

8 October 2015

Official Information Request No. **9000138063**
(Please quote this in any correspondence)

Mr. Vince Siemer
27 Clansman Terrace
Gulf Harbour
Auckland

Dear Mr Siemer

Local Government Official Information and Meetings Act 1987

Re: Penny Bright Defamation costs

I refer to your email, which we received on 4 October 2015, requesting information about Penny Bright defamation costs.

As you will be aware Ms Bright has not paid her rates since May 2007. Since then, the council has made all reasonable attempts to settle the outstanding rates arrears with Ms Bright. As a last resort, and only after the legal process and repeated reminders and all collection methods had failed, a rating sale notice was issued.

Ms Bright's reluctance to pay her rates arrears has incurred direct and indirect costs to the council and ratepayers. The direct legal costs consist of:

- Rates collection (pre 2007) - Council was awarded \$4,392.00 for legal costs and disbursements.
- Rates collection (July 2007 – February 2015) - \$1,724.20 which comprises of \$500 for a filing fee for the summary judgment application, \$917 for service fees and then \$307.20 for filing and service costs.
- Rating sale - \$300 for the filing fee.

The indirect costs arise from the many hours that Council staff in a range of departments have spent dealing with both the rating and defamation issues. Council staff do not generally record time spent on such matters, however, it is possible to say that the time involved is significant and therefore of significant indirect cost to the ratepayer. In relation to court proceedings, Council's in-house lawyers have been used wherever possible. The cost of Council staff time has been met from within existing operating budgets.

Ms Bright has also brought defamation proceedings against the council in relation to comments made by the Chief Executive concerning the non-payment of her rates. The council has no choice but to participate as the defendant. Those proceedings are next before the Court on 5 November. The costs of participating in Ms Bright's defamation action currently amount to \$104,349.73. This comprises of costs for external lawyers and disbursements.

If you have any further queries please contact me on 09 301 0101, quoting Official Information Request No. **9000138063**

Yours sincerely

A handwritten signature in blue ink that reads "Turi Bennett". The signature is written in a cursive, flowing style.

Turi McLeod-Bennett
Information Advisor
AKLC Electoral Office/Public Info Unit