Ref: [redacted]

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PO Box 645, Nelson 7040, New Zealand

24 January 2024

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New Zealand Taxpayers' Union
PO Box 10518
Wellington 6143

Dear Sir/Madam

OFFICIAL INFORMATION REQUEST FOR 2022/23 RATEPAYERS' REPORT

I refer to your official information request dated 19 December 2023 for 2022/23 financial year information on rates costs, personnel costs, audit and risk oversight, payments to third parties and debt.

Section 74(1) Parts 1 to 6 of the Local Government Official Information and Meetings Act 1987 (LGOIMA) apply to a council-controlled organisation as if that organisation were a local authority. Port companies (Port Nelson Limited) are excluded under s.6(4)(c) of the Local Government Act 2002 and so data relating to the Port is excluded from this response.

Also, for the purposes of Parts 1 to 6 of that Act, "local authority" means the local authorities and public bodies named or specified in Schedule 1 to that Act. "Airport Authorities (other than airport companies (as defined in section 2 of the Airport Authorities Act 1966)) are named in Schedule 1. Nelson Airport Limited is an airport company as defined in section 2 of the Airport Authorities Act 1966, as it has been authorised by an Order in Council under section 3(3) of that Act to exercise the powers conferred on local authorities to operate airports, and so the provisions relating to availability of official information under LGOIMA do not apply to that organisation. However, it is recognised that, although LGOIMA does not apply to the Airport, the Official Information Act does and so data relating to that organisation has been included in our responses below.

1. Average residential rates

a. The average **residential** costs of rates and other Council charges, where **average residential costs = (X + Y) / Z.**
   $3,402
   - Please ensure that the figures used (X, Y, and Z) are disclosed in the response, where:
     - **X** is the total of all rates (general and targeted) charged by the Council to residential rating units;
       $68,411,544
     - **Y** is the total amount of user charges or levies applicable to residential rating units (for example charges relating to metered

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water, infrastructure contributions, refuse collection, fire protection etc.); and
$0
  - **Z** is the number of residential rating units (however defined by the Council) within the Council's district or city. If the Council does not have a classification for residential, please use the closest definition (such as urban).
20,110
  - Please do not include Council charges that are not part of the rates demand (for example, retail sales of Council rubbish bags).
- *If possible, the median residential rates payment by residential units.* ***$3,126.10.***

Please include all residential rates in this calculation, regardless of location, as we are aiming to compare residential rating units (i.e. non-income producing) to non-residential (commercial/rural, income-producing).

Residential

	No Of Properties/Charges (Z)	**Rate**	**Factor**	**Total (X)**	
General Rate	19213	0.0034323	9,385,996,500	32,215,556	
General Rate	897	0.0037755	658,172,402	2,484,930	
General Rates Sub Total	*20110*				34,700,486
Uniform Annual General Charge	21956		376	8,256,554	8,256,554
Wastewater	21353		565	12,058,466	12,058,466
Stormwater	19967		454	9,073,604	9,073,604
Water Charge	19586		221	4,322,434	4,322,434
Clean Heat Warm Homes/Solar Saver			Varies	0	-
					68,411,544
Water Usage (Y)	19586		2.295		

Rating Unit Numbers

	Total Rating Units	Residential Rating Units
2022/23	22,309	20,110

The average residential rating charges above includes the following but the make-up of individual residential rates assessments may vary based on property location and services provided to the property.

- General rate based on land value
- Uniform Annual charge
- Storm water and Flood Protection charge
- Wastewater charge
- Water Supply charge
- Water Volumetric Usage charge

2. Average non-residential rates

a. The average **non-residential** costs of rates and other Council charges, where **average non-residential costs = (X + Y) / Z.**
$9,849

- Please ensure that the figures used (X,Y, and Z) are disclosed in the response, where:
  - **X** is the total of all rates (general and targeted) charged by the Council to rating units except those defined as residential*;
$21,658,148
  - **Y** is the total amount of user charges or levies applicable to rating units except those defined as residential* (for example, charges related to metered water, infrastructure contributions, refuse collection, fire protection etc); and
$0
  - **Z** is the number of rating units except those defined as residential* (however defined by the Council) within the Council's district or city. If the Council does not

have a classification for non-residential, please use the closest definition (such as commercial).
2,199
    - Please do not include Council charges that are not part of the rates demand (for example, retail sales of Council rubbish bags).
- *If possible, the median residential rates payment by residential units.* **$5,966.74.**

*__Please ensure that this definition matches that used to calculate average residential rates so that the respective X values of both requests add up to total rates income for the 2022/2023 Financial Year.__

Non-Residential (Commercial, Small Holding & Rural)

	No Of Properties/Charges (Z)	Rate	Factor	Total (X)	
General Rate	1125	0.0115049	1,124,540,027	12,937,721	
General Rate	43	0.0094869	25,285,000	239,876	
General Rate	23	0.0074687	13,085,000	97,728	
General Rate	7	0.0054505	12,686,000	69,145	
General Rate	36	0.0138583	19,278,000	267,160	
General Rate	264	0.0159411	236,928,000	3,776,893	
General Rate	9	0.0128128	3,510,000	44,973	
General Rate	1	0.0096860	275,000	2,664	
General Rate	1	0.0065591	375,000	2,460	
General Rate	556	0.0030891	396,169,217	1,223,806	
General Rate	134	0.0022310	175,248,000	390,978	
General Rates Sub Total	*2199*				19,053,404
Uniform Annual General Charge	2974		376	1,118,373	1,118,373
Wastewater	111		565	62,684	62,684
Wastewater	2065		126	259,158	259,158
Stormwater	1721		454	782,074	782,074
Water Charge	1733		221	382,456	382,456
					21,658,148
Water Usage (Y)	1823		2.295		

Rating Unit Numbers

	Total Rating Units	Non-Residential Rating Units
2021/22	22,309	2,199

The average non-residential rating charges above includes the following but the make-up of individual non-residential rates assessments may vary based on property location and services provided to the property.

- General rate based on land value
- Uniform Annual charge
- Storm water and Flood Protection charge
- Wastewater charge
- Water Supply charge
- Water Volumetric Usage charge

3. Personnel

- *The total number of staff dismissed due to poor performance.* ***Zero.***
- *If applicable, the FTE number of staff employed by* *<u>council-controlled organisations</u>.* ***330 FTE.***
- *If applicable, the FTE number of staff employed by the council, excluding* *<u>council-controlled organisations</u>.* ***325 FTE.***
- *The Total number of staff (non-FTE, including casual staff)* ***765 including both Council and Council-Controlled Organisations.***
- *The total number of staff including those employed by council-controlled organisations receiving remuneration in excess of $100,000.* ***146.***
- *The total number of staff including those employed by council-controlled organisations receiving remuneration in excess of $200,000.* ***10.***

3.1 Management

- *The FTE number of managers employed* ***31 (which includes tier 1-3 management personnel only – i.e. excludes team leader positions).***
    - The Taxpayer's Union defines a manager as: any staff member who is responsible for a team of staff, or who has an employee/employees reporting to them and organises them to achieve their department's or organisation's specified goal. The Chief Executive team is included in this definition.
- *The ratio of management to total staff numbers.* ***Ratio of 1/10.***
- *The average and median salary of a manager.* **Median = $146,469. Average = $165,328.**

3.2 Communications

- *The FTE number of communications and marketing staff employed.* ***8 FTE.***
- *The average and median salary of communications and marketing staff.*
  Median = $79,000. Average = $76,892.

3.3 Consultants & Contractors

- *Total expenditure on consultants and contractors. Please ensure that this includes CAPEX and OPEX spending.* ***$80,271,456, which includes a wide range of both capital and operating activities, including construction of infrastructure projects, August 2022 weather event costs, water services contracts, parks and facilities maintenance contracts etc.***
- *Total number of consultants and contractors paid. Please note that this refers to companies/entities, rather than total employees.* ***485.***

3.4 Core Services

- *The FTE number of staff employed to work on the delivery and/or maintenance of local infrastructure.* ***75 FTE***
    - *The Taxpayer's Union defines Infrastructure FTE as hours worked by staff who are directly responsible for maintaining council assets and services, including physical involvement in environmental services, stormwater, roading, water supply, wastewater, and solid waste management. They may also be directly responsible for biosecurity, collection of biological data, natural hazards/monitoring of the environment, and CDEM (if applicable), fulfilling the functions traditionally performed by a regional council.*
- *The FTE number of staff employed to provide regulatory functions.***67 FTE.**
    - *The Taxpayer's Union defines Regulatory FTE as hours worked by staff who are directly responsible for upkeeping and enforcing council functions and income, including parking, democracy services, rates collection, building, planning and resource consents, enforcement of bylaws and rules, compliance monitoring and health licensing.*
- *The FTE number of staff employed in customer-facing roles.* ***48 FTE***
    - *The Taxpayer's Union defines Customer Service FTE as hours worked by staff who are directly responsible for communicating and providing aid for members of the public, such as at libraries, pools, art galleries, venues and events and customer services, pest and weed control services, environmental health hotlines, and receptionists at council office, whether in person or by phone.*

4. Audit and Risk Oversight

- *How many members are on the Council's Audit and Risk Committee (or equivalent*)? ***Six.***
- Of those members, how many are elected and how many are independent of the council? **Two.**

- *Is the Chair of the Committee an independent member?* **Yes.**
- *Does the Council have a lawyer (with a current practising certificate) on the Committee?* ***No***
- *Does the Council have an accountant (with a current practising certificate) on the Committee?* ***Yes***
- *Does the Council have a code of conduct requiring political neutrality from Council staff?* ***Yes***

5. Payments to third parties

- *The total payments made by the Council (or any council-controlled organisation) to any Chamber of Commerce, including GST.* ***$284,664.***
- *The total payments made by the Council (or any council-controlled organisation) to Local Government New Zealand (LGNZ).* ***$71,554***
- *The total payments made by the Council (or any council-controlled organisation) to the New Zealand Society of Local Government Managers (SOLGM).* ***$37,072.***

6. Debt

- *Net debt (total for the council) as a percent of rates income* ***215.80%.***
- *The dollar amount of debt per rating unit* ***$7,314.***
- *The dollar amount of interest paid per rating unit* ***$304.***

You have the right to seek an investigation and review by the Ombudsman of this response. Information about how to make a complaint is available at www.ombudsman.parliament.nz or Freephone 0800 802 602.

Yours sincerely

Nikki Harrison
Group Manager Corporate Services