

GARRY REYMER

Rates

We acknowledge that Regional Council rate increases have been amongst the lowest in our region, however, local government rates are increasing in excess of CPI. Ratepayers are in a cost-of-living crisis. Growth cannot be an excuse as it is simply a factor you will have to deal with.

How will you manage Rates increases?

1. Set a budget that matches the revenue then hold the CEO to account
2. Focus on the core activity of the WRC
3. Enable businesses to improve productivity to increase regional GDP

Comments (200 words max):

The CE must set budgets that deliver the core activities first and be certain that these do not exceed the rate of inflation. Reporting will be strictly against budget.

Have better cost recovery of public transport at the same time get rid of wasted attempts of services that have been proven over the decades to have no public appetite like a commuter rail service to Auckland.

Make sure that the clip board warriors don't add 100% cost to a service a contractor provides. Cleaning board drains as an example, contractor time is sometimes 50% of the cost to ratepayers.

If external consultants must be used then the head count must drop. Staff increases in the vicinity of 30% over the last 8 to 10 years is unacceptable.

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Debt

Debt has been the easy option for local government entities to resort to in order to hold rates down in the face of inflation, growth, and a need to be re-elected. Councils such as Hamilton and others have had rating downgrades pointing to a failure by Councils to prudently manage their finances.

How will you deal with debt?

1. WRC has low debt but looking at some planned spending it will balloon quickly
2. Set capex (new debt) at life of asset funding model
3. Make sure any new debt has proper business case to support the proposal

Comments (200 words max):

Debt is not a bad thing if its attached to productive assets. If we incur debt to take production out of the economy would be dumb. An example would be to take productive Waikato farm land out of dairy to return the peat land back to some carbon absorbing sponge. With modern tech we can have both carbon capture as well as milk production off peat.

Another example is public transport. Electric buses at around \$280 mil capex will not help productivity or get people to use more public transport. If the WRC starts to look at the rate base as customers rather than an ATM they will find ways to provide a better service which then generates more revenue. We need to look to other industries that deliver and pick up goods to see if the technology involved can be used in public transport that provides cost effective door to door service rather than fixed runs.

The electric bus proposal as well as any other infrastructure needed to support them needs to be put on hold until the council is certain there are no unintended consequences, has enough electricity to run the network and has a supporting business case. The Te Huia just needs to be canned. Its a cost that we cant afford and a service the public don't support.

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Amalgamation

The amalgamation of some or all of Waikato Councils has been an issue the Chamber has been canvassing for some years. Auckland has been amalgamated, and the net result is seen as positive for their community with little diminution of democracy.

"For the 2025/2026 rating year, Auckland Council has announced a total rates increase of 5.8%, equating to approximately \$223 per year for the average residential property."

What is your considered position on Amalgamation?



For amalgamation



Against amalgamation

If in favour of change, how would you implement it?

1. Based on Catchments
2. Have a commercial entity to run things like water and Roothing
3. Set maximum levels of subsidy for public good activity such as PT

Comments (200 words max):

Although I have ideas about the structure that needs to take place my ideas are not exclusive and need to part of a wider discussion to explore the best final structure.

One thing I am sure of and that is the benefits of economies of scale out weigh the cost of bureaucracy if it is set up well and the right governance structures are in place from day one.

Working out what should be inside the new entity will take a lot of work but some of it will be back to the future with farmers managing the drainage boards.

If water and roading are spun out into separate Council controlled organizations the rest of what is left will be much less under the amalgamated entity, parks,halls,museums, libraries and public transport.

A key will be how we get fair representation from the entire region without falling back into layers of governance.