

27 August 2012

Inquiry into Local Government
Regulatory Performance
NZ Productivity Commission
PO Box 8036
The Terrace
Wellington 6143

Our Reference: A32630

Dear Sirs

Submissions on Inquiry into Local Government Regulatory Performance

Thank you for the opportunity to make submissions on this matter. Environment Southland supports the submission being made on the Inquiry by Local Government New Zealand.

In addition to the matters covered in the Local Government New Zealand submission, there are several matters that Environment Southland wishes to submit and comment on from a local perspective:

1. Differentiate between the roles of regional councils and territorial authorities – the Issues Paper gives very little recognition to regional councils and the unique roles that they have when compared to territorial authorities. That lack of recognition is a significant concern to Environment Southland. There seems to be little acknowledgement and awareness of regional council roles and responsibilities as allocated under the various statutes.

The Issues Paper tends to generalise discussion on “local authorities” which implicitly includes regional councils, but without acknowledging the significant differences in the roles and in the way that fiscal responsibility is managed to that of territorial authorities. It may have been the intent of the authors of the Issues Paper to focus on territorial authorities, as that is where the significant costs and expenditure levels are. If that is the case, Environment Southland requests that the Commission in reporting back to government, is very clear about the nature and the particular planning and regulatory roles and responsibilities of regional councils, as distinct from territorial authorities.

The different regulatory roles mean that regional councils face quite different challenges to territorial authorities in carrying out their roles. For example, in preparing and effectively implementing a Regional Policy Statement, regional councils need a high level of support from the territorial authorities and their planning documents. Obtaining that support and agreement is sometimes difficult to achieve. Environment Southland requests that discussions about issues and possible solutions clearly distinguish how they relate to the different levels of local government.

2. Complexity of plans and duplicity of policy development – in a region where there are four local authorities (Environment Southland, Gore District Council, Invercargill City Council, and Southland District Council) and where the review of the Regional Policy Statement and each of the three District Plans reviews are being progressed, there is a definite need to co-ordinate the land use policy and planning arrangements at a higher level. Each of those plans has its own format in terms of presentation and level of detail. The processes involved mean that the plans take significant time and cost to develop and finalise with the community having to make submissions and be heard on each document.

There is a tendency for territorial authorities to focus in at the site level of land use policy and to some extent have a lesser recognition for the wider district or region-wide policy options. Environment Southland has been promoting a regional hazard register where all four councils would contribute to the database and use it on a daily basis for land use decision-making. The three territorials have seen that collaborative approach as them giving something away, at the instigation of the regional council. Patch protection and politics quickly come to the fore ahead of the practicality of such an option.

A successful collaborative process was used by Environment Southland and the Southland District Council for the early phases of the reviews of the Regional Policy Statement and the Southland District Plan, right through to the development of the draft documents. Each document then went its own way as they were finalised ahead of notification. That demonstrates that while a single document was not the outcome, the councils at least used a major part of the First Schedule process to jointly identify and discuss the issues and possible response options that were then discussed in joint consultation meetings around the region. The Commission should provide consideration and encouragement for joint processes and/or joint plan development rather than just combined plans.

3. Monitoring and reporting on regulatory performance – Environment Southland considers that the Issues Paper's indication that the Commission would like to recommend methods for reporting on regulatory performance as part of its report back to government. That intention fails to recognise the level of regulatory monitoring and reporting scrutiny that local government is currently subjected to. For regional councils monitoring and reporting requirements already in place include:
 - Plan effectiveness monitoring and reporting (Section 35(2));
 - State of the Environment monitoring and reporting (Section 35(2));
 - Ministry for the Environment's biennial survey and reporting on plan and consent processes across local government;
 - Audits on water quality management by the Office of the Auditor-General (2011);
 - Ratepayer satisfaction surveys.

These monitoring and reporting requirements are in addition to the annual performance reporting requirements of the Local Government Act such as reporting and audits for Annual Reports and Long-term Plans. Territorial authorities may look at their monitoring and reporting responsibilities differently.

Environment Southland has concerns that further monitoring and reporting requirements would duplicate the other existing reporting formats and add a further layer of unrecoverable cost to the administrative expenditure for each council for very little benefit or opportunity for cost recovery for the ratepayer. If anything the existing levels of monitoring and reporting requirements should be rationalised to gain cost efficiencies.

4. Maritime safety and harbours regulatory roles – Environment Southland is aware that there are suggestions that this function be centralised away from regional councils to a Wellington-based government agency. Environment Southland rejects those suggestions as from our experience, locally based solutions provide the best option for responding promptly to river or coast specific situations that can arise around the 3,100kms of Southland's coastline. The council has gone through a significant cost of preparing and implementing a Regional Coastal Plan that, with some changes to the legislative structure, could be widened to include maritime, navigation and harbours safety, and harbour management (including the Harbourmaster function). That approach would reduce the regulatory spread of those activities across two or three pieces of legislation into one combined, purpose built document.

We are happy to clarify any comments and respond to any further questions.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R A Phillips', with a stylized flourish at the end.

R A Phillips
Chief Executive