

23 April 2026

Dear Mayor and Councillors.

A serious question for you. Who is running the Taupo District Council? The Mayor and Councillors who were elected to look after the best interests of all ratepayers OR the staff of TDC who were appointed by the CEO?

I would refer you to the "Draft Annual Plan 2026 -27 and Proposed 6.6 % Rates Increase" where TDC informed everyone that they had managed to reduce the rate rise from 6.7% to 6.6%. As this was sent out on the 1st April 2026 I actually thought it was an April Fools Joke, especially the following statements :-

Taupō District Mayor John Funnell said councillors were conscious of the strong affordability messages coming from the community, including during last year's election.

“We heard clearly from our community that cost of living and rates affordability matter, and that's front of mind as we work through these decisions,” the Mayor said.

“Getting to a 6.6 per cent increase hasn't been easy. It's required some careful choices about what we can deliver in the short term, and where we can slow things down or manage risk, rather than pushing costs onto ratepayers.”

It is extremely disappointing and rather insulting to ratepayers that the same careful choices regarding rates affordability and slowing things down were NOT front of mind when Council allowed the CEO to increase staff numbers from 351 in 2022 to 429 in 2024 and increase the staff cost to ratepayers from \$25.5m to \$31.0 m. An additional cost of \$5.5m, which could have been used to offset the rate increase. A zero point one percent decrease on a total rates take of \$106m is only \$106k (one persons salary). Is this really the best you could do? If I was marking you on your accomplishment it would it would be "could try harder".

Following on from my previous letter here is some more information on the "LGCI v CPI Comparison - over the 10 years 2014 to 2024 CPI has increased by 27% and LGCI has increased by 32%. My rates to Taupo Council were \$2271 in 2014 and with CPI applied would be \$2884 and with LGCI applied would be \$2997, however my 2024 Taupo Rates were \$4444 (a 95% increase). Houston we have a serious problem!

It is really time for Councillors to take control, no more excuses, for instance, by allowing staff to say "While rates caps have been widely discussed nationally, no rates cap is currently in place and none applies to the 2026-27 Annual Plan". What staff are doing is giving the finger to, not only, Central Government, but to all the ratepayers that pay their wages. It would be my strongest recommendation, to you, that you do take control and give clear instructions to the CEO and Senior staff to cut operational costs, seriously reduce their spending, stop all recruitment, stop all payments to consultants and to seriously ask themselves "if this was their own money they were spending, would they be doing it this way or even at all". This needs to happen now and every project that Councillors are signing off or approving should be subject to intense scrutiny.

You should also be resetting the KPI's for the CEO and Senior staff so that they are focused on keeping costs under control, reducing rates and being fully accountable for any overspend.

I thank you for time. Regards

Phil Shields