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Productivity Commission
Local Government Regulatory Performance
Issues Paper
July 2012

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NZCID Submission on the Local Government Regulatory Performance Issues Paper

NZCID is the peak industry body at the forefront of infrastructure innovation and thought leadership in New Zealand. Our diverse membership includes infrastructure investors, financiers, constructors, designers, service providers, public sector agencies and major users. The Council promotes best practice in national infrastructure development through research, advocacy and public private collaboration.

The New Zealand Council for Infrastructure Development (NZCID) welcomes the opportunity to submit on the Productivity Commission (the Commission) Local Government Regulatory Performance Issues Paper.

We consider the Issues Paper to provide a good summary of the major issues concerning local government regulation and wish at this stage to only provide some recent survey information to the Commission relevant to this inquiry.

NZCID-Horizon local government survey

In August 2012, Horizon Research was commissioned by NZCID to survey public attitudes on local government. Two sections of the survey related to regulation with one concerned with perceptions of local government regulatory performance in general and one relating the Resource Management Act 1991 (RMA). The survey tested the opinions of 956 respondents nationwide and has a margin of error of +/- 3.6%.

In relation to general regulation, respondents were asked firstly whether they had any experience dealing with council regulations and, of the 437 who replied that they had, over one third described their experience as "unsatisfactory":

Experience in dealing with council regulations	Total	Ratepayers	Non-ratepayers	Auckland Ratepayers	Non-Auckland Ratepayers
Positive	14.2%	13.0%	18.5%	5.8%	14.2%
Satisfactory	48.6%	47.2%	53.7%	38.3%	48.8%
Negative	37.3%	39.8%	27.8%	55.9%	37.0%

Interestingly, when all respondents were asked what their perception was of how well their council performed its regulatory function, a more positive picture emerged, with less than 25 per cent describing

regulatory performance as “unsatisfactory” or “most unsatisfactory”. Although in both the experience and perception of regulation over 60 per cent of respondents pointed to performance as satisfactory or better, lower levels of dissatisfaction among those perceiving council performance suggests that actual council performance may be lower than most people think.

Impression of how well the council performs its regulatory functions	Total	Ratepayers	Non-ratepayers	Auckland Ratepayers	Non-Auckland Ratepayers
Excellent	1.8%	2.0%	1.5%	0.0%	2.6%
Very good	7.4%	7.5%	7.4%	2.0%	9.0%
Good	18.3%	18.0%	19.3%	24.1%	16.4%
Satisfactory	35.2%	39.8%	27.6%	34.0%	41.4%
Unsatisfactory	17.9%	19.0%	15.0%	21.8%	18.2%
Most unsatisfactory	5.4%	6.3%	4.0%	5.9%	6.4%
Not sure	14.0%	7.4%	25.3%	12.3%	6.1%

In relation to the RMA, only 12 per cent of respondents claimed that either they or their organisation had been unfairly treated or penalised. However, one-third of respondents felt the RMA was negatively impacting the economy, less than a third felt it was having a positive impact upon the environment and just over one-third considered it to be having a negative impact on individual rights.

Effect of RMA on economy	Total	Ratepayers	Non-ratepayers	Auckland Ratepayers	Non-Auckland Ratepayers
Positive	4.1%	4.9%	2.7%	1.7%	5.8%
Slightly positive	11.5%	11.0%	12.6%	6.3%	12.3%
Neither positive nor negative	32.3%	28.0%	39.6%	24.5%	28.9%
Slightly negative	18.5%	23.2%	10.4%	21.9%	23.6%
Negative	15.7%	19.0%	10.2%	21.9%	18.3%
Not sure	17.9%	13.8%	24.4%	23.7%	11.2%
Effect of RMA on environment	Total	Ratepayers	Non-ratepayers	Auckland Ratepayers	Non-Auckland Ratepayers
Positive	8.5%	10.3%	5.6%	4.2%	12.0%
Slightly positive	21.9%	21.2%	23.6%	18.5%	21.9%
Neither positive nor negative	36.2%	37.5%	34.6%	38.7%	37.2%
Slightly negative	9.9%	10.0%	8.8%	8.4%	10.5%
Negative	6.5%	7.3%	5.3%	10.3%	6.5%
Not sure	17.0%	13.7%	22.1%	20.0%	12.0%
Effect of RMA on individual rights	Total	Ratepayers	Non-ratepayers	Auckland Ratepayers	Non-Auckland Ratepayers

				Ratepayers	
Positive	3.4%	3.7%	2.9%	0.5%	4.5%
Slightly positive	8.0%	8.2%	7.8%	8.6%	8.0%
Neither positive nor negative	33.6%	28.4%	43.0%	22.4%	30.1%
Slightly negative	20.2%	24.8%	12.4%	24.9%	24.7%
Negative	16.8%	20.9%	9.5%	23.0%	20.3%
Not sure	18.1%	14.1%	24.3%	20.7%	12.3%

NZCID does not consider the research findings to present a picture of widespread regulatory failure, but also considers there to be some degree of confidence lacking among the public that regulation is achieving its purpose.

NZCID is happy to make available to the Commission the full survey report and looks forward to working with the Commission through the development of this workstream.