

Submission to New Zealand Productivity Commission

Local Government Funding and Finance

13 March 2019

I am writing this as a personal submission based on my observations and experience over the last 11 ½ years as a Tauranga City Councillor.

During this time there has been a huge shift in expenditure from “core” infrastructure to funding a plethora of “non core” functions for community groups needs for example surf lifesaving, sports groups and putting on major events under the Economic Development banner. The interpretation of what is “core” is something that would vary throughout New Zealand Councils.

The “four well beings” is subjective and is often used to support a wide range of projects.

I am not saying this is right or wrong but the shift to community development and other costs mentioned above does put a strain on one of the fastest growing cities in New Zealand – Tauranga. We are nearing our maximum debt/revenue ratio and the next 10 years will not improve as many capital projects come to fruition and will have ongoing interest and depreciation funding costs.

Central Government has also added to Council’s expenditure by making some By-Laws responsibilities of Local Councils throughout New Zealand. For example, Councils were asked to make a By-Law regarding Sunday trading.

Councils try to sort out homelessness and begging as Police resources appear to be stretched and Central Government does not provide adequate housing for those in genuine need. Drug and mental health issues impact on our community and once again there appears to be insufficient resourcing by Central Government to cope with the needs in our communities.

Better collaboration between Central and Local Governments would assist in conversations to better understand what is happening at the “coalface” and work towards resolving issues together.

I can supply financial figures to support above if that is helpful and am happy to speak in person at any hearings that you may have on this matter.

Regards

Catherine Stewart

Tauranga

Email: [castewart@xtra.co.nz](mailto:castewart@xtra.co.nz)