year, but done sneakily. Local Councils just raise rates year after year, it's never ending. It would be like central government raising taxes every year, yet no one complains about it. If they do it is ignored. And central Government does nothing about it - A brighter future?

People need increases in wages - just to keep up with rates increases, let alone other expenses!

+7

guyon fawkner

3 days ago

it's a joke, it's unsustainable, it's wrong.

+10

marko

3 days ago

One of the biggest examples of corporate welfare. ie. business wants unfettered immigration for lowering wages and all that it brings and then ratepayers have to urgently upgrade the infrastructure to accommodate them !

+9

bert

3 days ago

National have shifted massive costs onto councils.

The immigration they have used to boost apparent economic activity imposes costs on councils.

National refused to honour pre existing infrastructure funding obligations towards the Christchurch city council post quakes.

Labour have already announced significant policy which broadens council revenue streams away from the rating reliance they have been trapped in.

It suits the National govt to force higher debt onto councils as Nationals sponsors, the foreign banks profit

hugely from it.

Councils forced into debt effectively privatises rates revenue toward Nationals foreign bank sponsors.

We are all being farmed.

2 replies

0

grumpy

2 days ago

so Labour wants to let Councils go into business in direct opposition to their commercial ratepayers & therefore will be increasing staff & more costs

1 reply

+2

bert

2 days ago

Wooooooooooooooooooooooooosh

+1

Charles

3 days ago

The cost plus mentality of councils and NZ bureaucracy in general is evident. The logical progression here is that councils will eventually consume all of the average family's discretionary spending. It's time some other method of calculating rates was used, instead of a property's valuation. Just because my home appreciated in value doesn't mean my income has matched. Unless I sell, it's unrealised value and its causing many on fixed incomes to be rated out of their homes.

+15

AntiDomination

3 days ago

Stop giving the useless buggers pay rises

+16

TwoCents

3 days ago

Councils don't buy bread and milk - they buy concrete and steel at global market prices. Comparing concrete and bread is not valid.

Central government has devolved responsibility to local councils for the delivery of heaps of things that councils have to fund (central govt doesn't fund local government)...and then central government has not allowed councils raise funding for infrastructure any way other than rates and borrowing.

Our infrastructure is hidden - storm water, waste water etc - until it goes wrong and then communities better levels of service. To maintain and, when population increases, upgrade sewage systems etc is costly.

Yes, some councils might be empire building etc but if you don't like it VOTE, if you don't like who is standing for election then NOMINATE!

2 replies

+1

Cam Sauce

2 days ago

Voting doesn't seem to work in Christchurch we just go from one crappy outfit to another just as crappy outfit !!

1 reply

+3

Oldboy

2 days ago

Because only crappy candidates stand.

+1

Arthritis

3 days ago

Council rates have become a criminal fleecing of homeowners by bloated and inefficient Councils and narcissistic Councilors and Mayors indulging in social engineering, vanity projects and pet hobby horses. The sooner this legalised fleecing of ratepayers ceases the better.

Another stupidity and slanting of the system is charging on property value rather than the individual. E.g. A couple can buy another house worth more than the previous house in the same Council area, using exactly the same Council facilities, infrastructure and services in the new location and pay more for the privilege of doing so, which is a complete nonsense. Charging on value is a sly wealth tax when rates is actually paid from income, not unrealised value that is theoretical money, not actual money.

The entire Council system needs an overhaul and a complete restructure to be fiscally fair and for the benefit of ALL ratepayers; not developers, special interest groups, vainglorious Councilors and Mayors, Councilor/officials hobby horse projects, social engineering or any of the other nonsense we see going on now.

The WCC is a particularly bad offender on all of the above.

2 replies

+13

Cam Sauce

2 days ago

Whoah, slow down Arthritis, you're talking Poll Tax here and THAT brought down Maggie

Thatcher and the Tories !!

0

grumpy

2 days ago

there are alternatives to capital value rating but Councils are wedded to it claiming the house value reflects "ability to pay"...its a capital gains tax levied before you can realise it

+4

Nookster

3 days ago

When I bought my house in Chch in 2001, I was paying just over \$800 a year in rates. I am now paying just under \$4000 a year. In 16 years that is an extra \$3150. What extra have I got for my money? Wheelie Bins is the only thing that springs to mind, other than EQ repairs. And the CCC won't provide timelines for when they will start reducing our rates once EQ repairs are completed. My guess is they will keep the extra money..

1 reply

+13

Cam Sauce

2 days ago

Don't forget several new slogans and fresh stationery to aforementioned, and as you suggest they just think you'll forget about that little surcharge for EQ repairs, and if you don't they'll just change the rules anyway !!

+4

NET

3 days ago

Christchurch is an interesting animal. All the new road building with added decorative nature strips and garden seems unwise, given that the council is unable to keep the existing ones neat and tidy. The city is pretty shabby right now. Certainly the upkeep is worse than it has been in many years. The roads are shocking and there is litter blowing around the streets. There seems to be little value for dollar in our steadily increasing rates.

+8

Indy_

3 days ago

Possibly a result of years of mayors and councillors being elected on a no/low rates increase promise - which could have been lower than inflation at the time. Now when trying to catch up there's massive increases. Those on the political side of things need to be realistic. If you have no rates increases for a decade inflation means running infrastructure gets too expensive in the long term and you have to have a big rates increase which understandably shocks and angers most people. Blame elected members for unrealistic short sighted promises.

-6

hardy-annual

3 days ago

The issue is that the economy is heading for a meltdown... expenses like rates, power, insurance, groceries, petrol etc are forever increasing, yet wages are failing to keep up with these increases. More shops, malls, cafes, bars, night spots and the like are opening, who rely on people spending their excess income to keep them afloat... their rents and expenses are going up due to increased insurance, transport, rates etc, meaning they have to put up prices to cover them. And of course, people just don't have the spare cash to support these shops, so more close and more people are out of work, making everything worse.

+11

whyynot

3 days ago

too many lifers (sloths) in the employ of councils, too few commercial goal orientated beasts, employees far too involved in the politics and not the job at hand that leads to ineffective and inefficient operations. LGNZ need an MP and CEO skilled and focused to direct and lean on Councils to perform and cut unnecessary jobs, perhaps a Consultant like Sir John, the smiling assassin.

+9

grumpy

3 days ago

and there are still Councils who think capital value rating is fair as its a tax & therefore property value reflects ability to pay....isnt this what a capital gains tax does ??

+7

carried

3 days ago

Rents must rise to cover this.

+4

James22

3 days ago

Simple answer. Regulate all local government to limit debt and rate rises to the C.P.I. That would force them to downsize and go back to providing the core services without all of the frills.

1 reply

+15

grumpy

2 days ago

ye gods you are advocating staff cuts, no conferences or perks like gym memberships & art competitions / christmas lights. We pay for a lot of nice to haves when we actually need the core services

+3

onyourway

3 days ago

If it was an awesome city, then I suppose I could stomach this. But the level of service we're getting is appalling. Way too many selfish, greedy people in council wrecking the city and I think someone's going to snap one day over something like this.

+6

i wonder why

3 days ago

it is about time the Council once again will concentrate on proving basic services not wasting funds to buy fancy rusty figures to collect rubbish in the river, not for buying steel balloons from Australia's scrap yard - but then calling it art, not re-doing roads to provide cycle lanes for a handful of lycra-clad guys (not even council staff uses a bike)

stop wasting time and money on 'consultations' with the only excuse of delaying recovery work, stop wasting time and money on overseas trips, on more and more committees and sub-committees, more institutions for the boys (and girls), more and more consultants, advisors, promotion staff and much more.

back to basics please

and publish reports on what actually has been achieved (do we still have a CEO ?)

at least we know what Tony did...

and stop having meeting behind closed doors, open up and do something which you are getting paid for..

1 reply

+8

Cam Sauce

2 days ago

Unfortunately you and I are wasting our time in these columns. Those in the Hereford Hilton care not about what we think !!

+2

Kaz Rohloff

3 days ago

land values here have dropped by 40% since mining stopped but the rates have gone up so they def not reflection of land value

1 reply

+7

grumpy

2 days ago

and the poor city dwellers complain about rates...our place isnt even worth \$200,000 these days but rates are just over \$3000. Too many Councils & overpaid staff is our problem

+1

i wonder why

3 days ago

why do all the cost and prices rise, incl rates but inflation remains low, almost unchanged..

1 reply

+5

Cam Sauce

2 days ago

See my comments below !!

0

Trump

3 days ago

All the comments below are greatthe reality is it is easier for them to keep on increasing your rates which they post along with a glossy brochure on their feel good projects etc, but they have no concept on spending within budget. To many on big excessive salaries and promoting silly pet projectssister cities , trying to fix central government problems , safety/cultural awareness courses etc etc

1 reply

+2

Cam Sauce

2 days ago

They have no concept of budget full stop !!

+1

Martin NZ

3 days ago

Rates increases should be capped at the current rate of inflation. Infrastructure for urban expansion and growth should be funded solely by the developers who profit from it not by the general rating base. Enough is enough.

+7

Vortex

3 days ago

City Councils are self serving and need to be replaced, in most cases they have no care for their local community apart from those private investors and their close friends. Whenever most people try to get anything from the council's they just wrap the process up in bureaucratic red tape.

+9

loulou

3 days ago

I have never understood why rates are (mostly) based on the value of a property. There seems to be an assumption that because you (in some cases) own a home, you are wealthy. For the majority of home owners this simply is not true - quite the opposite in fact. If we were to have a truly fair system, then these costs would be shared amongst all residents - not only those who own homes, but those who share the benefits paid for by ratepayers. As a Banks Peninsula resident my rates have more than doubled since we amalgamated with CHCH - something we were told would not happen. Our services have not improved - again, quite the opposite. At this rate, we will not be able to afford the rates on our home when we eventually retire.

2 replies

+7

Shaka

2 days ago

Sadly chch rates also went up after amalgamation, we were told it would go up 10% just to cover Banks Peninsula previous underfunding. This is why amalgamation was voted down by 80% of the chch population. We were ignored.

+2

Cam Sauce

2 days ago

"something we were told would not happen"

45 years ago my father told me never trust a politician with his mouth open. Sage advice in the conservative 70's !!

+3

Spiv

3 days ago

Thats a Labour MP for you - no matter where they are: up goes the spending and up goes the borrowing. 'Lets Tax it'.

1 reply

0

Cam Sauce

2 days ago

Illinois (USA) recently decided to increase personal and company tax by 35% to garner some extra cash to fund shortfalls. Nett result was 3000 millionaires relocated to other states and companies also fleeing the state. End result, they now gather LESS tax than had they done nothing !!

Source - Will County News, April 24, 2017

+2

HumphreyBBear

3 days ago

Stop having \$100,000 parades for things that most rate payers can't go to. Use that money to pay off debt first.

+8

Hombre

3 days ago

Time all citizens paid for the running of the city/town they live in and not just the homeowner.

+4

loveapple

3 days ago

Base the rates on the last SOLD price. That will sort Auckland out. Our rates went up nearly 19% this year. Nothing we can do about it. The council improved infrastructure for a new housing development we didnt want, it hasn't happened and just a few of us here have to pay for the goodies. So next year our rates increase will be per centage based on these rates. We can't afford to live here anymore as we are retired.

+1

trev ally

3 days ago

There should be no gst on rates. Its a tax on a tax.

+4

MT50

3 days ago

and now the council are giving away our money for the standard living wage, even business cannot afford that, the one I work for would go bust as we could not put prices up to compensate.

+2

Cam Sauce

3 days ago

Inflation at 2.6% is a giant fraud perpetrated by government in recent years to limit increases to inflation adjusted benefits. Tell anyone that has been to the supermarket recently, paid a power bill recently, rent, school fees, entertainment, et al that inflation is 2.6% and they will laugh at you to your face. One of the inflation indicators is LCD TV's which keep crashing in price every year, but how many LCD TV's do you buy in a year !!

+6

Pauline1

3 days ago

Councils used to be focused on essential services. Unfortunately, that's too dull for today's ridiculously expensive Council managers, who are more interested in the sexy stuff and who seem to have little difficulty in taking the Councillors along with them. Meanwhile, the essential services are contracted out to the cheapest tenderers and the services decline accordingly. And the ones who pay the price are the ratepayers who keep being hit with rate rises based on artificially high QVs that frequently don't reflect market values.

+20

Simon2

3 days ago

I love the often repeated line, councils have "special inflation costs" as if this justifies out of control spending year after year. When councillors have that attitude which they do (they all have their pet projects) no wonder rates double about every 7-8 years.
CCC spends a huge % of its budget on things that local govt has no responsibility for, approx. 20% is spent on "wellbeing" items, just before the last election our mayor decided CCC should be paying for mental health.
CCC is the 2nd biggest landlord in NZ, mostly driven by Vicky Buck and Gary Moore whose wife sits on CCC housing dept board.
There has been a little left wing Mafia like Labour lot quietly pulling the strings for a long time at CCC, they hold all the power.
They have no interest in keeping rates down, they will stretch increases just as far as they think they can get away with it along with CCC charges for all manner of services they provide.
Keep expecting your rates to double about every 7-8 years, plenty of ratepayers will be paying \$10k-\$20k in the very near future p a., no one under \$4k-\$5k p a.

1 reply

+17

Cam Sauce

2 days ago

Unfortunately I can't disagree with anything you have stated !!

+3

RexToComment

3 days ago

Part of the answer is for people to take an interest in what their councils are planning AND SPEAK UP. All councils in the country have to publish a long-term plan next year, and the public have the right to make submissions - and be heard. Unfortunately these documents are so opaque as to be incomprehensible to anyone without a degree in particle physics. It's hard to figure out where cuts can be made without damaging the quality of life in your district. But front up anyway - tell your councils rates rises are unacceptable. If 1000s of people ask to be heard councils will have to listen. But it will take 1000s. So speak up. Make it clear rates are going to be an election issue.

2 replies

+8

grumpy

2 days ago

they only pay lip service to ratepayers unless its election time

1 reply

+2

Cam Sauce

2 days ago

Then they just lie !!

+2

Messenger

3 days ago

The council business model was unsustainable years ago and more so today!
The day John Key stripped water and electricity from the councils revenue streams, rates increases became inevitable. For you and I it became a double whammy with the price of electricity escalating horrendously on the one hand and rates on the other hand. (The only way council could claw back some revenue).

How the government could not have foreseen this is absolutely beyond me.
How councils could not look inward and evaluate processes, procedures and optimize is beyond me.
The ongoing wastage in terms of antiquated approvals processes (consents etc.), poor communication and overall lack of management maturity beggars belief.
We have had an IT system blow out by \$76 million a few years back and have had no further word on that, all paid by us.

These costs ripple down and affect every aspect of our lives and increases costs at every level of our existence. I am rather upset.

+1

Ray Copeland

3 days ago

Why is anyone surprised?

Auckland Council have over 11, 000 staff thanks to Loose Len and his successor. (Up from 9.5k).

Rates go up because council leaders cant get their costs under control and think they are voted in on a political agenda whereas we vote them in because we want improvements in basic services like roads we can drive on, verges mowed and our rubbish collected.

+8

chaching

3 days ago

Lol funny article really.....when was the last time that the CCC didnt raise rates?

+9

NoSlimJust Shady

3 days ago

that's because the elected people in ALL councils are not qualified to make the big financial decisions needed in this day and age. Councils need to be run as a full time business now not a plaything for a few rich board retired business men and wanna be financiers.

+1

extrinsic

3 days ago

And nothing will change to curb or reduce out of control spending by Councils.. The ratepayers Countrywide have no say whoever they vote into Councils

+5

It'sme

3 days ago

Mass immigration - stretched infrastructure - immigrant chief executive officer on a fat salary. :-(

+9

hub11

3 days ago

Please also talk about double dipping by design:

- fist by setting / increasing the rate as a percentage of the RV

- then increasing the RV because the "properties market value" is rising

This means as ratepayers we get stung at least twice.

1 reply

+7

Pauline1

2 days ago

In many cases, the RV is well above the market value.

+3

JPC

3 days ago

Just further signs of a lack of funding coming from central government. Councils have little choice but to hit ratepayers as that is the only funding they can control. But hey, tax cuts right Bill!!!

-3

Sally Mipp

3 days ago

So this is news is it? Those parasites on huge salaries, 9-5 workdays and 1 hour lunches are sucking us dry like any true monopoly and there is nothing we can do about it. No wonder Len Browns supercity is a big fail with a massive bureaucracy pumping out redtape and more compliance as their only function. Council inspectors swan around all day with their hi-viz jackets, clipboards, safety glasses and regulation boots

handing out compliance notices and charging a fortune. None of them have ever had a real job in the private sector where you are expected to work for a change.

+2

0-----0

3 days ago

rate rises are to cover costs that councils must shoulder due to govt passing more and more responsibility to them. This is the flipside of your tax cuts folks. You pay either way, just in many different ways.

0

Ben10

3 days ago

Councils cause inflation.

+2

Chris Davies

3 days ago

Councils are financially incompetent. Christchurch especially. How difficult is it to vote "NO" if the proposal costs more money? Very difficult it would seem - as none of them seem to be able to do it.

1 reply

+4

Cam Sauce

2 days ago

But people want that \$400 million plus new covered stadium with gold plated bathroom taps as an appropriate venue for the Canterbury Crusaders. Why not just call them the Crusaders and let them move somewhere else !!

+4

0-----0

3 days ago

ah. and the bread is from the average working person, struggling week by week. with hardly a pay rise in year, a lot not at all. nz is starting to go backwards.

1 reply

+2

Cam Sauce

2 days ago

NZ has being going backwards for 20 plus years !!

0

MakeitSo

3 days ago

About time central government stepped in and banned rises for 10 years. Let them, the councils, figure out how to work smarter!!

0

z650Steve

3 days ago

Here in Christchurch we had a 'one off' increase after the earthquakes and that has not come off.

+2

Ladyofscapes

3 days ago

Home owners are being farmed by councils. Renters are farmed by homeowners. We are all farmed by government. That is the society we have builtwillingly

+3

Robert71

3 days ago

NO political party has the courage to tackle the rates problem. All council spending is out of control, and councilors can not be held accountable in law for mismanagement.

+3

Lucky Me

3 days ago

I think everyone in Christchurch knew that post earthquake with the damage to roads and infrastructure that rates would go up. We got government assistance on some projects but end of the day our city, our problem. So we can dig it in and get it done but what peeves me is that it is a one way thing. End of huge projects the rates should come down. They need to find ways to save costs and lower rates at some point. Stop paying council staff directors fees, they are unqualified to run our companies. Don't sell assets as that is our only hope to turn this thing around.

+2

Bear Crates

3 days ago

oh yes. Increase rates, and decrease service. Just because previous Council's had under insured their property, and infrastructure. We can't go to our Bosses and ask for a pay rise because the earthquake

damaged my house, and by the way I won't be working as much. Nearly a Decade on and we still have rubbish roads, and drainage. These should have been some of the first things repaired. Not building stadiums, convention centres, cycleways, and repairing the Art centre. In a new subdivision you build the Infrastructure first. Come Christchurch City Council.

+2

Cam Sauce

3 days ago

It's MUCH worse than what it seems, 2.6% inflation is a highly manipulated figure by the government so as not to have to increase inflation adjusted benefits at the TRUE rate of inflation. Tell ANYONE that has been to the supermarket lately, paid an electricity bill, paid rent, school fees et al about 2.6% inflation and they will laugh at you to your face. LED TV's may be used as an indicator to inflation but how many LED TV's do you buy a year ??

+1

#real advice

3 days ago

I live in the worst part of invercargill my rates have doubled in the last 7 years I can't afford them and always owe late fees , what annoys me is why does every one in power positions over spend each year and get allocated more each year aren't these people sposed to be smart by spending tax payers money very wisely in stead there living the high life on great wages luxuries at morning teas and free gas for that car there allowed to use all of what us poor cash cows pay for honestly I'm over it

+7

RobinMcCarthy

3 days ago

Somewhere in the media last week, an example was given where council consenting fees amounted to \$72,000 for a new house.

Councils are raking in millions of dollars in all kinds of fees. And all of this before they even take in rates.

They have no competition. The only thing that drives down prices is competition. Or legislation where there is no market.

Some councils are using other councils for resource consent application processing. Now here is an opportunity to create a market.

I wonder what these other councils are charging. But whats the bet that they equalise the fees. They certainly don't pass it on to the applicant.

It is long overdue for central government to reign in councils.

+7

wackychef

3 days ago

senior officials on \$180K + don't help. my friend is one, great bloke but how many of them float around the chambers All day?

+7

ladysnowflake

3 days ago

Well they can start by reducing there fat pay packets!

1 reply

+15

Voice

2 days ago

Why would they do that. They have no reason to?

+2

Frew Gaul

3 days ago

#Sigh.

Twelve years ago, my home (in an area not serviced by water, sewerage, storm water (except a few drainholes), no shops, only one concrete-block set of 60-year old public toilets, a small park, and pretty well nothing else), my rates were about \$450 a year.

Now they are \$1800 a year, and nothing else has changed, except the council letter head (a couple of times, I think), and a glorious new Council Office, the most grandiose building in the town in which it is located.

By the way, I live in an area where there is on-going conflict and power-issues throughout the Council, frequently in the headlines. You guessed it - Horowhenua.

Guess they need more of my money to help sort their problems out.

3 replies

+16

Cam Sauce

2 days ago

We have the 6 star Hereford Hilton here in Christchurch, the most overpaid, underworked piece of

real estate in the city !!

+2

grumpy

2 days ago

thought you might have been my neighbour...our Council is actively promoting a new building for their ever expanding staff

1 reply

+1

Logon

2 days ago

SWDC?

+2

instanta2

3 days ago

This is partly due to the uncontrolled spending on hobby things like cycle lanes which are not used much in inclement weather plus the circus road layouts around the town. This is a result of leaving the mice in charge of the cheese.

2 replies

+11

Indy_

2 days ago

You should see the cycle lanes in Holland - sun or snow they are packed and car parking buildings in the city are full of bikes. That's a forward thinking city.

0

myrongainz

2 days ago

lol, what do you expect when you get incompetent people spending money that's not theirs, with zero accountability.

You're right about the (akl city centre) cycleways... they where business cased and funded upon literal made up numbers, that where so aggressively high, actual cycle counts are 25% what they "forecasted".

But with no accountability for failed benefit delivery, of course, nothing gets done.

+2

Christall Lowe

3 days ago

You didn't mention Manawatu District Council - we live in little old Feilding, our rates are \$3,500! (And always rising). I guess to pay for more cobblestones in the town centre.

2 replies

+11

Cam Sauce

2 days ago

There aim is to cobble all of Manawatu !!

+1

grumpy

2 days ago

or art in the park perhaps

+1

crezmaxima

3 days ago

This is how the council CEO's are being paid the big bucks.

+11

fire

3 days ago

"Just to stand still you would have, on average, a rise of 3 per cent a year; if you want to do more, then clearly you'd have to go up further."

I don't want you to do more. I want you to do less and reduce rates.

"The bureaucracy is growing to meet the needs of the growing bureaucracy."

+13

WDF

3 days ago

Lets face it , most councilors are just unqualified part timers that have never actually succeeded in anything. So why are they voted in ?

2 replies

+14

Bing57

2 days ago

They are voted in because no one else will stand for office.

+5

grumpy

2 days ago

because most of them are retired & need to supplement their super

+2

TechHubby

3 days ago

Hamilton in the news recently for giving it's chief exec a \$60,000 pay rise and refusing to honour the 'living wage' for it's less fortunate employees, similar for the hutt valley councils free lunches costing nearly \$20.000 per year of ratepayers money when the people eating those lunches are well paid. Yep I can see why they need to up the rates so much more than inflation - after all the mayor probably needs another new car this year.....

+15

TwoCents

3 days ago

There are lots of issues here: using CPI is a false equivalncy as councils are not buying household items like bread and milk. They are purchasing engineering services and supplies often at global market prices. Comparing concrete with bread is not legit. Secondly, central government has been devolving responsibilities to local govt for decades but has deliberately curtailed its ability to raise funds through anything but rates. Thus local govt is stuck delivering a whole lot of thing central govt should do and can only usr rates. Look at the stink caused by the mere suggestion that development contributions cause. Thirdly, we have a lot of ageing hidden infrastructure - no-one wants sewage running down their street..well it costs money to maintain and upgrade that system and councils need to borrow and charge rates to keep the system running. So folks, there's no easy fix and certainly more issues than a 'greedy councils' narrative.

3 replies

+1

Original cantab

2 days ago

Infrastructure should be maintained, that is a core role, no excuses. We also shouldn't forget the consenting process and huge fees, i.e. the recent story of the insulation consent, up to \$800, often more than the job itself.

+1

Andy

2 days ago

But the people who pay the rates are not getting income increases to be able to afford to pay them! Of course its greedy councils - they need to cut back spending, work within a budget and they wont!

+1

grumpy

2 days ago

except there are too many Councils so small ratepayer bases have an unaffordable task to pay for infrastructure & all the mayors & councillors

+1

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