

6 March 2013

Inquiry into Local Government Regulatory Performance
New Zealand Productivity Commission
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Submission of the Horowhenua District Council in the matter of Local Government Regulatory Performance.

This submission is made by Horowhenua District Council on the content of the Commission's draft report "Towards Better Local Regulation".

This Council previously took the opportunity of submitting its views on the matter of Local Government Regulatory Performance in September 2012. We are satisfied that many of the issues that we raised in that submission have been given consideration in "Towards Better Local Regulation".

In this submission we wish to further identify those issues that remain a concern to us:

(a) Engagement of Local Government during the development of proposed legislation

Central Government will continue to develop pieces of legislation that will ultimately require local government's input. Within the local government industry we have a plethora of staff with a high level of skill and experience in a wide range of matters. In our view the quality of legislation would be significantly enhanced through the integration of central government and local government input during legislative development. This will go a long way to removing the requirement for interpretation through the different geographic regions and economics throughout New Zealand.

(b) Training Support

Following on from the previous point, local government is often required to interpret new legislation, prepare administrative systems to manage legislation, and to fund training and education. We do not believe it is the role of local government to engage in these activities without the assistance of central government and would strongly promote the idea of education and training assistance both in the form of central government personnel and reasonable funding to assist in these activities.

(c) Reasonable Consultation

The quality of responses to proposed legislation or policy changes is often dictated by the available time to prepare submissions – including often required reference to technical experts or directly affected businesses operating outside of local government, but with whom there will

be legislative impact. In recent times there has been an increase in the number of policy documents requiring submission from local government. Whilst there is a highly skilled workforce within local government to respond to legislative proposals, these personnel are often already stretched in their daily work requirements. Reasonable response to legislation requires a reasonable time frame to enable local authorities to actively engage with their communities.

(d) The cost of legislation imposed on local government

Each new piece of legislation that is administered by local government on behalf of central government has a cost attached to it. There is no surplus capacity within local government currently to absorb additional duties, thus our industry is often faced with the necessity of engaging new personnel – at cost to the ratepayer and often with little chance of recovery from direct users of services. The burden of cost shifting from central to local government is placing increased costs on ratepayers and cannot be reconciled with continued pressure to keep rates down.

Local Government has heard successive central government Ministers make comment that this situation needs to change. We submit our support to that view.

(e) The cost of legislation on direct users

In many instances these are charges levied on business for costs relating to administration or annual charges aligned to legislation. Simply local government is acting as the agent for central government. However this is not necessarily recognised by the end user.

Assistance to Local Government with education or industry would be considered helpful both with regard to explanation for the purpose of legislation and the basis of any fee that is levied.

We have also read the submissions made by Local Government New Zealand and the Society of Local Government Managers and we register our general agreement with the content of those submissions.

Yours faithfully



David Ward
Chief Executive Officer