‘I’ve looked at local government ... and it’s neither’

People’s ability to shape their own community is under threat from several sources, a panel of experts argued at an event last week co-hosted by the Institute for Governance and Policy Studies and the Institute of Public Administration New Zealand.

Wellington City Council’s deputy mayor, Ian McKinnon, admitted that local government is “probably not as efficient or as effective as it could be in all areas”. But, he asked, “what are the trade-offs you make when you go about improving it? You could have greater central control, but the trade-off is you denigrate the word local.”

Victoria University professor of public policy Claudia Scott said policy-makers needed to take a much more “comprehensive” look at how to improve local government rather than passing a series of “piecemeal legislation”.

They also needed to improve collaboration between different levels of government, she said. When central government produced its Better Public Services report, for instance, “nobody [in local government] knew it was coming”. That reflected a “really big issue” about the role of local government, and whether it was a partner to central government or just a delivery vehicle.

It was also “worrying” that central government was not helping local councils be more resilient and capable, and was instead using its lack of capacity as an excuse for “taking over”.

“We can anticipate that happening in other areas – and I don’t want to see that happen,” she said.

Local Government New Zealand’s principal policy advisor, Mike Reid, quoted British academic Geoff Mulgan as saying he had looked at local government in the UK, “and it’s neither”.

In New Zealand, both the genuinely ‘local’ aspect and community autonomy were under threat from amalgamation and central government intervention, Reid said.

“I can’t see much of a future for small councils. I think the dice has been set ... Whether we can make it [local government] work within larger councils... The jury is still a bit out. It may work, it may not. But the notion of the community having a say in how the community runs, electing their own mayor and their own councillors, is history to some degree.”

Reid said the “biggest threat” was the “willingness of Cabinet ministers to give themselves the power to overturn local government decisions”. If ministers overrode the decisions of local councillors, it removed local accountability: “We can't hold those councillors to account anymore.”

UK research showed that people didn’t vote in local elections because they didn’t think local councils had any real power, Reid said. Central intervention just exacerbated that situation, he added, drawing an analogy with Russian dictatorships.
“I’m reminded of Stalin redrawing the boundaries between the Soviet Union and Romania,” he said. “I’m told he used a very thick felt tip pen ... and [after the redrawing] the Romanians discovered they didn’t have any oil wells anymore.”

Rounding out the speakers, British academic Michael Macaulay, a new addition to Victoria University’s School of Government, warned that while successive UK governments had claimed to praise local government, “they all actually seem to want to bury it.”

The UK’s 2011 Localism Act, for instance, has a “noble principle” of returning local decisions to local people – but was accompanied by 30 per cent cuts to local council budgets. “I suspect there could be a degree of double standard here,” he said.

A concern for local democracy was also evidenced by the extension of academy schools – similar to charter schools – in which private funders could take schools out of any form of local council control. British ministers were now perceived as forcing councils to accept particular sponsors, he said.

In the question and answer session, Macaulay added that rethinking local government was not just about “the relationship between central government and local government. It’s about the relationship between all forms of government and people. What they can expect in terms of participation, what rights they have. Arrangements must be focused on local people first, and then [we should] worry about how to spread that out.”

Elsewhere, it was pointed out that New Zealand has around 1,000 councillors and mayors – compared to 12,000 in Norway, a similar-sized country.

Ian McKinnon noted that ministers were advancing their reform agenda by “blanketing the whole parcel of territorial authorities with the problems of some”.

Finally, Mike Reid said that the Department of Internal Affairs has “on its wish list” something to address the fact that while most legislation has a regulatory impact statement, if a proposed law affects local government, “there is no estimate of the costs that creates for local ratepayers. So it’s a free good [for ministers] because the cost is borne not by them”.

Max Rashbrooke