

## Mr Key goes to Hollywood

Sticking to the script on the Hobbit windfall. C3

SATURDAY, OCTOBER 6, 2012  
THE DOMINION POST WEEKEND  
SECTION C

# INSIGHT



Billboard protest: Lobby group Kapiti Concerned Citizens placed this billboard outside the mayor's house over the council's decision to install water meters.

Photo: KAY BLUNDELL/FARFAX NZ

## Staunch in face of flak

A chief executive's mega pay rise, a multimillion dollar new council building, a U-turn on a major roading project – these are trying times for Kapiti ratepayers. Mayor Jenny Rowan is bearing the brunt of political fallout, amid claims her council is 'out of control'.

Anthony Hubbard reports.

THERE are clouds over Kapiti and a nasty billboard outside the mayor's gate. Respectable people are calling her names and trouble keeps raining down. Meet Jenny Rowan, a politician who by her own admission is facing "a perfect storm".

Kapiti Coast District Council rarely seizes the country's imagination, but this year it has – by giving its chief executive a \$44,000 pay rise. The thunder boomed.

How can the poor old ratepayers in an area dubbed "God's waiting room" afford this? Even Ms Rowan now concedes that it could have been handled better.

The mayor is known to the wider world as half of "the most 'out' lesbian couple in New Zealand", as she puts it. She and her partner, Joelle Joslin, led a long-running court case seeking the right for gays to marry. Last month Labour MP Louise Wall, introducing her bill to allow gay marriage, paid tribute to the pair.

Being gay, says Ms Rowan, has caused her no political problems in Kapiti. Just about everything else, though, has infuriated someone.

There have been violent quarrels about overspending, broken promises, the water supply, motorways, and the threatened flooding of coastal properties.

Hence the sign on State Highway 1 near her house, asking: "Is the KCDC Out of Control?" It's clear the expected answer is Yes.

Is she bothered by a billboard which, as she says, has obviously been placed to confront her?

"No," Ms Rowan says, looking faintly bothered.

"Not at this stage of my life" (she's just turned 63). But she is "disappointed".

"The reality is that there's a lot going on up here," she tells *The Dominion Post*.

"That has been driven by a council that has commitment and courage and foresight. We sit inside a district that needed certain

things to happen. There has been considerable procrastination for some time on big issues such as water and other infrastructural matters that needed to be dealt to. So it's like a perfect storm – our time had come."

Ms Rowan has plenty of supporters and defenders, of course.

"This is probably the most coherent council and the one that's worked best together of any we've had in Kapiti," says lawyer Michael Scott, the chairman of the Waikanae Community Board. "The raincoat and in-fighting that used to dominate council just doesn't occur any more."

Others point out that Ms Rowan, a liberal, has managed to work well with a broadly conservative council.

But there are also heaps of critics. Where Ms Rowan finds courage, they see arrogance. Where Ms Rowan finds commitment, they see broken promises and betrayal of trust. Where the mayor finds foresight, they find botchery.

**So will the mayor stand again in 2013? I'm not answering that, she says bluntly, before softening a little. 'I've got Christmas time to think about it.'**

"It's been debate after debate after debate," says local lawyer Christopher Ruthe.

The fight in Kapiti, as Mr Ruthe's elegant phrase makes clear, is not a battle among the hicks of Sleepy Hollow.

The district is full of retired professionals from Wellington, an articulate bunch who give no political quarter.

"They all know how to make a submission," Ms Rowan says.

Nor is Kapiti a tired old person's place, although outsiders might think that way. It is increasingly home to young people, commuters or refugees from the capital who seek a green lifestyle among the district's beaches and bush.

So Ms Rowan is surrounded by people like her: good talkers with political experience, strong views, and lots of information to hurl. No wonder the fighting has been so bitter.

CONTINUES C2



Vocal locals: Kapiti Coast residents protest in Paraparaumu, while Mayor Jenny Rowan and protest organiser Murray Cooper face off.

Photo: FARFAX NZ

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Insight

THE DOMINION POST | SATURDAY, OCTOBER 6, 2012

## Critics claim council is out of control

FROM C1

### 44,000 REASONS FOR AN UPROAR

The *Dominion Post* revealed in late January that KCDC chief executive Pat Dougherty had quietly pocketed a \$44,000 pay rise. The 182 per cent increase took his pay from \$241,000 to \$285,000. Councilors had signed off the deal at a meeting the public was excluded from.

There was already trouble about overspending on council building projects. Christchurch City Council had sparked a huge protest when it announced a \$68,000 pay rise (14.4 per cent) for its chief executive Tony Marray.

Some 300 people marched and raged in Kapiti, and according to news reports, left Ms Rowan visibly shocked. Businessman Don Smith leaped out of the crowd and yelled at her: "You have had your fingers in our pockets for years. Look after your ratepayers."

Mary Cooper, 61, was on her first protest and she was angry.

"These people are not civic-minded," she said then. "They are not there for the people."

Milner Barker, 71, said: "What they are doing here is wrong, absolutely wrong."

Even some supporters of the council opposed it then, and still do. Veteran local body politician Betty van Gassen, at 85 the oldest stateswoman of the district, says the mayor and the council are generally doing a good job – but they were wrong over the pay rise.

The whole basis for comparing local body salaries with the private sector was wrong, she said. Business produced products, she says, "but councils don't".

Ms Rowan says: "We are running the biggest business in Kapiti. We need to be able to attract quality people to manage that. That is a course we could have taken." So why didn't they? "Well, we just didn't."

Why? "Because we believe this man is earning his money."

In Christchurch, the outcry eventually forced Mr Marray to reluctantly turn down his raise. In Kapiti, Mr Dougherty kept his.

Ms Rowan says in hindsight it might have been better to phase in the increase. She also says they wouldn't have faced the dilemma if the previous council had not been "unwilling to have any substantial increases in anybody's salary at all".

So did she as mayor during that period make an error in not doing this? "No, I'm not admitting an error. I'm dealing with a democratic process where there were more councillors wanting to hold it than not." She says she was "outnumbered."

**WATER AND FIRE**

Water causes violent argument in Kapiti, because the area is growing fast, the Waikanae River is small and there is a real danger of shortages. How to ensure supply at a reasonable cost has caused years of quarrelling. Water meters are the flash-point.

Kapiti Island guide Jackie Elliott, who last year organised a petition with more than 2000 signatures calling for a referendum on meters, is scathing about the mayor's performance.

"I handed that petition to the mayor and the mayor posed for the cameras and she said, 'We will not ignore this petition' – and she did," says Ms Elliott. Her lobby group Kapiti Concerned Citizens placed the billboard outside the mayor's house.

The group wants "to bring democ-

cracy back to the coast," says Ms Elliott.

Ms Rowan and her council had become a runaway train, recklessly spending ratepayers' money and racking up debt "that even my children might not be able to repay in their lifetimes", Ms Rowan has broken her promise not to bring in water meters, Ms Elliott says.

"She has lost the faith and the goodwill of the public and the respect of the public. There's no goodwill left at all."

Certainly there is fury about meters. In April, 140 protesters stormed into the council's offices and accused it of betraying "like Nazis". Michael Scott says "the council should not have opted for water meters given the groundswell against them. What it looked like was we were having meters come hell or high water."

Ms Rowan says the council did not ignore the petition.

"We took that into account, which is all we have to do with petitions. But the facts have become very clear – not to install water meters would not only fly in the face of conservation sustainable principles that this council stands on, but we simply can't afford to immediately go out and build a dam with huge rate increases, huge long-term rate increases. So we made the decision to put water meters in."

Speaking of the critics, she says "most of the angst was about the possibility of privatisation. It had nothing to do with, or even a willingness to understand, the facts of the matter. So when you are dealing with an emotive issue, driven by a minority group which could essentially put your community into a very, very costly alternative possibility – this is the dam – in this instance right now, then that's not good."

But 7000 signatures is hardly a small minority in Kapiti, where only 18,000 people voted in the last mayoral election.

"Well, I'm not sure that the whole 7000 signatures on that petition were legitimate," Ms Rowan counters. "Nevertheless, 7000 or 5000 or 3000 signatures is a lot. I concede that."

Ms Rowan certainly campaigned against water meters before she was first elected mayor in 2007. But by the 2010 campaign, she says, she had decided that "we needed to be debating this issue again". She denies Ms Elliott's charge that she promised during that campaign that "there would be no water meters".

**HEY, BIG SPENDERS**

The critics say the council's spending is out of control, and cite cost overruns on the "refurbished" \$8.5m council offices in Paraparaumu and a new \$21m aquatic centre nearby.

Mr Ruthe calls the spending on new offices extravagant – "They should be doing their basic things right rather than spending money wildly".

Ms Rowan says "there is never a good time to discuss the building of a civic building".

However, the building was an earthquake risk, it leaked and was hopelessly overcrowded. Instead of building a new centre for \$15m or \$20m, she says, they decided to refurbish it for \$8.5m.

However, she also says the council did make a mistake in calling it a refurbishment. It was more or less demolished, being reduced to its foundations and skeleton and then rebuilt.

"We've conceded publicly we should have used stronger language. The mayor says she was 'very upset' when the original cost estimate for the civic building turned out to be \$1m too low when contracts were let. She points to quantity surveyer mistakes by consultants. But the idea of a huge cost blowout on the building is "a myth".

However, the council does concede a substantial increase – about \$1m – with the aquatic centre. Again, Ms Rowan says, consultants got the original quantity survey estimates "quite substantially wrong".

Ms Dougherty told *The Dominion Post* that council staff were also at fault in both projects. They had failed to pick up the quantity surveyer's mistakes. The council's project management "could have been better".

Jackie Elliott says the council should simply shift into the much cheaper building outside Parapara-

### BONES OF CONTENTION



Angry ratepayers: Protesters at an anti-water meter protest in Paraparaumu.

Photo: JARFAX

### ERODING VALUES

About 1800 homes, including million-dollar beachfront properties, are at risk from erosion and flooding within the next 100 years, a report commissioned by the Kapiti Coast District Council says.



Property values: Ratepayers were upset by publication of an erosion risk survey.

umu vacated by Whitireia Polytechnic. In fact, the mayor and other officials work in the prefab buildings there now, waiting for the new civic centre. The building is entirely unsuitable, says Ms Rowan – and then comes a flash of irritation.

"I have to say that that is the coastal attitude that probably has brought us huge grief in trying to catch up, which we've been doing in

the last six years – something cheap and nasty! Short-cut, any short-cut... short-cuts cheap and not well designed and definitely not connected to any overall bigger picture of where this district is actually heading."

**THE RISING TIDE**

The latest battle is over a report that shows 1900 coastal properties in Kapiti are at risk of erosion or inundation

within 100 years. Up to 1000 may be at risk within 50 years. Critics say the council acted too hastily in immediately adding the information to Late Information Memoranda (LIMs) of properties without warning owners. In effect, they say, the council has undermined the landowners' property values without consultation.

Mr Ruthe, who is helping set up a group of affected property owners, believes the council's decision is open to legal challenge. The council claimed it had to place the information on the LIMs immediately or it could face legal action from property buyers. However, Mr Ruthe, a lawyer, says this timetable was "self-imposed".

He also says the report is often wrong. In his own case, the report found his Paraparaumu property "had been losing the battle with the tidal rise at the rate of 0.2m a year since 1960. That would have the water not far from my lounge door. In fact it's 200 feet away."

The group did not want to take legal action against the council. "We are the inordinate expense, not only to those making the challenge but also it involves us as ratepayers."

But the council has shown "total arrogance in their refusal to try to engage in any kind of constructive dialogue". Ms Rowan says simply that the



Pay rise: There were angry protests over the CEO's \$44,000 pay rise.

council had no choice. The Government required all local councils to undertake the coastal hazard assessment and to law require them to put the information on LIMs.

"People are saying this is a surprise and they're shocked and horrified. Well, with the greatest of respect, when you buy a property on the coast... people absolutely know they're in a high hazard zone."

They shouldn't have been surprised, she says. The council had been warning for years about the coastal hazards review.

She won't accept Mr Ruthe's claim that the council is spilling for a legal confrontation. "I don't want a fight either."

She says she welcomes discussion with the landowners, and wants both sides to bring their experts to the table to discuss any claimed mistakes. "I'm fundamentally a mediator, a negotiator."

So do both sides of the debate have the wrong idea about each other?

"Well, the last time Mr Ruthe stood in front of me he said the most dreadful things. So if he wants, I can have a cup of tea any day of the week."

**MOTORWAYS AND PROMISES**

There is one red-hot issue on which Ms Rowan is happy to admit she's done a U-turn: the expressway that Economic Development Minister Steven Joyce wants to "build through Kapiti". She had always opposed the expressway, which would move State Highway 1 westwards and through the heart of Raumati, Paraparaumu and Waikanae. Instead, she wanted SH1 left where it is and modified, while a much smaller new local road, the West Link Road, serving the district to the west.

But she switched only for tactical reasons, she says. "To try and make a silk purse out of a pig's ear."

By being inside the tent rather than outside protesting, she says, the council has been able to get a much better result.

"We've had major changes to design, landscaping, and access to cycleways, walkway and birdways."

The Save Kapiti lobby group, which opposes the expressway, says it understands why Ms Rowan made the pragmatic switch: "to make the best of a bad job".

But the group's Bianca Begovich says they feel let down. It had become clear that the community opposed the expressway. "We don't want it and we don't need it."

Ms Rowan agrees she could have opted to stay outside and protest, relying on her position as Kapiti's duly elected representative. But "50 per cent of this community wanted the expressway", she says sadly.

This issue has divided Kapiti, and I think that's one of the saddest things. It has spiritually divided us and it will physically divide us as well."

Hasn't she suffered political damage by switching? "Oh, of course there's been political damage," she says. "Absolutely, yes! My own gut told me, everything else told me, and I don't regret the decision for one minute."

"That's how I feel generally. There are certain things that need to be done. And that's where I guess I was. I'm getting a bit philosophical about a few things, especially with grandchildren and so on."

"Tough decisions have been made, very hard decisions have been made. Those are decisions and I stand by all of the decisions."

Kapiti had a lot of work to do to catch up, she says, and now it has caught up.

So will the mayor stand again in 2013? "I'm not answering that," she says bluntly, before softening a little. "I've got Christmas time to think about it."

Has the cumulative effect of the battles been to threaten her career?

"Actually I've got a career. I'm 62, assuming I'm 63 as of this week. I've been in politics since I was 17 and I've had a privileged journey in my life, really."

That's how she feels generally. "I've been in the gun all the time" lately, and at her age "I'm getting a bit philosophical about a few things, especially with grandchildren and so on."

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