

Submission of the Rosebank Business Association

on the Local Government (System Improvements) Amendment Bill

To: Governance and Administration Committee

From: Rosebank Business Association

Date: 18th August 2025

1. Introduction

The Rosebank Business Association (RBA) is one of Auckland's longest established Business Improvement Districts (BIDs), representing over 500 businesses and more than 8,000 employees across the Rosebank Peninsula. We play a critical role in fostering local economic development, supporting businesses, improving safety and amenity, and partnering with Auckland Council to enhance the wider community.

We welcome the opportunity to comment on the Local Government (System Improvements) Amendment Bill ("the Bill") and to highlight the importance of retaining local government support for Business Improvement Districts ('BIDs') as a recognised and legitimate local public service.

2. General Comments

The RBA understands the Government's concern about cost-of-living pressures and rising council rates. Businesses are also directly impacted by increasing costs, including the BID targeted rate. We support improvements to council transparency, accountability, and fiscal discipline.

However, we are concerned that the Bill's proposed narrowing of the purpose of local government – by removing reference to the "four well-beings" and restricting councils to core infrastructure and public services – risks undermining the role of BIDs and other locally driven initiatives that have proven to deliver economic and community value.

3. The Purpose of Local Government

The Bill proposes to amend section 3 of the Local Government Act 2002 to focus on "good-quality local infrastructure, local public services, and performance of regulatory functions".

While we acknowledge the intention to prioritise core services, the RBA notes that:

- The **"four well-beings"** (social, economic, environmental, cultural) are vital for balanced and sustainable communities. Removing them risks reducing councils' ability to engage in place-making, local economic development, and partnerships with business.
- Business Improvement Districts operate squarely within the **economic well-being** mandate. They are community-driven, transparent, and co-funded through targeted rates. Excluding

economic well-being from the statutory purpose creates uncertainty about the legitimacy of council support for BIDs.

- Similar amendments in 2012 led to widespread uncertainty about the scope of council functions, until the 2019 amendment restored the well-beings. Repeating this cycle risks instability in local government–business partnerships.

4. The Role of Business Improvement Districts

BIDs deliver substantial benefits that align with the Bill’s stated objectives of cost-effectiveness and accountability:

- **Efficient use of targeted rates:** Businesses directly approve and monitor BID budgets through democratic processes.
- **Leverage of council resources:** BID investment supplements council spending in local economic development, safety, and amenity.
- **Support for critical services:** BID programmes often focus on transport access, safety initiatives, waste management improvements, and business resilience – all consistent with “core services.”
- **Reducing demand on councils:** By coordinating directly with local businesses, BIDs deliver outcomes that would otherwise require greater council funding.

We submit that facilitating BIDs and administering the BID targeted rate is clearly a **local public service**, and therefore should remain within the scope of council responsibilities under the Bill.

5. Recommendations

The Rosebank Business Association recommends that the Bill be amended to:

1. **Expressly confirm the legitimacy of BIDs** as a local public service under section 3, ensuring ongoing council support for BID programmes and the BID targeted rate.
2. **Retain reference to economic well-being** within the purpose of local government, even if other well-beings are removed, to protect critical partnerships between councils and business.
3. **Provide clear guidance** in the Bill’s explanatory notes or regulations that BID facilitation and targeted rates are consistent with the cost-effective provision of local public services.

6. Conclusion

The Rosebank Business Association supports the goals of improved accountability and fiscal responsibility in local government. However, we urge the Committee to ensure that the Bill does not inadvertently undermine the ability of Auckland Council to support BIDs, which remain one of the most cost-effective mechanisms for local economic development and community improvement.

We therefore seek amendments that safeguard the ongoing role of BIDs as a recognised local public service.

Kind Regards



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