**Upper Harbour Local Board**

**OPEN MINUTE ITEM ATTACHMENTS**

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**Note:** The attachments contained within this document are for consideration and should not be construed as Council policy unless and until adopted. Should Councillors require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.
15 July 2019

From: John McLean
To: All Board Members UHLB

LGNZ Conference – July 2019 Feedback

The LGNZ Conference began this year with an address from the Mayor of Dunedin and President of LGNZ Mr Dave Cull who again reiterated the efficiencies of “localised” control of Government spending to combat poverty, environmental degradation and regional inequality. In-fact these became the underlying strategies or messages of LGNZ Conference for 2019.

It started with the statement that localism is underpinned by the principles that power and authority should flow up from citizens and communities to central Government, and not the other way, stemming from Government down to communities and families.

Auckland Council for example was forged from the belief that a co-governance treaty existed between Local Boards and the Governing body and that decision making should flow from communities to a central authority. Citizens and communities should have a greater say about the nature of local public services and how they are delivered and that effective governance should harness the relative strengths of central Government and local Government.

Unfortunately central Government is unwilling to surrender the current model and to concede “that one size does not fit all”. In-fact it was felt that concentration of power in a central state is holding our country back, fragmenting our public services and making our local leaders too dependent upon the whims of central Government and that in-fact a monopoly has emerged which stifles a thriving economy or an economy with wellbeing at its heart.

Evidence of these assertions were highlighted at Conference by these themes.

- Lack of contestable risk of policy.
- Undifferentiated services. Current administration has become oppressive.
- Diseconomies of scale.
- Lack of responsiveness to bureaucracy.
- Unchecking ourselves from process and legislation would allow NZ to effectively tackle house building, on a local level was one example.
- The belief that Governments are significantly less effective in tackling poverty than bottom up strategies which are community focused, was a further example.
- Need to devolve roles and responsibilities for local Government and Central Government.

These concepts are borne out by evidence where recent data from OECD (2016) illustrates a strong correlation between fiscal decentralisation and GDP productivity. See graphs attached, where communities or Local Government are more productive than a central regime. Makes for interesting reading.

A noteworthy conference and greatly enjoyed by the author.

J. McLean
UHLB Member
Figure 1: Central government expenditure as a % of total government expenditure

Figure 2: Relationship between fiscal decentralisation and GDP

Source: OECD 2019