

## Latest Results from APR modelling: November 2017



# The Northern Action Group Incorporated

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Dear NAG Member/Supporter,

## **No Rate hike or fuel tax needed for North Rodney Council**

A new feasibility report by APR Consultants shows that neither a rate hike nor additional fuel tax would be needed to operate an independent Unitary Council for North Rodney

The study, commissioned by Northern Action Group Inc. (NAG), was carried out by long standing and nationally respected firm, APR Consultants Ltd (APR) .

The recent Morrison Low (ML) study - suggesting that rates rises of 48% will be required by a North Rodney Unitary Council - is debunked by the APR report.

Unlike the ML report, APR looked at the actual costs of running a unitary council, rather than just extrapolate out the costs of North Rodney continuing to fund Auckland Council's inner-city spending programs.

APR based their study on three existing comparator Unitary Councils, analysing them in four different ways, using internationally recognised data compilation methods. This produced a spectrum of 12 different financial performances for a unitary council in North Rodney.

The average of all 12 outcomes shows that a stand- alone Unitary Council could achieve a healthy operational surplus and disproves the ML Report's contention that the proposed NRUC would not be a reasonably practical option.

APR's approach to modelling is far more credible and reliable than the narrow approach ML used with their report which was based largely on the highly inefficient and wasteful Auckland Council.

The ML approach is akin to preparing a business plan for a new shop in Warkworth using the cost structure of Harrods of London which would be totally inappropriate and undermines its credibility!

The projected surplus could be used for an increase in infrastructure provision, such as upgrading the roading network or a reduction in rates or a bit of both.

In addition to these financial advantages a new council employing the 'Community empowerment' principles as used in the successful Thames Coromandel District Council model and more recently introduced to Nelson City Council, will ensure a very much higher level of Community involvement in all the decision making process that affects them.

As such it will also ensure, through much closer community scrutiny, full transparency in council's activity, avoid waste and inappropriate spending.

In addition, as a completely independent organisation, all of the North Rodney rates will be spent in our area unlike the present situation recently revealed by Cr. Greg Sayers, where a large chunk of our rates are used to prop up inner city projects and as such we are already something of a 'cash cow' for metro Auckland .

Also the proposed fuel tax will hit North Rodney resident's pockets harder than city folk as we have to use our own vehicles more not having a viable public transport alternative.

NAG will submit the full report to the Local Government Commission and will ask that they now consider our proposal as a 'reasonably practicable option' as required by the legislation and include it in their deliberations in determining a 'preferred option' going forward.

Before they refuse to discharge their statutory obligation in this regard they should remember that NAG has a track record of success in Court, and will consider further court action against them in the event they do not make pragmatic decisions based on the APR report.

The full report and all its detail is to be found on the NAG website [WWW.NAG.org.NZ](http://WWW.NAG.org.NZ)

Bill Townson

Chair - Northern Action Group Inc.

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