



RUAPEHU DISTRICT COUNCIL

FROM THE OFFICE OF THE MAYOR

28 October 2011

Our Ref: 533080

File: R76-0074

Hon Steven Joyce
Minister of Transport
Parliament Buildings
Private Bag
WELLINGTON 6160

Dear Minister Joyce

RUAPEHU DISTRICT ROADING SUBSIDY CUT

Ruapehu District Council requested of you by phone and letter that the strong case it presented to overturn the proposed 2% subsidy cut be taken to the Board of NZTA for consideration. This has not yet happened.

Ruapehu District Council is facing a rate rise of 2.44% and funding shortfall of \$463,000 over three years as a result of a calculation which wrongly concluded that the District could afford to pay more in 2011. The letter we wrote raised a strong case for retention of the current subsidy rate.

This letter was replied to on 29 September 2011 by Mr Dangerfield. Council is offended by the tone and the content of the letter. As well as failing to address the case Ruapehu raises in its letter to you, our letter has not gone to the NZTA Board. Mr Dangerfield apparently takes the view that NZTA letters of warning of pending funding cuts are all that is sufficient for making a decision on a financial impact of \$463,000 for Ruapehu. This falls short of our standards of partnership behaviour. Irrespective of the calculation of this funding method for Ruapehu referred to by Mr Dangerfield, the answer is wrong in our case.

Council requests that you ensure that its letter dated 21 September 2011, and the case Ruapehu raises for retention of the FAR rate, is this time taken to the Governance Board of NZTA for a decision.

We enclose both our letter, and Mr Dangerfield's reply, for your Ministerial consideration.

Yours sincerely

Sue Morris JP
MAYOR

David Hammond
CHIEF EXECUTIVE

Attachments