

OPEN

MINUTE ITEM

ATTACHMENTS

**Extraordinary meeting of the
Nelson City Council**

**Thursday 9 April 2020
Commencing at 9.00a.m.
Audio-Visual (Zoom) Meeting**

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First I want to thank you the people of Nelson for coming together to support each other through the most challenging of times as we fight to stop the spread of the Covid-19 virus. You have shown kindness and generosity to others and you've found new ways of connecting and coping with the restrictions that have been applied to your lives.

These are tough and uncertain times with families unable to gather together as we head into the Easter break. Holidays this year must be taken at home and school will resume next week delivered over the internet and TV. A new way of living and learning.

While we battle to stamp out this virus, and that must be our first priority, we are also losing livelihoods and the financial impact is severe for many in our region.

As a result of the economic impact of the Covid-19 Lock Down, like all businesses and organisations in our city, the Nelson City Council needs to rework our budgets and finances – what we call our Annual Plan.

In early March we released a Draft Annual Plan for you to comment on just as the Covid-19 outbreak hit us. Two weeks later New Zealand went into Lock down to try and halt the spread of the Covid-19 virus. The Plan we had prepared is no longer going to work for the social and economic situation we are in.

Many of our income streams that we use to keep the city running, like dividends from your Port and Airport are likely to be significantly reduced.

The rates that you contribute are also critical to delivery of essential services that a region needs, caring for the environment, and supporting the social, cultural and economic opportunities that you value.

The Covid-19 shutdown has changed things considerably. Many people are on reduced wages or facing unemployment and businesses are under considerable pressure with many unable to operate.

A new approach to Council's finances has been underway so we can respond.

At the start of this week I let Councillors know we would be meeting today to prepare a new plan to reduce the contribution from rates. A zero rates rise will be one of the options that I will be asking councillors to support. It is my preferred option.

We will continue with your chance to have a say on the plan and consultation will be extended to May with more information on how you can contribute coming soon.

I want to reassure you that we have kept council finances in good shape so we have the ability to support our community through this emergency. We have kept our debt level low and we have reserves to draw on.

But we are going to have to make some tough calls as we work through options for cost savings.

It's also important that we think ahead and plan for recovery. We'll use our resources as best we can to help Nelson get back on track when we get out of Lock Down.

For now I want to thank all the essential workers who are keeping our city going, and the health care staff who are using their skill to keep us safe and well. There are teams of wonderful Nelsonians doing amazing jobs and we are very grateful for your work. Working together we will get through this Nelson.

Kia Kaha and Happy Easter