

A Way to Reduce the Cost of Running Local Bodies and Increase Funding

It is probably well known that the cost of running local bodies is continuing to rise leading to rate increases becoming unrealistic.

One of the reasons (but not the only reason) for increases, is the legislation coming from government which local bodies are required to implement. Another possible reason is the historic move towards doing away with council support systems and contracting out work. Initially this may have been seen as a prudent move but over time contracting out has proved costly and not always effective.

Equally of importance in the reasons for costs rising but outcomes being less that effective is because of the development of top heavy management such has evolved with government organisations such as Regional Councils.

An example of the above is the development of flood plain management in the Wairarapa. The Regional Council plans for a flood plain management for the Waiohine river near Greytown would have led to a minimum costs of \$10million (this number no doubt ballooning out to much more). But a bottom up/local community approach has led to costs being reduced to approximately \$2million, and along with an improved design and plan. Further actions are currently being taken by the local communities that have already shown that costs can be reduced significantly, and an improvement in design and plans, with two more rivers in the Wairarapa.

It would seem from the example of the Waiohine debacle that the current structures of top down management (as with Regional Councils) is not working and instead is leading to costly overruns and at times poor planning. One of the reasons for this is because the local communities have lost control to Regional Councils.

To overcome the problem of top down management the Regional Councils should be paired down significantly in staffing and the money used to run them returned to the local communities that for the most part can better manage their affairs. The role of Regional Councils should be a skeleton body, mainly advisory and there to support local communities to achieve their aims.

Obviously the above suggestion would lead to a major upheaval in the way things are done. However, it should be seriously looked at as it is clearly evident that we cannot continue with the current structures.