

FOXTON BEACH PROGRESSIVE ASSOCIATION INC

7 Hall Place, Foxton Beach, Horowhenua 4815.

Submission in response to the NZ Productivity Commission's Discussion Paper on Local Government Funding And Financing.

INTRODUCTION

FBPAI is a newly-formed resident/ratepayer organization (of 85 paid up members) for the small west coast community of Foxton Beach (population approximately 2000) located adjacent to the township of Foxton in the north of Horowhenua District.

This brief submission argues that medium-sized district councils such as Horowhenua especially require more and varied funding tools plus central government assistance in order to meet expected growth pressures, challenges of climate-change, and government-imposed standards and requirements. It also argues that property rates are a seriously inadequate, inequitable, and unsustainable way to fund such growth and change.

HOROWHENUA DISTRICT AND FOXTON BEACH COMMUNITY

Horowhenua district sits between the northern edge of Kapiti Council, and the south-western edge of Manawatu and Palmerston North Councils. Following two decades of economic stagnation, Horowhenua is for various reasons poised for substantial change, residential development, and increasing visitor and tourism activity.

Our new Association is very aware of the challenges facing our council in providing for at least 2500 additional dwellings over the next 15+ years. Foxton Beach is expected to accommodate 500 of those homes. Costs of change and development will predate and exceed expected additional rates and other revenues, increased borrowing capacity, and economic development.

Funding challenges of course transfer to our members directly and indirectly via rates demands. Hence our interest in this enquiry, and this brief submission. In this context, we have built a close working relationship with our council, and are preparing a medium-term Development and Marketing Plan for Foxton Beach.

IMPLICATIONS OF FUNDING OPTIONS

This statement has been informed by discussions over time with members and local citizens. We have read the Commission's Discussion Paper and LGNZ's submission on it.

We perceive the main factors underpinning development, growth and change in Horowhenua generally, and for our village in particular, to be:-

- A high proportion of aged and aging people, most with limited/fixed incomes;
- Vulnerability to climate change including sea level rise and tsunami risk;
- Relatively low household income levels overall, with relatively high unemployment, & many absentee bach-owners;
- Infrastructure deficits even ahead of development;
- High cost of subdivision development in the sandy and wet soils of Foxton Beach;
- Increased pressures on the sensitive and dynamic beach/river/estuary environment.

These factors plainly have substantial cost implications for growth and development, as outlined in the LGNZ submission. Also, they underpin the inability of residents and ratepayers to meet such costs when they translate into rate demands, regardless of how the TLA structures and apportions rates within its rating policy.

OUR SUBMISSION

We therefore support consideration of the LGNZ proposals for providing local government with more and flexible funding tools, and for substantially increased central government support. In particular we believe the current reliance on property rates is unworkable, unreasonable and unsustainable. We think these matters require urgent action.

We ask the Productivity Commission to speedily complete its investigations, and report quickly. We urge the Commission to press the government to act promptly and resolutely.

Katharine Wilkinson

Chairperson

Foxton Beach Progressive Association Incorporated.

11 February 2019