

# Memo

17 Jan 2020

To: Mike Reid, Principle Policy Advisor, LGNZ ([mike.reid@lgnz.co.nz](mailto:mike.reid@lgnz.co.nz))  
cc: Victoria Villaraza, Relationship Manager, Local Board Services;  
Carol McGarry, Democracy Advisor  
From: Ōtara-Papatoetoe Local Board

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Subject: Ōtara-Papatoetoe Local Board's feedback to LGNZ Localism discussion paper -  
Reinvigorating local democracy: The case for localising power and decision-making  
to councils and communities, July 2019

The Ōtara-Papatoetoe Local Board appreciates the opportunity to give feedback comments to the discussion paper, 'Reinvigorating local democracy: The case for localising power and decision-making to councils and communities, Local Government New Zealand (LGNZ), July 2019.

The following are overarching feedback points to the discussion paper:

1. That the Ōtara-Papatoetoe Local Board
  - a) **Support** the concept of localism and rethinking centralized systems
  - b) **Support** the proposal that employing a place-based approach to decision making, especially on areas where needs and preferences vary, enables authorities to deliver locally-appropriate services to our increasingly diverse communities
  - c) **Support** initiatives that increase interest and participation in democratic processes
  - d) **Note** the observation that decentralized countries are wealthier than centralized ones and that a 10% increase in the level of decentralization is associated with an average 3% increase of per capita GDP (World Bank studies)
  - e) **Support** a collaborative approach between central and local government on decisions that affect people in our local board area and region
  - f) **Agree** that any devolution of functions must be supported by necessary funding
  - g) **Support** the proposal for exploring funding mechanisms that can support, enable and incentivise local government to invest in areas that will spur growth and better deliver local services
  - h) **Recommend** LGNZ considers what localism looks like at the local government level to ensure local boards and community boards are a key part of the solution.
2. That attachment 1 provides further feedback with detail response to specific questions.

## **Attachment 1: Ōtara-Papatoetoe Local Board's detail response to questions on the Localism discussion paper.**

- i) **Do you agree with the three recommendations in this section, devolution, negotiated devolution and removing constraints?**

The board supports the recommendations as we need a democracy where local governments are fully enabled to know and empower their communities

Any further discussion on devolution must include local boards. Local boards are responsible for the local non-regulatory decisions of Auckland Council and further devolutions will impact local board decision-making.

Local boards are the first point of contact for local communities and local board plans reflect local community aspirations. The board supports the intent of furthering localism to responding swiftly and effectively to the current and future needs of local communities.

The board supports the concept of localism and rethinking centralized systems. There is a need to break down silos between central and local government to work together rather than in isolation.

- j) **What, if any, functions currently provided by central government should be devolved to councils and other local organisations like Iwi/Māori and not for profit organisations?**

The board supports the idea of local devolution for research that requires co-design/co-development and local community participatory-based action research, public health including non-communicable diseases, social services including housing, education, safety, crime reduction, people development, and employment.

- k) **What, if any, central government responsibilities would be more effective if your council, or other local organization, applied to take them over under the negotiated devolution approach?**

The areas of housing, transport, arts, culture, tourism. Other potential opportunities would be in the health sector, skills-based education and training, and early childhood education.

- l) **Can you identify legislative and regulatory constraints on councils and other local organisations that limit their ability to be responsive to local needs?**

Councils are responsible for building consent, resource management and public transport operating model and requirements need

### **Funding.**

- m) **What additional form of funding or tax should councils have access to in order to meet community expectations and address future challenges?**

Research funding from central government with restrictions on the level of overheads that universities in particular are claiming so that a proportion of research funds can be shared with local councils who are directly involved in working for and with the local communities to achieve better outcomes for them. Visitor tax and higher tax on fast-food outlets could potentially be additional forms of funding or tax to support councils fund development initiatives in their respective regions e.g. in South Auckland which has high numbers of takeaways/fast-food outlets and population with higher risk of noncommunicable/metabolic diseases that are preventable.

- n) **What process should councils go through in order to implement a new levy or tax?** A consultative and robust process that engages the local community, is fully negotiated in a timely manner and provides detailed justification and background information for a new levy or tax.

### **Wellbeing investments.**

- o) **Do you agree that the government's annual wellbeing budget process should be informed by priorities set by each community?**

Yes. For council this will require effective and efficient engagement with local communities to understand the issues and be able to articulate priorities for the whole community as well as ensure priorities are strategic and tie in with central government's wellbeing investment goals.

- p) **What roles could councils play to ensure that government spending on wellbeing addresses local needs and priorities?** Councils and local boards could play a strategic leadership and management role in directing community engagement and their active engagement in decision-making process – councils currently have the capacity and capability to do this in their own communities, at home (not from a distance), and so it will be a matter of channeling the right resources into this new area of health and wellbeing to ensure that it meets local wellbeing needs and priorities.
- q) **Do you agree with the suggestion of local wellbeing plans and reports?**

Yes. It's important to have a local wellbeing plan and reports to guide action and evaluate performance to know whether it achieved what it said it would do to meet the needs of the community satisfactorily, according to plan, including ability to deliver expected results, and/or more, within budget.

### **Deepening democracy.**

- r) **What additional approaches could be used to strengthen participation in local government decision-making?** In addition to what is being articulated in the discussion paper, communities need to be provided with reasonable/appropriate information and time to help them think about the issues in order for them to be able to make informed decisions (objective, not subjective). In this connection, it is vital that the right leadership, for the right community, is provided to facilitate and guide robust approaches to attract ownership of the solutions, and achieve decisive action as well as sound decision-making by, for, and with the community.
- s) **What needs to change to strengthen relationships between councils, iwi/Māori, business organisations and the community/voluntary sector?** Need to change/improve the way local board members are selected to engage with different stakeholders. If we are true to deepening democracy across the board then selection should be in consultation with the stakeholders concerned so they are given a voice too, and not by preference/choice of individual local board members only. The current selection process does not appear to have meaningful criteria for establishing suitability/matching of members to key stakeholders e.g. capacity and capability, people skills, business management skills, trustworthiness, track record in establishing or strengthening working relationships on behalf of the Council, or other organization.

### **Cost shifting and unfunded mandates.**

- t) **Do you agree that legislation will solve the unfunded mandates and cost shifting problem?** Yes, I think it will help to solve the current problem. It's the sensible thing to do if we genuinely care about inequities and inequalities because here's an area where that can be addressed in ways that are fair and just.
- u) **Are there other measures that you would recommend to reduce costs being imposed on councils?** A thorough review by councils of current performance/operational/project costs with view to eliminating waste and reallocating resources to growth/high productivity strategies and investments in communities.
- v) **What else could be done to protect the constitutional status of local government?** Raise awareness among communities – across all age groups. Create a culture among them of understanding the importance of taking ownership of the assets in their own communities, attract and nurture leadership among them, and facilitate community involvement at all levels in active engagement in developing solutions for their communities. This will require significant investment

however it's important that proactive engagement with communities is seen to be fair and equitable, and not just involvement of select few among stakeholders due to resource constraints.