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Councillors tired of being 'beaten up' and blamed by central government

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The South Wairarapa District Council doesn't want to be "the whipping boy" of central government. Photo: LDR / Emily Ireland

Councils feel "beaten up" and blamed for problems outside their control as tensions rise between them and central government.

South Wairarapa councillor Colin Olds made the remarks after councils were once again in the firing line of central government.

In a statement yesterday, Local Government Minister Simon Watts said some households were getting frustrated by unfair rate hikes during the cost-of-living crisis.

It followed comments at the recent Local Government NZ (LGNZ) conference, where Watts compared councils to children and suggested that letting them do what they wanted might lead to bad choices.

Olds, who attended the conference, told his colleagues and LGNZ representatives that he was disappointed that councils continued to get "beaten up by central government" over things that were out of their control.

Councils had defended rising rates as they were dealing with increased infrastructure costs, unfunded mandates, insurance, and inflation.

LGNZ chief executive Susan Freeman-Greene said tensions between local and central government were "a challenge", and



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"We all know that in opposition, parties are really strong localists and in government they tend to be much greater centralists and much more likely to want to constrain and tell you what to do and tell you how badly you are doing to deflect some of the challenges they are facing," she said.

LGNZ chief advisor Ranjani Ponnuchetty said governments of all persuasions "need a natural enemy".

"It's extremely unfortunate that we are here now and somehow seem to be that focal point at this point in time.

"No matter the government, no one will take the blame.

"No government will ever accept responsibility for the consequences of anything."

In response to the comments made at the South Wairarapa meeting, Watts said when it came to spending, the government had been clear that councils needed to prioritise the basics - essential services like roading, water, infrastructure, and rubbish.

"There are different councils in different positions across the country - some councils have signalled through their annual plans quite significant increases in rates, and others have not.

"The bottom line and most important outcome is ensuring ratepayers get value from money for the service that they pay for.

"That's also why we're working at pace on a potential rates capping model to save people money.

"Cost of living is the number one issue many New Zealanders are facing right now and we're committed to providing relief - I intend to bring options to Cabinet later this year for consideration."

Meanwhile, councillor Alistair Plimmer said the only way forward to fix the "mess" was a complete rewrite of the Local Government Act, instead of continuous tweaks that could result in "a dog's breakfast".

He said the Local Government Act was not fit-for purpose, and took no account of the realities of small rural councils.

He urged LGNZ to take matters into their own hands and do the rewrite themselves to make it "fit for the next century".

"If you don't do it, who is going to?" he asked LGNZ representatives at this week's council meeting.

"There is no incentive for central government to do this. They like the whipping boy."

Freeman-Greene agreed with Plimmer that the Act was "out of date" and "complex".

"It's been added to and amended from, and is continuously tweaked," she said.

"We need an Act that is fit-for-purpose and future focused and clear.

"Ideally, also supported across the house so that we are not flip-flopping between different intents of what your role is."

At the recent LGNZ conference, councils passed a remit calling for a review of the current functions and governance arrangements of local government.

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