



REPORT OF THE ORDINARY MONTHLY MEETING OF THE FINANCE AND POLICY COMMITTEE HELD IN THE COUNCIL CHAMBERS, 29 CIVIC AVENUE, GORE ON TUESDAY 11 SEPTEMBER 2007, AT 4:44 pm.

PRESENT His Worship the Mayor (Mr Tracy Hicks JP), Cr Bolger (Chairperson), Crs Davis, Harvey, Helliier, McLennan, Sutherland and Turnbull.

IN ATTENDANCE The Chief Executive (Mr Steve Parry), General Manager, District Assets (Mr Neil Jorgensen), General Manager, Parks and Recreation Manager (Mr Ian Soper), Roading Manager (Mr Murray Hasler), Asset Manager, Utilities (Mr Ross Haslemore), Arts and Heritage Curator (Mr Jim Geddes), Office Manager (Mrs Margaret Evans), the Corporate Support Officer (Mrs Jo Waddell) and 12 members of the public in the Gallery.

1. REPORT OF THE LOCAL GOVERNMENT RATES INQUIRY (44.29)

A memo had been received from the Chief Executive following receipt of the Executive Summary of the report of the Local Government Rates Inquiry panel. SOLGM and LGNZ staff had studied the report and compiled an analysis of it and how it compared to the suggestions put forward by the Local Government sector in a joint SOLGM/LGNZ submission. A copy of it had been circulated.

Cr Bolger said the rates inquiry had produced 96 points for consideration and it may take some time for central Government to work through them all. It had signalled a major departure from the Council's user pays approach advising that rates were in fact a tax and had also postulated about the removal of the uniform annual general charge (UAGC).

The Chief Executive concurred it would take a long period of time. He noted that some of the recommendations when revealed had been treated with shock, however, he believed the panel was being provocative and providing a platform for debate. He had no doubt Hon Mark Burton, the Minister of Local Government, had a grip on what drove Local Government

and he thought the Council needed the Government's viewpoint before it could really engage in meaningful dialogue. The Minister had not commented at this stage on the recommendation. He felt the biggest issue would be if a new body was created to provide an oversight of government decisions. It could mean an aggrieved party could hold up the process. It could also replace the views of democratically elected members whereas these currently lay with judicial reviews which did not focus on the decision, but rather the process. He welcomed feedback from the Council on how it would like to run the process in terms of its own involvement. Logic suggested it could be some time before the recommendations would be set in stone with 2012 being the start date given for Councils to have enough time to work through the implications for its own communities. The inquiry had provided a lot of information and would be a rich source of data for all over the next few years. A five yearly review would occur as soon as the local elections were finished.

Cr Bolger said there would be no change in policy until the Council received feedback from central Government.

Cr McLennan said until there was legislative change, the Council was debating issues that may not even happen.

Cr McLennan moved THAT the information and attachment be received.

The recommendation was seconded by Cr Davis.

Cr Harvey said it was a matter of the Council talking about the broad principles from the inquiry such as the removal of the UAGC and rates in rural areas and the impact of rates on higher income levels. He noted that being able to issue bonds could be useful.

Cr Bolger thought if the Council needed to change how it worked, it would need to be discussed. The way the Council currently financed the District was becoming more combative. There was plenty of time to debate the issues.

His Worship said there were major implications in the report that would impact positively and negatively on the community and he believed a working party needed to be set up by the new Council to keep an eye on what was happening.

The recommendation was put and it was carried.

The meeting concluded at 4:57 pm.