



Local Government Act 2002 Amendment Bill
Local Government and Environment Select Committee

The Salvation Army (New Zealand, Fiji and Tonga Territory) Submission

1. BACKGROUND

- 1.1 The Salvation Army is an international Christian and social services organisation that has worked in New Zealand for over one hundred and twenty years. The Army provides a wide-range of practical social, community and faith-based services, particularly for those who are suffering, facing injustice or those who have been forgotten and marginalised by mainstream society.
- 1.2 The Salvation Army is strongly connected to the regions and communities around New Zealand. We have over 65 community ministry centres and churches (corps) across the nation, serving local families and communities for over 125 years. We are passionately committed to our local communities as we aim to fulfil our mission of caring for people, transforming lives and reforming society through God in Christ by the Holy Spirit's power.¹ Therefore, we believe we can speak effectively to this Bill because of our commitment and track record with local communities, and also because of our strong relationships with territorial authorities wherever our community ministry centres and corps are located.
- 1.3 This submission has been prepared by the Social Policy and Parliamentary Unit of The Salvation Army. The Unit works towards the eradication of poverty by encouraging policies and practices that strengthen the social framework of New Zealand. The Unit provides solid social research and robust policy analysis, engaging with national opinion makers in politics, government, business, media and education.
- 1.4 This submission has been approved by Commissioner Donald Bell, the Territorial Commander of The Salvation Army's New Zealand, Fiji and Tonga Territory.
- 1.5 We would like the opportunity to publicly talk to these issues with the Government that are raised in this submission if there is such a process. Our contact details for this submission are at the end of this paper.

¹ <http://www.salvationarmy.org.nz/our-community/mission/>

2. THE SALVATION ARMY PERSPECTIVE

- 2.1 We are essentially fundamentally opposed to the bulk of the changes set out in this Bill. The Government wants to reform and improve the operation of our local government sector. This is an admirable goal. However, we believe some of the reforms detailed in this Bill will undermine the democratic process, adversely affect the democratic rights of New Zealanders, and hinder a territorial authority's ability to perform its most important core functions.
- 2.2 The local government sector is critical to the work in our communities that The Salvation Army engages in everyday. As aforementioned, we take great satisfaction in that we are a global organisation that is still committed to working locally. We have Divisional Headquarters located in the main regions of our nation. We also work very closely with local government around the various community ministry, welfare, addictions, employment and home care services we provide nationally.
- 2.3 We view our relationship with the local government sector as a partnership where ideas and policies can be shared, debated and challenged. For instance, we have consistently given feedback regarding the reorganisation process for the Auckland Council. We are also engaged with the Southern Initiative that the Auckland Council is implementing in South Auckland where we aim to hold this council accountable to key areas like social hazards and social justice. Therefore, we believe the various roles that local authorities play in our work, and also in the lives of our communities is tremendously important. We are dedicated in working with both central and local government to ensure our communities are holistically cared for.
- 2.4 The Department of Internal Affairs (DIA) has published a very comprehensive Regulatory Impact Statement (RIS) that comments at length about the main sections of this Bill. Our responses will follow the format the DIA uses here. We will only refer to specific clauses that we wish to comment on.

3. RESPONSES TO SPECIFIC AMENDMENTS TO LEGISLATION

- 3.1 Our starting point is that the Local Government Act 2002 (LGA 2002) espouses three core concepts that underpin the local government system in New Zealand:
- Effective local choices and participation in making them.
 - Consideration of needs and impacts in the future as well as the present.
 - Consideration of all aspects and dimensions of community well-being in assessing the costs and benefits of proposals and options.

We reaffirm these core concepts as absolutely vital in any discussion of possible changes to this sector.

3.2 Re-focussing of the purpose statement in the LGA 2002

3.2.1 Clauses 1-7 of this Bill are about the reforming of the LGA 2002 purpose statement.

3.2.2 We are opposed to any changing of the purpose statement in the LGA 2002.

3.2.3 Several members of the House have criticised the current purpose statement, commonly called the four well-beings, for being too broad and opening up space for councils to undertake new activities that are beyond their traditional scope.

Yet the RIS clearly states that a 2006 report from the Joint Central Government/Local Authority Funding Project team, and a 2007 Report of Local Government Rates Inquiry, there is no clear evidence that there is a proliferation of new activities from the local authorities since the LGA 2002.²

3.2.4 We affirm that the existing purpose statement in the LGA 2002 must remain. We wholeheartedly believe that local authorities must stay engaged in activities connected to the environmental, social, cultural and economic well-being of communities.

3.3 Fiscal responsibility requirements

3.3.1 We can understand the call for greater financial prudence for local authorities. However, we are somewhat troubled with the new Part 10 in Clause 21 that permits greater central government intervention if good financial management has not been exhibited by the local authorities.

3.3.2 We are opposed to this clause because we believe the powers being given to the Minister of Local Government, in this case, are far too large and invasive. There is not enough clarity given in this Bill as to the specific situations where this ministerial intervention is allowed.

3.3.3 We believe that the separation between local and central government needs to remain clearly delineated. We also believe that the independence of locally elected authorities must remain and that local autonomy is sustained.

3.3.4 We believe that the calls for greater financial prudence in this Bill make sense. For instance, clauses 14 and 15 assist in the transparency around the performance and remuneration for elected officials and other staff. But we are also acutely aware of the consistent messages of fiscal responsibility that this Government has relentlessly pushed in their current and

² http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Regulatory-Impact-Statements-Index?OpenDocument#four, page 11.

previous terms. The Salvation Army has experienced the reality of this consistent rhetoric directly with large cuts in our government contracts. We believe local authorities that we are engaged with are showing fiscal constraint and good financial management. While we agree with the fiscal responsibility clauses, we strongly oppose any powers of intervention by the Minister or any other central government body.

3.4 Council governance provisions

3.4.1 We support the provisions allowing for discretionary powers for mayors of local authorities as long as they do not replicate the extensive powers of the Mayor of Auckland.

3.4.2 We have already stated above our support for the good governance provisions of the Bill (eg, employment policy). We have also noted our strong opposition to any extension of the powers of intervention, via this Bill, for the Minister and other arms of the central government found in the LGA 2002.

3.5 Council re-organisation process

3.5.1 Clauses 10 to 13 deal with any re-organisation proposals and processes. We will not add any further comments about the re-organisation of local authorities.

4. CONCLUSION

We wish to thank the Local Government and Environment Select Committee for this opportunity to speak to this Bill. We believe that The Salvation Army has strong relationships with local authorities around the country as we serve the environmental, social, cultural and economic needs of our communities. Furthermore, we believe that the local government sector must remain explicitly involved in the environmental, social, cultural and economic concerns of their areas. Thank you once again and God bless.

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