



*SocialLink – Tūhono Pāpori is the umbrella peak body for the social and community sector and represents over 1500 organisations and individuals working in the Western Bay of Plenty*

SocialLink walks alongside social service providers, community and Māori organisations to strengthen their capability as they deliver services to their communities, as well as advocates for the sectors interests, social justice and equity of opportunity for all people living in the WBOP.

[www.sociallink.org.nz](http://www.sociallink.org.nz)

## **Submission to the Governance and Administration Select Committee on the Local Government (Systems Improvements) Amendment Bill**

**August 2025**

Thank you for the opportunity to submit on the Local Government (Systems Improvements) Amendment Bill. SocialLink **opposes** the proposed Bill's Section 10 'Purpose of local government' which is intended to replace the current section 10 of the Local Government Act 2002.

The proposed Section 10 intends to refocus the purpose of local government by:

- removing all references to the four aspects of community well-being; and
- reinstating a purpose of local government being focused on the cost-effective provision of good-quality local infrastructure and public services and
- reinstate the specific core services a local authority must have particular regard to in performing its role.

SocialLink **recommends the four aspects of community wellbeing** in the Local Government Act's Section 10(1)b, as provided by the Local Government (Community Well-being) Amendment Act 2019, should be **retained**.

## Why we recommend retention

### The ‘four wellbeings’ provide the foundation for local government planning and action with their communities.

- The four aspects of wellbeing – social, economic, environmental and cultural - provide a *raison d’être* for local government planning and action. They are four pillars providing a platform for liveable, vibrant, productive, flourishing communities. Remove one and the platform will tip, remove all four and there is no foundation to build upon.
- The origins of local government stem from community – providing services and infrastructure guided by the needs of community. While it’s easy to erode community by inattention or neglect, it is very difficult to then rebuild communities that provide residents with not only needed services and infrastructure but a sense of belonging. Removing the four aspects of wellbeing may limit the ability of local government to meet the needs of the communities they serve.
- Local communities want more control over their destinies, not less. Local governments have robust consultation and other procedures to engage with their local communities to determine priorities, plans and budgets. Listening to communities is the primary imperative of local government. If the four aspects of wellbeing are removed it may mean that local government cannot serve their communities in the way they wish.

### The proposed focus on local economic growth and development is too narrow

- We note the Bill includes a new purpose to support local economic growth and development (Clause 6) applying only to the extent that it fulfils the purpose set out in the new paragraph (b) of section 10 (‘which is to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses’ as recorded in the Bill’s clause by clause analysis).
- We are concerned that this new emphasis, proposed as an alternative to the four wellbeing areas, focuses too much on economic growth and development as the principal imperative to the detriment of environment and social and cultural wellbeing aspects.

### The primary issue is councils need more fiscal resources to act on increasing responsibilities – removing the four wellbeings won’t change that.

- The Bill’s intention as stated in its general policy statement is to address what the Government calls “*a lack of fiscal discipline among councils, including*

*spending on activities that stray from core services, spending more than necessary on the basics, not taking advantage of the full range of funding and financing tools available.”* The Government is concerned about rates rising and the impact on household inflation.

- We appreciate concerns many ratepayers have about the increases in rates, particularly ratepayers on fixed incomes. However, most of the recent increases in rates relate to the need to invest in new or maintain existing infrastructure, due to decisions by past councils under investing in infrastructure, as well as rising costs. Removing the four aspects of wellbeings will not address the main reasons driving rate rises.
- The proposed removal of the four aspects of wellbeing also ignores the many times central government have devolved functions to local government with no associated resourcing e.g. the requirement to have and regularly review gambling and local alcohol policies.
- Most of Council capital and operating spending is on core services, not on so-called ‘nice to have’s’. Having said that, there may be instances of poorly thought-out spending by local government (as there is by central government on occasion). What is considered ‘core’ and ‘basics’? ‘Nice to have’? These claims are open to interpretation and can also be shaped by different ideological perspectives.
- The major issue for local government is the fiscal constraints they operate under in the face of burgeoning responsibilities. This is where constructive reform to help broaden financing and revenue tools that local government can use is needed from central government, rather than critiques about ‘lack of fiscal discipline’.

### **Communities and councils are capable of determining wellbeing priorities**

- As noted above, councils have robust consultation and other procedures to engage with and make decisions with their local communities to determine priorities, plans and budgets.
- A great example of recent engagement in this is in our own local area in the Western Bay of Plenty. Significant Council investment has been made into a cultural, social and economic hub, Te Manawataki I Te Papa, that is upgrading or building city facilities in the central business district area. This includes a library, art-gallery, recreational green spaces, playgrounds, enhanced, accessible waterfronts, including finally having a museum, as all other major city centres have in New Zealand.
- In our work we have heard strong community appreciation and support for the positive difference these and other initiatives (eg protecting the natural and cultural environments of Mauao/Mt Maunganui) are making to the liveability and economic development opportunities for the WBOP. This is in contrast to some

strong local vocal criticism that these initiatives are ‘nice to haves’ and rates should not be spent on them. Many however argue they are rightly forward focused with an aim to attract locals and visitors to the CBD, supporting local businesses as well as leaving a rich intergenerational legacy supportive of community wellbeing. One person’s ‘nice to have’s is another’s bottom line of necessary infrastructure to create a flourishing community where everyone belongs.

- We believe the removal of the four aspects of wellbeing will send the wrong message to councils about what is vital for them to consider on behalf of and with their local populations.
- Retaining all four aspects of wellbeing in the purpose of the Local Government Act signals how precious and important they are as foundations to enabling strong, cohesive, resilient communities.

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