Sarah Thomspon

Rates

Local government rates are increasing well 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. Drive progress on expanding shared services with other councils

2. Review procurement processes and do more work in-house when possible

3. Ensure growth is funded fairly

Comments

We already save more than $3 million a year by working with other councils in the Waikato through Co-Lab, and we'll achieve further efficiencies by partnering with Waikato District Council to deliver water services and infrastructure. There's potential to do more in collaboration or partnership with other councils — for example, by merging functions like finance, IT, HR, and planning, and creating a joint building consent department.

We should explore joint delivery of core services like rubbish and recycling services. This also provides an opportunity to reconsider whether services are contracted out, or delivered in-house.

Reviewing procurement processes is a top priority for me, and work has already begun on this. We need to ensure the right risk settings, so we are not driving up costs by being overly risk-averse.

There are examples in council where we've achieved savings by doing work in house, reducing the use of consultants. There's potential to extend this approach across other parts of the organisation.

Growth is not paying for itself, especially in greenfield areas with higher maintenance costs, like stormwater swales. We must ensure operating and maintenance costs for new areas are covered by growth, not spread across all ratepayers. Targeted rates should be considered for this.

Sarah Thompson

Debt

Debt has for for 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 have had rating downgrades pointing to a failure by Councils to prudently manage their finances.

How will you deal with debt?

1. Keep on track with the forecasted surpluses intended for repayment of debt

2. Ensure new debt is used for intergenerational assets and growth infrastructure

3. Pursue strong commercial agreements for new greenfield growth areas

Comments

The Annual Plan forecasts the council balancing its books in 2026/27, with surpluses from 2027/28 onward — though this could be negatively affected by stormwater revaluations. We must stay focused on achieving and maintaining these surpluses so that we can make progress on paying down debt on existing assets.

Our financial strategy needs to include a clear debt repayment plan. That means paying off the right amount of debt each year so assets like pipes, reservoirs, and roads are fully paid for by the time they reach the end of their life and need replacing.

Debt should only be used for the right purposes: intergenerational assets that unlock housing and growth, and projects that deliver strong benefits to the community — such as the Rototuna Library. At the same time, we need to avoid unpopular roading changes like in-lane bus stops and ensure strong community support for any future investment in our transport network.

The government's new Fast Track law is likely to accelerate greenfield developments around Hamilton. To manage this growth responsibly, we must work closely with developers and neighboring councils to secure fair commercial agreements on infrastructure funding. This will help ensure that new developments are financially sustainable and do not place an unfair burden on Hamilton ratepayers.

Sarah Thompson

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?

- [x] **For amalgamation**
- [ ] **Against amalgamation**

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

1. Assess which services could be delivered more efficiently as shared services

2. Progress shared services with willing partner councils

3. Create joint decision making committees for matters related to growth and spatial planning

Comments

In my view, the Waikato region is too large and diverse to have one single territorial or unitary authority for the whole region — its geographical area is about five times that of Auckland.

However, reducing the number of councils in the Waikato makes sense - some councils have very small populations of ratepayers, and we also face challenges where growth doesn't stop at boundaries.

My priority for the next three years would not be to push for amalgamation of councils. It would be to expand shared services with neighbouring councils (as detailed in the first answer).

In my view, this is a productive and pragmatic way forward that will deliver tangible results and cost savings for ratepayers.

In the longer term, given how growth crosses over boundaries, and the need for a 'boundaryless' approach to infrastructure and planning, there is value in considering having one elected council for the wider Hamilton-Waikato metro spatial plan area.

In the meantime, we need more joint decision making on issues relating to planning for growth, particularly because the new water entity IAWAI will need clear direction on where to prioritise infrastructure for growth within the wider Hamilton and Waikato District area.