



Office of Hon Rodney Hide

MP for Epsom
Minister of Local Government
Minister for Regulatory Reform
Associate Minister of Commerce

Steve Baron
steve@betterdemocracy.co.nz

Dear Mr Baron

Local government

Thank you for your email of 26 February 2009 about local government spending and democracy.

I know local government spending and issues like the Auckland Regional Council's loss on the LA Galaxy football match have raised significant ratepayer concern. There are a number of priority areas that I intend to focus on in the local government portfolio, including councils' financial management and their decision-making, planning and consultation mechanisms. I want to ensure that councils' decision-making is clear and transparent and the implications of financial decisions are better understood by ratepayers and citizens.

I was interested to read your comments on referenda in Wanganui and overseas. Polls and referenda are potentially important tools that could be used to ensure councils' accountability to their ratepayers and citizens. The benefits of more direct participation would, of course, need to be considered together with the costs. As you have noted, it is important that participation in local democratic processes is balanced alongside the need to ensure that local councils can get on with the job of providing local services.

Reforming parts of the legislative framework is not the only change that needs to take place to enhance New Zealand's system of local government. I expect councils to keep their spending at a level their ratepayers can afford, particularly in the current economic climate. Councils also need to streamline their procedures and minimise bureaucracy wherever possible. Some councils are already taking positive steps to achieve this and I will be encouraging others to do the same.

Thank you again for writing.

Yours sincerely

Hon Rodney Hide
Minister of Local Government