Committee Secretariat

Governance and Administration Committee

Parliament Buildings

**WELLINGTON 6160**

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Submission on the Local Government (Community Well-being) Amendment Bill

# Introduction

This submission is made on behalf of the New Zealand Grey Power Federation Inc.

The Grey Power New Zealand Federation(GPF) is a non-sectarian and non-party political, advocacy organisation that aims to advance, promote and protect the welfare and well-being of older people. Made up of some 75 individual Associations with an overall membership of approximately 68,000, GPF is the premier organisation representing older New Zealanders.

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# Summary

Thank you for the opportunity to submit on the Local Government (Community Well-being) Amendment Bill. We wish to be heard in support of our submission.

**The Grey Power Federation wholeheartedly supports the intent and detail of the amendment.**

Local Government plays an essential and key part in developing and sustaining community life. To achieve this effectively, requires a holistic approach to governing the local area. We consider that this requires an outcomes based approach based on the widest interpretation of community health – its ‘wellbeing’. This aligns with other health related research and legislation that emphasise the importance of ‘place’ to a community, and also facilitates the adoption of integrated service delivery frameworks that avoid the silo based disregard for externalities when assessing priorities and simplifies the adoption of cost effective shared service delivery across legislative boundaries.

We consider that the ‘well-being’ principle which is widely enshrines the needs and desires of communities, and that supporting the development of strong, inclusive communities is at the heart of democratic Local Government function.

# Re-instatement of ‘Well-being’

The re-instatement of the ‘Well-beings’ (“to promote the social, economic, environmental, and cultural well-being of communities “) as the primary purpose of local government undoes a change to a functional approach that we considered to be short sighted and which failed to achieve or promote any sense of ‘community’. We consider that the ultimate test of an effective local government is that they create a better place to live as judged by a broad consensus of their electorate.

The concept of well-being focuses on the contribution that the economic, social, cultural and political components of a community make to maintaining and fulfilling the various needs of local residents[[1]](#footnote-1).

The well-being of a community is the ultimate metric in determining how that community is faring, and provides essential information when determining the requirements of the community regarding sustainable development. We also note the close correlation between community wellbeing, especially in the dimension of happiness and the community’s sense of ‘place’[[2]](#footnote-2).

The concept of community well-being is increasingly acknowledged internationally as a basis for citizen engagement, community planning, and evidence based policy making. It reflects an international movement towards rethinking the ways in which political priorities are debated and in which progress is defined and measured[[3]](#footnote-3). We also note that the promotion of ‘well-being’ is a common theme in local government around the world, for example in both New South Wales and Victoria; the UK and Germany, and that it aligns with the concepts and intent of NZ Treasury’s Living Standards Framework in rejecting a narrow financial measure of success.

In dealing with Local Government legislation we also emphasise the importance of subsidiarity, and consider that establishing community led outcomes is the defining core of Local Government. The intent of any legislation should then be to enable ***communities*** to define ‘what’ is to be done, rather than have this imposed on them by central Government. We consider that the concept of community well-being enables this by providing a measure of success that is wholly defined by individual communities.

### Well being as an impediment to ‘efficiency’ - a rejection

We believe that much opposition to the inclusion of the concept of ‘well-being’ stems from a concern that this is an inherently subjective measure not easily or validly captured as a proxy dollar value. Well-being is a normative value and as such can only be evaluated against a set of socially determined ideals[[4]](#footnote-4) (Teghe and Rendell, 2005). Thus well-being is associated not only with economic prosperity, or the outcome of good social policy, but with the concepts of happiness, life satisfaction and social capital.

We reject as without foundation the suggestion that the inclusion of ‘well-being’ in the LGA (2002) in any caused an unwarranted expansion in costs or unwanted services. Our view is substantiated by three separate reviews between 2002 and 2008[[5]](#footnote-5). However we note that concerns with potential challenges to council decisions based on the LGA Amendment Act 2012 resulted in a risk-averse culture in many councils that discriminated against development of wider community goals.

We also note that contrary to the concern expressed by some, that the removal of section 10(2) defining ‘good quality’ in terms of efficiency and effectiveness does not remove the requirement that services are delivered effectively and efficiently, since these criteria are also referenced elsewhere within the Act ie s3, s14 & s17. It does however establish that these concepts are not ends in themselves (purpose) but rather necessary but not sufficient performance measures in determining how the services and functions provided may or may not contribute to a better community outcome.

## Recommendation

That the Select Committee:

Recommend the enactment of the changes in part 1 of the Bill without change

# Part 2: Other amendments

Grey Power Federation fully supports the proposed changes to the definition of community infrastructure to be funded by development contributions, and the removal of restrictions on powers to require contributions for reserves. As we note above the well-being of any community is multi-faceted. The cultural, social, recreational and environmental needs of the community are as important as any ‘hard’ infrastructure, and as dependent on local government for their provision.

Many of our members exist on fixed incomes and the decisions of the last Government to force existing residents to pay for the provision of any these services for new residents is grossly inequitable. We would further argue that this precedent as well as the removal of the wellbeings has encouraged local Government to imposed a user pays regime on these ‘soft’ services which again directly affects those who are arguably most in need – those living on fixed incomes. This leads not only to a diminished quality of life, but we would argue, an overall increased cost to society through health services driven by increases in loneliness and lack of physical and mental health. Finally we note the effect the current provision has had on rates, an issue which once again impacts most directly on those on low fixed incomes such as our members.

We also note that once again this is a well established principle overseas, where the provision of community infrastructure is considered essential for their well-being (UK)

## Recommendation

That the select committee recommend the enactment of Part 2 of the Bill.

1. Kusel, J. and L. P. Fortmann. 1991. What is community well-being? In J. Kusel and L. Fortman (eds.). Well-being in forest-dependent communities (Volume I). Pp.1-45/ Forest and Rangeland Resources Assessment Program and California Department of Forestry and Fire Protection, Berkley, California. [↑](#footnote-ref-1)
2. ## Davidson, William B., Cotter, Patrick R., 1991, The relationship between sense of community and subjective well‐being: A first look

   [↑](#footnote-ref-2)
3. Cox, Dianne, Frere, Marion, West, Sue, Wiseman, John, 2016, Developing and using local community wellbeing indicators: Learning from the experience of Community Indicators Victoria, Australian Journal of Social Science [↑](#footnote-ref-3)
4. Teghe, D. and Rendell, K. 2005. Social Well-being: A Literature Review. School of Social Work and Welfare Studies, CQU: Rockhampton [↑](#footnote-ref-4)
5. Report of the Joint Officials Group on Local Government Funding, 2006  
   The Inquiry into Local Government Rates, 2007  
   Local Government Commission, 2008 [↑](#footnote-ref-5)