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RATE SAVER REPORT: 101 WAYS TO SAVE MONEY IN LOCAL GOVERNMENT



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FOREWORD

I welcome the Taxpayers' Union initiative in putting together 101 ways for Councils to save ratepayers' money. I do not endorse many of them. Indeed some would be self defeating, causing more cost long term. But all Councillors need to be reminded that we are stewards of other peoples' money. Every two or three thousand dollars we take in rates from a family could delay or prevent someone warming up their house with a heat pump, or painting the kitchen, or getting to see the grandchildren in Auckland.

Twenty years ago, my city had gone on a wasteful spending spree. We've slowly and painfully rebuilt our city's finances. Now less of our rates go for interest on borrowings than almost any other metropolitan local authority, and satisfaction with Council is high. Most of that financial recovery is just thousands of little efficiencies – day by day sensible choices not to waste money. So we don't reject well intentioned urging to count the pennies to save the pounds, even if some of the 101 proposals are obviously framed to catch attention, more than to save real money. It is vitally important for local democracy to remain in touch with local common sense, for councillors to have to answer hard questions from people they know.



That is why we're so strongly in support of our community's determination not to be plundered by less financially sound neighbours after a hostile takeover under the government's 'Think Big' amalgamation schemes. We are demanding answers to our own 101 questions. We want to find out why bureaucrats and big business and bigger councils think they can persuade our voters that amalgamation is in anyone's interests, other than the execs and Councillors and consultants who expect to be able to get away with much more pulling the levers in a big remote administration, than they ever can with Councils whose scale is matched to their communities.

So I urge local government people to take these suggestions as a challenge. If you do not like them, come up with some better ones. That is what Lower Hutt will be doing, as members of the Local Democracy Coalition, a group of Mayors determined to find ways to improve and change without turning local democracy over to spin doctors in the offices of presidential super-city mayors.

Lower Hutt likes challenges to conventional thinking. We need it as everyone does. We are the Council that hired economists to check whether we should be supporting abolition of ourselves to create an Auckland look-alike super-city in Wellington. They were not told what answer to come up with. The research shows no evidence to support the idea that a really big local government empire is better than smaller organisations close to the people who judge them and vote every three years.

We'll be coming up with our own lists of needed changes. That status quo is not good enough. But we think it highly unlikely that it will improve by ignoring the international evidence on size. There's lots of room for initiative, and we should not be reluctant to test ideas, then dump them. That is what Lower Hutt has done with the extra stadium proposal. We'll be looking at real ways to access more experience and skill for Councils, instead of replacing genuinely local councillors who control spending and hiring and firing, with lots of pseudo councillors on local boards not allowed to do much more than talk. We'll look forward to Taxpayers' Union scrutiny of what we come up with.

Ray Wallace
Mayor, Lower Hutt City

FOREWORD

Having been a mayor for 28 years and finally achieving a rate increase of less than 1%, I've learnt to face many challenges and this publication is certainly challenging. Some of the ideas are obviously worthy of discussion and others are clearly designed to provoke discussion. Local government representatives can often hide under the cloak of "public service" which generates barricades of knighthoods, QSMS and QSOs.

Occasionally a rogue mayor such as Michael Laws or Wayne Brown would poke their heads above the parapet and lob a grenade or two about the hopelessness of local government but both were eventually destroyed by self-inflicted wounds.

In my view we should never flinch from criticism. At least our critics are interested enough to wrestle with local bodies. Our real opponents are those who don't give a damn, don't vote, don't connect, don't criticise, don't communicate and don't under any circumstances get involved.

Hopefully this publication will anger, inspire or depress but it won't make us feel apathetic.

Tim Shadbolt
Mayor, Invercargill



INTRODUCTION

New Zealand's 78 councils make up 4% of gross domestic product, spend \$7.5 billion per year of public money, and manage \$100 billion of public assets. They're also growing rapidly - since 1993, total rates collected by local councils have increased from \$1.6 billion to over \$4.5 billion – that's a thousand dollars for every man, woman and child.

Local government debt is trending higher. In some centres, high local authority debt will mean tough decisions in the future. For example, in Auckland, total liabilities per ratepayer equal more than \$15,000, or nearly six times the average residential rates bill.

The Government has had mixed success in its effort to rein in local government. As part of its 'Better Local Government' program the Government amended the Local Government Act 2002 to improve the delivery of public services by focusing councils on operating more efficiently and doing the things only councils can do, such as good quality water and waste infrastructure.

The law changes required councils to make better provision for effective, efficient, and democratic local governance. At the time, the government argued that the changes would give councils stronger tools to contain costs, and provide options for efficiency gains from council reorganisation.

The United Kingdom is facing similar problems to New Zealand. There, the Government has taken a proactive approach to ensure that best practice is shared, and that councils are doing their bit to save money.

In December 2012, the UK Department of Communities and Local Government published a paper "50 Ways to Save: Examples of sensible savings in local government." The Secretary of State for Communities and Local Government says in the forward to the report, "Councils should focus on cutting waste and making sensible savings to protect frontline services and keep council tax down." The report lists 50 examples where money has been saved by councils, and encourages other town halls to adopt the best practices.

We agree with the UK Government's practical approach. Unfortunately, we are not aware of similar efforts by the New Zealand Government to tackle the problems of inefficiency and waste here. In a small way, we've decided to do it for them, by highlighting ways local government can save ratepayers' money. This report will be distributed to every council's Chief Executive.

The Taxpayers' Union has published this report to support efforts to cut red tape, minimise the rates burden on households and businesses, limit debt, and promote the cost-effective provision of good-quality infrastructure. Many of the suggestions are borrowed from our equivalent UK organisation, the TaxPayers' Alliance and its Research Note 132 "201 Ways to Save Money in Local Government".

For big savings to be made, and for those savings to be passed on to ratepayers, it is important to share the success stories of local authorities who have managed to deliver better value for money. While one of the Taxpayers' Union's roles is to expose and publicise government waste and extravagance, we hope that this report demonstrates our willingness to compliment and praise good practice in the public sector.

Finally, we would like to thank all the information officers, officials and mayors who responded to our information requests and invitations to make suggestions for this project.

**“THERE’S NO SUCH THING AS
A COUNCIL’S MONEY – ONLY
RATEPAYERS’ MONEY.”**

AUTHOR

Jono Brown is a Research Assistant for the Taxpayers Union. He holds a degree in Biology, Ecology and Biodiversity and a postgraduate diploma in Biotechnology from Victoria University of Wellington. Jono joined the Union in 2014 and sees the organisation as an opportunity to allow New Zealanders to see where their money is going regardless of their political leanings.



101 WAYS LOCAL GOVERNMENT CAN SAVE MONEY

1

Pay back council debt

What right do today's councils have to borrow against future generations?

Because its debt levels were unsustainable, Queenstown Lakes District Council has doubled down on financial discipline and reassessed all major capital projects. Deferral, staging and innovative technology were all considerations, with a focus on avoiding rates volatility and reducing debt. Internal savings in excess of \$2 million from operational changes were achieved. It opted to apply 100% of the 2013/2014 \$2.86 million dividend from Queenstown Airport Corporation to repay debt.

The Council's intention to pay-off \$22 million of loans in eight years (instead of the 15 originally intended) will save Queenstown Lakes ratepayers \$5.5 million in interest costs.

Queenstown Lakes have taken their debt seriously, but the Council's liabilities on a per ratepayer basis are only half of Auckland City. Currently every Auckland ratepayer owes \$15,339 – more than 4 times the average across New Zealand. What is worse, Auckland's debt has accumulated before any of the 'big projects' such as the city rail link, second harbour crossing, and anticipated earthquake strengthening have started.

2

Incentivise innovation

Mayors, councillors and chief executives should encourage council staff to suggest efficiencies. Offer a prize for the best suggestions. But also allow anonymous entries.

3

Stop providing free lunches and booze for councillors

Last year the new Christchurch Mayor, Lianne Dalziel, abolished free lunches for councillors telling her colleagues to bring their own lunches to work or buy from a local business rather than rely on the in-house catering service. The move will slash the \$45,000 catering cost incurred last financial year.

Ms Dalziel was reported at the time to have said that she wanted to keep councillors aware of the fact they are there to work for the ratepayers, not to be fed by them. She also said that if councillors wanted to have a drink after a busy day, they could do that - "but it's not going to be on the ratepayer". We agree!

4

Don't fund or join chambers of commerce

Chambers of commerce and other business groups are supposed to keep councillors and the council accountable – they are undermined by accepting funds from the council and are less accountable to their members and the community.

Masterton District Council (a small council) spent \$25,366 in affiliation with Wairarapa Chamber of Commerce. If that is representative of other councils, New Zealand ratepayers are forking out millions in subsidies for businesses to lobby them.

5

Publish all accounts payable transactions

Many states in the US allow residents to 'audit' and review expenditure online. By proactively releasing the information, staff are incentivised not to waste money, and administration costs in answering information requests are reduced.

6

Freeze recruitment

The Ratepayers' Review, recently published by the Taxpayers' Union and Fairfax Media on RatepayersReview.co.nz and Stuff.co.nz, shows how much variation there is. Councils should focus on achieving more with current staffing levels before considering hiring more.

Queenstown Lakes District Council leads the way here. They recently achieved a 20%+ reduction in staff numbers in a 12 month period. At the same time the Council has increased community satisfaction (up 21% in the last two years).

7

Let the community help

Remember that voluntary and community groups as well as private firms may offer a better means of providing a service than the council's own workforce, for instance in providing programs to at-risk youth.

Wanganui District Council co-manage many of their parks with community groups who also help on the ground with upkeep and working bees.

8

Save on water costs by proactively detecting leaks in the water network

Rotorua District Council have specially-trained crews who work at night when water demand is low, to measure and analyse the usage in a defined area of Rotorua's water network. If analysis indicates excessive flows, the area is split into sub-areas which are re-analysed, and the process repeated until leaks are found.

These leaks are then repaired as soon as possible, and the analysis process is repeated to confirm that all the major leaks have been detected and fixed, and that the night consumption has returned to acceptable levels.

Where excessive consumption is found to be on private properties, the owner is informed and the Council works with that person to ensure that any leaks are attended to.

The Council has told us that based on the first half of the current financial year, they expect expenditure on energy and chemicals alone to reduce by \$70,000 this year, as a result of the initiative. Significantly reduced costs, due to deferred capital upgrades, are also made possible by the initiative.

If this process were used throughout New Zealand, ratepayers could save \$4.8 million per year.



9

Require end of year reports from groups which councils fund

How have ratepayers benefited from what the group used the money for? Too much money is given to groups by habit or because "they get money every year."

Scrap political advisors

Political advisors don't work for ratepayers – they work for the mayor. If local politicians want political advice they should pay for it.

Wellington mayoral staff:

In Wellington the Mayor has a staff budget of more than half a million dollars.

- *Chief of Staff*
- *Mayor's PA*
- *Information Co-ordinator*
- *Senior Communications Advisor*
- *Reception/PA*
- *Correspondence Co-ordinator*
- *Functions & Special Events Co-ordinator*
- *Total : 7 staff*

Auckland mayoral staff:

Auckland's Mayor takes it one step further and has hired two people to manage Len Brown's diary!

- *Chief of Staff*
- *Principal Policy Advisor*
- *Head of Communications*
- *Senior Advisor (CCO, Governance, LTP)*
- *Senior Advisor, Mayoral Plan*
- *Liaison Officer*
- *Manager Key Relationships*
- *Executive Assistant*
- *Two Senior Advisors*
- *Policy Advisor*
- *Mayoral Correspondence Assistant*
- *Administration Assistant*
- *Chief Press Secretary*
- *Press Secretary*
- *Two Mayoral Diary Managers*
- *Mayoral Aide*
- *Two part-time Drivers*
- *Administration Assistant*
- *Total: 21 staff*

Christchurch City Council mayoral staff:

- *Chief of Staff*
- *Press Secretary*
- *Senior Advisor*
- *Community Advisor*
- *Visits and Ceremonial Co-ordinator*
- *Two Information Co-ordinators*
- *Executive Assistant*
- *Executive Administrator*
- *Total: 7 staff*

11

Abolish youth councils and standing consultative committees

Often these are more about photo opportunities and keeping people happy than useful public policy debate. Councils should be focused on allowing all members of society to participate in meaningful consultation processes as issues arise. Elected councillors are clearly not doing their job if they need to pay people to advise them on what sections of the community think. Youth councils are a nice idea, but in our experience achieve little, if anything, and are used by local politicians as a Claytons' solution to youth engagement.

12

Fund the voluntary sector through commissioning

Ratepayers' money shouldn't be just given away. Make sure ratepayers get something for what they give. Grants are too often something for nothing.

13

Do not have children's playgroups directly run by the council

Instead, better value for less money can be achieved through funding this much needed resource via the voluntary sector, community groups and independent groups of parents.



14

Cut red tape so you don't have to employ people to assist in navigating it!

We are amazed with the volume of initiatives to 'help investors and businesses navigate regulatory processes.'

For example, Rotorua Council has a 'Client Support Manager' to provide "holistic, business-aware advice in relation to regulatory requirements so that customers are fully informed and able to make the best financial decisions." Auckland Council's ATEED has a similar purpose (among many).

Instead of helping the chosen few, councils should focus on making regulation clear, simple and easier to understand.

15

Incentives for recycling

Recycling often costs the council less than having to build and manage landfills. Curbside charges should reflect this. Offer incentives, discounts or even competitions to better reflect the relative costs of different types of rubbish and to encourage recycling.



16

Build public toilets only where alternative facilities do not exist

Public lavatories can sometimes represent pretty poor value for money in terms of the cost of maintenance in relation to how often they are used. Often the buildings can be valuable capital assets. A better arrangement may be to pay bars/cafes a small fee for agreeing to allow non-drinkers to use their loos free of charge. Alternatively, get the sports club or another user of the park or facility to manage the loos. They'll probably do a better job.

17

Don't fund "sock puppets" and "fake charities"

These are campaign groups that survive in large part on taxpayers' money, rather than donations. They often campaign for even more money to be spent on a pet project.

18

Get rid of professional sports subsidies disguised as 'economic development'

Hamilton City Council paid around \$40 million over the five years it hosted the V8 Supercar races – if residents are not willing to pay their own money to go, it's not a reasonable use of ratepayers' money. If it's good for businesses then let businesses or the chambers of commerce pay, not the poor residents.

19

Don't implement the living wage

Councillors are custodians for ratepayers' money and should make sure it is spent frugally and achieve maximum efficiency. Increasing a poor pensioner's rates to pay someone else more does not reduce poverty!

20

Don't copy central government activities

Councils shouldn't give ratepayer money to things such as tertiary education or health services. Leave this to central government as its model is likely to be better. For example, some councils give grants to health providers related to addiction services. Everyone knows smoking is bad and the government already funds providers to do the work. Often the money is used for political causes rather than frontline services anyway.

21

Use "hot desking"

Many councils have a high proportion of part-time staff. Sharing desks allows the council to reduce its office space requirements.

Queenstown Lakes District Council told us that they are now saving \$330,000 per year in lease costs by consolidating office space.

22

Encourage mobile working

Reduce the need for expensive office space.

23

Encourage hours that maximize efficiency

Auckland Council's Public Information Office allows staff to work hours that avoid peak commute times.

24

Cancel annual subscription to Local Government New Zealand

LGNZ is just a lobby group and transfers local ratepayer money to spin doctors in Wellington. Most mayors have a good relationship with their local MP – let them do the lobbying.

We were surprised with the significant sums ratepayers are spending on lobbyists in Wellington. For example Selwyn District Council spent \$45,322, Nelson District Council spent \$66,573 and Wellington City Council spent \$155,078 on LGNZ membership last year.

25

Cancel annual subscription to the New Zealand Society of Local Government Managers

This costs most councils tens of thousands of dollars. Given that council CEOs are already paid hundreds of thousands, if they want to join a union, let them pay!

Last year Wellington City ratepayers forked out \$39,731 on SOLGM.

26

Stop sending people off to conferences

One advantage of not being members of these bodies is that there won't be the same scope for sending staff off to their events at vast expense.

27

If a group of ratepayers want something, give them the opportunity to pay for it

Grey District Council told us they raised \$17.7 million for a \$19.2 million sports stadium from the community. The fundraising meant that the stadium had only a small impact on rates and allows ratepayers who want a stadium to pay for it, and those who don't, not to do so.

28

Outsource youth clubs and youth centres

Youth centres should not always be run by the council: they are typically pretty run-down when they are. Some of the money saved by closing them could be used for higher grants to charitable and community groups which run youth groups, or partnership arrangements with the private sector. Surely it is better to partially fund the local Scouts and Girl Guides to run activities than build a brand new youth centre.

29

Review street lighting usage

Some councils have excessive street lighting. Aside from the cost, they cause light pollution and increase our carbon footprint. Councillors should consult residents to see where the lighting is really needed or where it may be switched off 30 minutes or an hour earlier.



30

Alternatively, it might suit some councils to have periods where only half the lights are switched on (e.g. between 3am and 5am when scarcely anyone is using the streets).

31

Use energy saving light bulbs, or smart lighting technologies.

32

Have a smart asset management plan

Hutt City Council use technology, such as video cameras mounted on a movable robot, to more accurately identify pipes and infrastructure that actually needs replacing. This allows longer use of assets and saves money on unnecessarily replacing assets when depreciation accounts call for it.

CUT OFFICE COSTS

33

Stop producing glossy brochures

The thicker the paper, the shinier the pages, the brighter the colours, the more residents think: "So this is what my rates goes on." The printing bill even for rural councils is tens of thousands of dollars.

34

Use double-sided printing

Changing the default setting on photocopiers can save thousands of dollars on paper.



35

Turn down the temperature in the town hall and other council buildings

How low does the temperature get before the heaters come on?

36

Cut transaction costs by offering a discount to those who pay by direct debit

Cash handling and banking cheques is expensive – encourage the use of internet banking.

37

Send rate demands by email

This is often more convenient for the ratepayer and saves postage.

Nelson City Council told us they are getting their ratepayers to sign up for invoices via email rather than postage. Feedback to date has been positive.

38

Use cheaper surfacing for footpaths that are unlikely to be used much

Asphalt is expensive, and is not always required. In many cases, chip seal will do.

39

Take a tough line in dismissing staff for persistent absenteeism

Monitor those who particularly claim to be sick on Fridays and Mondays. Look at ways to improve the health of council staff. Flu jabs represent good value for money in reducing genuine sickness.

The Taxpayers' Union is currently comparing data on the number of sick days taken by public sector staff compared with the private sector. The results are not encouraging for taxpayers!

40

Keep a tight grip on spending by council controlled organisations by having independent directors from the commercial sector

Too often public sector employees who sit on boards don't have the governance experience necessary to cut costs and drive efficiency.

41

Review council controlled organisations

Are all the council controlled organisations and subsidiaries really necessary?

Queenstown Lakes District Council are saving half a million dollars a year in board and executive salaries alone, by disestablishing its council controlled organisations.

ABOLISH COUNCIL CHARGES THAT COST MORE TO ADMINISTER THAN THEY COLLECT

42

Assess whether the staff employed to collect fees cost more in salaries than the income they gather in. For instance, if you are employing three people to collect \$45,000 a year from cafes for having tables and chairs on the pavement, this is not good value for money.

43

Similarly, cease charging where the transactions costs are greater than the revenue. For example, charging schools to use parks for sports days. Towing cars away for mild parking offences can break even or run at a loss, despite the heavy fines charged.

44

Rationalise the number of council departments and managers

The incentive to give staff 'manager' titles means that unnecessary departments can emerge.

45

Stop funding engagement with special interest groups

Local bureaucrats are good at creating consultation groups for the purpose of demanding special ratepayer funding to promote a particular cause. For example, don't spend money on engagement with cyclists – spend it on improving cycle ways!

46

Set maximum word limits on the length of reports submitted by officers

Long reports that nobody reads are a waste of officer time and a means of avoiding accountability for spending.

47

Use plain language

Council staff should use plain language in their reports to councillors and consultation documents. Bureaucratic jargon and fancy graphics just make it harder to seek the information most users want.

48

Pay managers based on the performance of their departments

Introduce performance related pay for departmental managers. If they come in under budget, they get a bonus. If they come in over budget, they get their pay docked.

49

Give all staff the option of performance-based pay

This won't necessarily be unpopular. In the UK, much to the surprise of the establishment, 94% of council employees opted for performance related pay when all staff were offered the option at Buckinghamshire County Council. Even if it results in a higher remuneration bill, ratepayers are likely to benefit from a better performing council.

50

Don't outsource training

Provide staff with bite sized training. Instead of having external training, hold internal training events for staff which are filmed and put on the internal internet site so that staff can view at any time.

51

Cut down on how many flights officers and councillors take

Make more use of video conferencing for important meetings.

52

Don't pay mileage rates above the IRD rate

53

Make consultations shorter and cheaper – and real

Don't use social media tools like Facebook to encourage populist responses and call it consultation. Instead focus at getting meaningful feedback and thoughtful submissions from those who are likely to be experts.

54

Provide council tenants with rewards for carrying out their own repairs

55

Use smart apps

Offer an interactive smartphone application or website which allows residents to access services. Allow residents to report issues such as a missed bin collection or a broken streetlight, without having to call the council. Using a website or app is likely to lower administration costs. It also may make sense to offer discounts for payments online.

56

Don't hire plants for council offices

Encourage staff to buy and water their office pot plants on a voluntary basis rather than paying contractors to do it.

57

Cut the number of politicians

Reducing the number of councillors won't necessarily reduce the quality of decion-making. In fact, experts in governance would argue that anything more than around a dozen people makes effective decision making difficult.

58

Don't print when you don't have to!

Many organisations (including the Taxpayers' Union!) prefer digital files and emails rather than letters and printed reports. If people want something printed, let them cover the cost.

Nelson City Council reduced their printing costs by uploading property files to the cloud and sharing them with requesters. This costs a lot less than printing, copying or burning to a CD.

59

Don't just renew contracts, re-tender

Make every manager who re-signs a contract justify to councillors why it hasn't been retendered.

We are amazed that this isn't standard process. In a letter to us the Mayor of the Waitaki District, Gary Kircher said

"In 2011 [Waitaki District Council] retendered its district-wide road maintenance contract. As a result of the tender process, Council realized [sic] annual savings of \$367,000 which were reinvested in more work to improve the quality of our roading network. We are now considering doing something similar with our district-wide parks and utilities and maintenance contracts."

Why just considering? Why isn't putting the contracts out to tender the standard practice when contracts come up for renewal? Seeking out the best deal isn't going above and beyond, it should be standard practice.

60

Improve procurement standards

Adopt standards from central government, and stick to them.

Rotorua District Council told us that a new procurement policy adopted in 2010 included a centralised management of the procurement function. 97% of Council's \$128 million spent with suppliers and contractors was under contracts for which competitive tender processes or similar arrangements applied.

The Council has estimated that the initiative has resulted in a \$3.1 million saving in the last 5 years. If the same savings could be achieved across New Zealand, we could expect \$42 million in savings per year.

61

Share services with neighbouring councils

Why do Napier and Hastings require separate after hours animal control officers?

62

Share procurement

Procurement should be shared with other councils – larger contracts can often get a better deal from suppliers.

Waikato District Council told us that it participates in the Local Authority Shared Services company that has saved over \$700,000 on valuation data, warehousing and insurance procurement alone. If similar schemes operated around the country, ratepayers could save around \$4 million per year.

63

Share recruitment resources

Waikato District Council told us that its participation in an HR Shared Recruitment service has reduced the cost of hiring. It costs them \$633 per person – which compares very favourably to the amounts charged by commercial recruiters (sometimes 6 months salary).

64

Share office space

Rent out under utilised spaces. Territorial authorities sharing space with regional councils makes sense.

65

Piggy back off the purchasing power of central government

Where the Government has negotiated a better deal for something a council uses, get the services under the Government's arrangement.

The New Plymouth District Council has saved \$10,000 per annum on fuel by joining the NZ Defence Force syndicated fuel contract.

66

Compare charges

Compare your charges to other councils. Do your tariffs make sense to residents? Find out why and how other councils offer a better deal.

67

Test your services using mystery shopping

Make an arrangement with a neighbouring authority to mystery shop the other authority's services. This saves money compared to using external companies to carry out this service

68

Publish credit card use online

Cut out wasteful and frivolous spending on cards and impose sanctions for those who abuse them.



69

Share staff and expertise

Would it make sense for your council to merge the role of Chief Executive with another? For smaller councils, have cheaper people do admin tasks that are currently done by underutilised CEOs.

70

Be transparent about council spending

Publish all spending by cost code (or general ledger). This will allow transparency on how much each section of the council is spending. Most spending is on salaries rather than procurement.

71

Neighbouring councils should agree to use the same cost codes

This makes it easy to compare costs and see whether a council is offering good value for money.

72

Keep the public informed

Proactively publish the information most frequently requested by members of the public under freedom of information law.

73

Make sure information can be accessed easily online

Maximise transparency of council papers on the council website to reduce the cost of information requests. The more information that is available via “self-serving”, the less the administrative burden.

74

Make spending transparency intelligible

Don't just say how much was spent with whom. Tell the public what all the purchases relate to.

75

Publish the job titles of all members of staff

This doesn't need to include salary information but it will give taxpayers and other staff members in the council a sense of the council's priorities and allow unnecessary jobs to be rooted out.

76

Cut the number of council vehicles

New Plymouth District Council is saving an estimated \$324,000 per year by reducing their vehicle fleet by 6% - thanks to implementing a GPS vehicle management system.

77

Make the annual report useful and jargon-free

Print the annual report using plain language and without colourful pictures. No one moves to a city because the council has a pretty report with expensive photography.

78

Charge to hold events in parks

Make sure the charge is enough to cover all expenses, including the clean up afterwards and grass care.

79

Sell private sector advertising on council notice boards and the council website

80

Even more revenue can be obtained by allowing advertising billboards on council land adjoining busy roads, where this is appropriate.

81

Sell off surplus council owned land

82

Involve community groups and external funders in capital projects

Hutt City residents requested artificial turfs from the Council in order to play sport closer to home. The \$2 million dollar project was achieved by attracting \$1.4 million of pokie trust funding and by selling a portion of surplus land that was not being utilised.

83

Stick to doing things councils are good at

Sell council-owned farms. Also sell council-owned cafes, shops, golf courses, caravan sites, theme parks etc. Councils are for providing infrastructure and services that wouldn't otherwise be provided – not competing against other businesses.

Greater Wellington Regional Council underwrites the debt of Centre Port's property development on the fringes of Wellington's CBD. Last time we checked Wellington had plenty of empty office space. The debt guarantee allows the Port to borrow cheaply and is an effective subsidy - with ratepayers taking on the risks of the Port's commercial property development.

84

Rent meeting spaces

Town Halls and other municipal buildings often sit empty at weekends. Take a more aggressive and creative stance in seeking revenue from bookings. Consider using private agencies for this. Also too many councils build conference *centres* when their council chambers sit empty.

85

Seek a better deal from suppliers, even on the basics

Waitaki District Council told us they saved \$230,000 by renegotiating electricity contracts with retailers. We estimate that if all Councils could negotiate such a saving across New Zealand, over \$15 million could be saved.

86

Sell surplus assets

This can be a means of reducing debt. Interest payments on debt are often a big component of council rates.

87

If a staff car park is even necessary, charge for its use

88

Meet with utility providers regularly so that the costs of trenching can be shared

Councils can save money by matching scheduled infrastructure maintenance with work being done by the private sector.

Wanganui District Council have quarterly 'utility meetings' for this purpose.

89

Review council-owned car parks with a view to selling them



90

Rent spaces for cafes in the corner of libraries where there is some space

This could produce revenue as well as attracting more library users.

91

Review tenancies

Check the list of those outside bodies being given free or subsidised office space by the council. They could well be in buildings which could be sold.

92

Chip felled tree branches and shrubs for footpaths and mulch

93

Where appropriate use cattle and sheep to graze on council land rather than spending money on grass cutting

Auckland Council run sheep and cattle on Cornwall Park in One Tree Hill. The animals are an attraction for children and families. Livestock could easily be used at other parks.



94

Scrutinise all recruitment

Any recruitment to new posts should be justified to, and approved by, the council.

95

Keep recruitment costs to a minimum

Don't advertise for jobs in newspapers when you really do need to recruit - use your council website and TradeMe instead.

96

Seek sponsorship for community initiatives

Where extra spending would secure a desirable objective consider whether the money could come from sponsorship rather than the council. For instance new street trees could be funded by encouraging households to sponsor a new tree in their street, Christmas lights can be sponsored by local businesses.

97

Don't own and run museums or art centres

Allow trusts to take them over. They tend to do a better job and this reduces council maintenance costs.

98

Get rid of arts subsidies

The art centres of the world did not come into fruition from government support.

99

Lease art the council can't sell

Often councils have valuable works of arts that aren't on display and cost money in storage and insurance. Sometimes selling them may not be appropriate, or even legally possible, if they have been given to the council. However, revenue could be obtained from leasing the works of art .



100

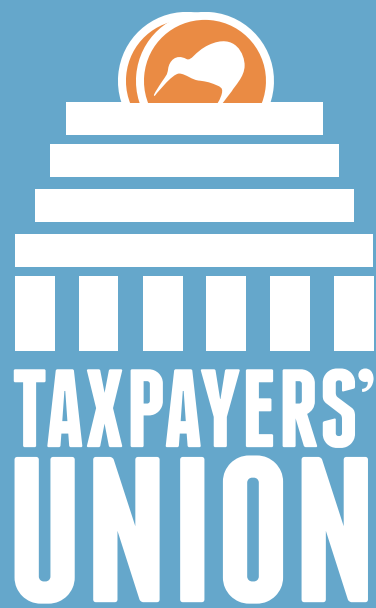
Treat claims of “spend to save” or “investment” with scepticism

Within budgets there will sometimes be genuine possibilities. For example, providing more litterbins might be a more cost effective way of reducing street litter than employing more road sweepers.

101

Benchmark against other councils

Don't be too proud to constantly check if other authorities are achieving lower costs or higher standards for a service and, if so, whether they are achieving this through greater efficiency. Councillors should require benchmarks before approving any charges.



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