

27 September 2024

File Ref: OIAPR – 1274023063 - 30454

By email: [REDACTED]

Tēnā koe [REDACTED]

Request for information 2024-224

I refer to your request for information dated 4 September 2024, which was received by Greater Wellington Regional Council (Greater Wellington) on 4 September 2024. You have requested the following:

“I have no doubt that most of you wanted to serve on the Council because you care about your community and Wellington as a whole, but we have a BIG problem, which is not going away!!

The recent rate rises have taken their toll on Wellington and will continue to do so unless something is done. I want to know why there appears to be zero accountability with everyone shifting the blame from one department to another? If the WCC was run as a business, it would be insolvent by now. Perhaps you can direct me to your lawyers as I feel sure that what is taking place is criminal negligence, fraud and human rights abuses.

1. I would like to know who are the lenders or the funders of the infrastructure loans? Can I have a list please? When I sort out a mortgage with my bank, we usually have a meeting to discuss the terms and conditions and the interest rates and how much we can afford to pay. WCC and GWRC rates are ridiculous and completely unsustainable for most of the population long term. I am beyond horrified and disturbed (in fact I am going around in a complete state of shock that someone has allowed this to happen) and that the Long Term Plan was voted through. This unholy mess needs to be taken over by a Commission serving ratepayers who only want the basics taken care of. I certainly did not want or ask for most of what has been voted through. Your so-called consultation process with the community leaves an awful lot to be desired and we are sick of it.

When someone uses my credit card under false pretences, I can get in touch with my bank and they will refund any money I may have lost. Can you show me the contract I have signed

with WCC and GWRC that says that I am responsible for your debt when it is totally out of control?

My family and many others do not have an income that matches yours and the minions (workers) have not received a pay rise. We cannot afford to keep paying the rates when we have other bills to pay!!

We have senior citizens in their 70s working to try and make ends meet and also being threatened to take out reverse mortgages on their homes to pay their rates bills. This is an utter disgrace. As Winston Peters once said, "New Zealand will one day become a third world country!" It already has!!

This feels like extortion to me and not at all reasonable when we don't have the ability to stop any of the outrageous spending that has been happening. Why should I pay my "through the roof" rates bill when I have no idea where the money is going? A couple of years ago, my entire yearly rates bill of \$4,000 was apparently wasted on a single plant box at the side of the road with grass coming out of it as a "traffic calming measure." My suggestion is you try and take some ratepayer calming measures and actually DO something by stopping these farcical rate rises that are sending ratepayers to an early grave!

And don't tell me I have to pay more to get the pipes fixed (I know that already)!"

Greater Wellington's response follows:

We have made every effort to address the questions outlined in your letter. Please note that we can only provide information specific to Greater Wellington. We recommend that you submit a similar request to Wellington City Council for the relevant information.

PART 1: *"I would like to know who are the lenders or the funders of the infrastructure loans? Can I have a list please?"*

Greater Wellington's infrastructure investments are funded by a mix of central government grants and loans. The primary lenders are the Local Government Funding Agency (LGFA), followed by domestic banks.

The LGFA is our lender of long-term debt. Short term borrowing is through the issuance of Commercial Paper to the banks, who in turn offer it to investors like Kiwi Saver Funds, ACC and other government agencies.

The LGFA has been specifically set up with the purpose of providing funding to Local Government in New Zealand. The LGFA in turn borrows funds from investors in the domestic and international debt capital markets.

The LGFA has a number of compliance ratios each council / borrower has to comply with. The most relevant one is the Ratio of 'Net Debt to Total Operating Revenue' which is limited at 290 percent. This means that the net borrowing (gross external debt less financial investments) of the Council can be maximum 2.90 times the amount of its total operating revenue. As per 30 June 2024, Greater Wellington's ratio was 139 percent.

Further, global ratings agency Standard & Poors rated Greater Wellington AA+ with a negative outlook earlier this year. AA+ is the second highest rating possible, which means that Council's capacity to meet its financial requirements has been assessed as very strong. The New Zealand Government long term local currency rating is rated AAA and foreign currency rating is at AA+ with a stable outlook.

PART 2: *"Can you show me the contract I have signed with WCC and GWRC that says that I am responsible for your debt when it is totally out of control?"*

Ratepayers do not sign a contract with councils, therefore we are refusing this part of your request under section 17(e) of the Local Government Official Information and Meetings Act 1987 (the Act) on the basis that that the document alleged to contain the information requested does not exist.

When refusing under section 17(e) of the Act we are required to consider consulting with you first. In this instance we do not believe that consulting you would change the outcome of this decision.

PART 3: *"Why should I pay my "through the roof" rates bill when I have no idea where the money is going?"*

Details on how Greater Wellington allocates ratepayer funding, please refer to Greater Wellington's 2024-34 Long-Term Plan (LTP) - <https://www.gw.govt.nz/your-region/plans-policies-and-bylaws/plans-and-reports/long-term-plan/>

This document sets out the next ten years of planning and funding. It is updated every three years following a public consultation and a hearings and deliberations process. It is followed by Annual Plans, which are also publicly consulted on if they change from what was indicated in the LTP.

If you have any concerns with the decision(s) referred to in this letter, you have the right to request an investigation and review by the Ombudsman under section 27(3) of the Local Government Official Information and Meetings Act 1987.

Please note that it is our policy to proactively release our responses to official information requests where appropriate. Our response to your request will be published shortly on Greater Wellington's website with your personal information removed.

Nāku iti noa, nā



Alison Trustrum-Rainey
Kaiwhakahaere Matua, Pūtea me ngā Tūraru | Group Manager Finance and Risk

PROACTIVE RELEASE