

Local Government Policy

INTRODUCTION

Good local government is essential for our communities, our economy, and our environment.

National values having an honest and open working relationship with the local government sector. We recognise there can't be a one-size-fits-all approach to local government. National will continue with the Central Local Government Forum and will meet on a regional basis with each of the zones over the three-year parliamentary period. These forums help ensure good communication between central government in Wellington and community leaders up and down the country.

We acknowledge the challenges that local governments face which contribute to unsustainable rises in council rates. These include a looming infrastructure deficit and a legislative burden imposed by central government that has often not been appropriately resourced.

BOOSTING INFRASTRUCTURE

Over the next 10 years, New Zealand will spend an estimated \$60 billion on infrastructure – broadband, water and waste water, electricity, and roads. National is committed to large-scale investment to lift our economy and raise environmental standards.

Ultimately, the costs of infrastructure investment will fall on New Zealanders as ratepayers, taxpayers, or users. National will work with local government to ensure costs are allocated fairly and efficiently, and to share responsibility for delivering value for money in public spending.

National will:

- Involve local government in the preparation of a national infrastructure plan to set clear directions for vital infrastructure investment, including high-priority areas.
- Develop a common investment framework for infrastructure that spans central and local government and includes a range of financing tools.

ADDRESSING THE LEGISLATIVE BURDEN

Councils now have new obligations in areas as diverse as gambling, prostitution, and dog control. These new responsibilities have involved extra costs on councils, and therefore on ratepayers, which have not always been adequately funded by Labour. Hamilton City Council has identified at least 60 pieces of legislation passed by Labour that have imposed additional costs on ratepayers.¹ Wanganui District Council has estimated these cost their ratepayers the equivalent of a 6% increase in rates per year.²

National will sit down with local government and review the legislative burden imposed on them to see what is needed and effective, and to ensure that costs fall appropriately. National will not commit to new legislation that impacts on ratepayers without talking to local government.

National will:

- Review the legislation that central government imposes on local government and ensure that the costs fall appropriately.
- Amend the Building Act to reduce building compliance issues. See our policy on [Building and Construction](#) for more details.
- Reform the RMA to simplify and streamline consent processes and reduce delays, uncertainties, and costs. See our policy on [Resource Management](#) for more details.

¹ Council Reports On Cost Of Compliance To Government Legislation, Hamilton City Council, 1 May 2007.

² Government costs us \$1.8 million, Wanganui District Council, 5 May 2008.

RATES REBATE SCHEME

Rates can be a heavy burden, particularly for many older people and others on fixed incomes. National supports rates relief for these people.

National will

- Maintain the current Rates Rebate Scheme, while making it easier for people to get their rebate.

ENHANCING SERVICE DELIVERY

National is determined to see that any rates increases are justified because they represent added value.

Across New Zealand individual councils are developing best practice. Unfortunately, this information is not always shared across councils.

National will work with Local Government New Zealand to ensure all local authorities are conversant with best practice and, as a consequence, establish a regime of benchmarking, whereby councils and their ratepayers and residents can gauge for themselves the standards that are achieved by their local council. This will result in councils being able to show that they give value for money, and for ratepayers to see they are getting value for money.

National will encourage and work with local government to develop joint service delivery opportunities. Some local authorities, such as the Marlborough District Council, are already leading the way. That council has established a joint venture service delivery for roading across its district with Transit New Zealand that will see the local and central government roading network in that area being administered as one.

We have seen many other examples where joint service delivery is adding efficiency and value to communities, in addition to saving ratepayers money. We will encourage this by providing a modest start-up fund to help establish initial feasibility studies into where efficient, cost-effective joint service delivery can be achieved.

National will:

- Work with local government to establish benchmarks for best practice.
- Encourage joint service delivery between councils to save ratepayers money.
- Provide a modest start-up fund to help establish initial feasibility studies into joint service delivery.

WASTE MANAGEMENT

National wants to ensure there are adequate incentives to encourage widespread waste reduction and safe waste disposal. We also support increased producer responsibility. We want to encourage industries to design products that can be recycled and for them to play an active role, where practical, in their collecting and re-use.

National will

- Implement the new Waste Minimisation Act with local government and industry so as to ensure it does not cut across existing successful waste programmes. See our [Environment policy](#) for more on waste management.

STRENGTHENING LOCAL DEMOCRACY

National believes in healthy local democracy. Our communities are diverse and have different needs. Our system of local government should reflect that.

The Local Electoral Act diminishes representation for small communities, requiring wards and constituencies to be designed within a +/- 10% population ratio. Previously, representation was based primarily on population, but other matters, including area and rateable value, could also be taken into account. The result has been less flexibility to design geographical wards that match communities of interest. Manukau City, for example, has previously expressed concern that it can no longer have a “rural ward”, even though it believes it represents a distinct community of interest and that new provisions have resulted in a loss of “voice” around the council table.

Exemptions to the +/- 10% population ratio are too narrowly defined and diminish representation for small communities. Councils need greater discretion with regard to the factors that might be taken into account when determining ward boundaries and size.

National will

- Amend the Local Electoral Act to enable councils to design geographical wards that better match communities of interest.

REFORMING AUCKLAND LOCAL GOVERNMENT

National believes that current local government structures and relationships in Auckland act as a barrier to development and the delivery of cost-efficient services. If we are serious about Auckland being a world-class city that competes with Sydney, Melbourne, and Brisbane then it needs to have high-class regional infrastructure which makes the most effective use of regional assets. We cannot avoid addressing this issue. Economic development in Auckland is crucial to New Zealand's future growth.

Local government reform in Auckland should focus on whether there is good regional infrastructure, sound and consistent regulation, and economic growth throughout the region, as well as making sure each community in our biggest city feels appropriately represented. A National Government will work through these issues with local government to find a solution that will benefit both Auckland and ultimately the rest of New Zealand.

National will:

- Support the Royal Commission providing an opportunity for people within the Auckland region to express their views about the structures that will best achieve the goals set out above.
- Consult with Aucklanders once the findings of the Royal Commission are known.
- Implement changes that will best achieve the goals of good regional infrastructure, sound and consistent regulation, and economic growth throughout the region, as well as making sure each community in our biggest city feels appropriately represented.