

**WE
ARE.**

Building a stronger

local government

for New Zealand.

New Zealand Local Government Survey

2017

**We are.
LGNZ.**

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About local government in New Zealand

Local Government New Zealand (LGNZ) is the sector voice for New Zealand's 78 councils. These councils are also our members and we advocate for their national interests. We also advocate on behalf of the mayors, chairs, councillors, officials, and local and community boards which make up local government. LGNZ leads local government's commitment to improving practice and efficiency, enabling economic growth, community vibrancy and environmental well being. Protecting and enhancing local democracy is paramount.

Our Vision is

< Local democracy powering community and national success. >

LGNZ is governed by our National Council, made up of 15 elected members from throughout New Zealand. We provide advocacy and policy services, business support, advice and training to our members to assist them to build successful communities throughout New Zealand.

One of the strengths of local government is the opportunity it allows for citizens to be directly engaged in the process of governing their own towns, cities and regions. Councils are provided with a general purpose to enable democratic local decision-making as well as meeting the current and future needs of communities for local infrastructure, services and regulatory functions. There are also numerous statutes that provide councils with specific duties that range from environmental planning, the regulation of dogs, pest management and the location of class four gaming machines.

In short councils are responsible for "place shaping" and ensuring New Zealand's communities provide a high quality of life for residents and visitors.

About councils

New Zealand has three types of local authority - regional councils, territorial authorities and unitary councils. Regional councils primarily look after environmental policy, resource management, flood control, air and water quality, pest control, and, in specific cases, public transport, regional parks and bulk water supply. Territorial authorities are responsible for a wide range of local services including roads, water reticulation, sewerage, refuse collection, libraries, parks, recreation services, local regulations, community and economic development, and town planning. Unitary authorities combine both regional and territorial functions.

< Councils exist to provide good governance to New Zealand's cities, districts and regions in order to power strong economies and build vibrant communities. >

Local government's role is to allow communities themselves to determine the range of local public services that meet their needs and preferences. As a result the activities provided by councils will vary, reflecting the different circumstances that communities find themselves in.

Foreword

Foreword



Local government serves and engages with New Zealand communities and businesses every day and has an important role to play in delivering strong local economies and building vibrant communities across all of New Zealand. Local services provide for our essential needs, while citizens directly engage in the process of governing their own town, city or region.

How well local government performs impacts on how well communities and citizens prosper and succeed.

Reflecting on this important role, Local Government New Zealand and councils across the country are embarking on a significant programme of work to lift the performance of the sector.

< Local government is increasingly seen as important for New Zealand's prosperity and well-being – a significant lift from 2014. >

LGNZ's inaugural Local Government Survey in 2014 provided valuable insight into how New Zealanders perceive local government, what we are doing well and the priority areas where we should focus our attention.

Implicit in all three areas is ensuring stronger interaction with communities and businesses across New Zealand on the infrastructure, services and issues that matter locally. Better collaboration and communication will mean greater understanding of the breadth, value and quality of local government services. That will lead to a stronger sector and council performance and, over time, an improved awareness of the work local government does for its communities.

The New Zealand Local Government Survey – of close to 3,000 citizens and businesses across New Zealand – reflects the sum of opinions towards the sector and highlights how perceptions are inextricably linked to people's knowledge and understanding, and therefore views, of the sector's performance and reputation.

This report is the second three-yearly survey on local government and how our citizens and businesses feel about the services and value we provide.

It is clear from this survey that local government is increasingly seen as important for New Zealand's prosperity and well-being – a significant lift from 2014. It is also evident that New Zealanders continue to seek stronger leadership and performance than what they perceive us to currently provide. This has given us the mandate to lift the performance and perceptions of local government and has led to the development of the CouncilMARK™ local government excellence programme.

The 2017 Survey results show:

- the public and businesses consider that local government has an increasingly important role in the country's prosperity and well being;
- yet local government's reputation remains low, and is particularly low amongst businesses;
- despite this there are some green shoots out there, with small but positive movement, including the public's overall satisfaction with the performance of the sector;
- the public and businesses are also more positive of the recent performance of councils in their area than they are of the sector as a whole;
- key priority areas for improvement continue to be sound financial decision making, delivering strong leadership to develop strategies for prosperity and well being, and listening to, and acting upon, the needs of the community;
- compared with 2014 the public and businesses are more likely to want local government to lift its performance by dealing with some of the key issues of the day including transport, infrastructure and housing.

This is critically important feedback for us and is now allowing us to monitor progress as we strive to better serve the local communities and citizens we represent. We are far better informed as a sector to self-assess and self-improve.

By repeating the Local Government Survey regularly, we will track progress towards providing a stronger local government for New Zealand.

< We are taking a proactive approach to listening through the Survey and our new programme to lift local government performance. >

Equally forward-thinking, as a sector and as councils, our job is to respond by improving performance and perceptions of local government services that are so vital in our daily lives.



Lawrence Yule

President

Local Government New Zealand

CouncilMARK™ local government excellence programme

The CouncilMARK™ local government excellence programme was launched in 2016 and is best described as a measure of performance assessment and continuous improvement that assists councils to deliver top service and value to their communities.

Nineteen councils signed up for the programme as Foundation Members in 2016.

CouncilMARK™ incorporates an independent assessment system that assesses how councils are performing and the value they are delivering. Councils receive an overall performance rating from a team of independent assessors and commentary on their performance.

The four programme priorities



Governance, leadership and strategy



Financial decision-making and transparency



Service delivery and asset management



Communicating and engaging with the public and business

CouncilMARK™ rewards robust decision-making, promotes a more responsive council culture, improved services and better communication.

The provision and communication of the performance assessment “rating” is not the end-game, rather the focus is on a long-term lift in council and sector outcomes, performance and reputation.

A cycle of continuous improvement

CouncilMARK™ is cycle of continuous improvement. Councils and communities share information and input into decisions that over time will lead to more united plans, actions and achievements.

The programme rewards councils who actively involved their communities in information and decisions. As such, maintaining customer-focus becomes embedded in council objectives and culture. Councils will be offered tools, services, best practice, shared experiences and other assistance to help them fully transform to a more customer-focused organisation, with improved performance and outcomes.

A robust performance assessment framework

The CouncilMARK™ programme incorporates a set of performance measurement principles, an over-arching performance framework and a set of underlying performance indicators that will guide the team of independent assessors.

The four priority areas were derived from public and business feedback from the New Zealand Local Government Survey 2015.

LGNZ worked with Cameron Partners to develop indicators for each priority area contained with an overall performance “system” that:

- enable a current state and gap analysis assessment for councils;
- provide a grading in each area; and
- lead to an overall publicly available rating.

CouncilMARK™ is one of two key initiatives to lead performance in the sector

CouncilMARK™ complements the NZ Society of Local Government Managers (SOLGM) Australasian LG Performance Excellence Program.

LGNZ and SOLGM agree that councils are well served by participating in both the CouncilMARK™ local government excellence programme and SOLGM’s Australasian LG Performance Excellence Program. CouncilMARK™ is strategic and focused on delivering better customer value while SOLGM’s Program is focused on internal management operations.

Further information on this work can be found on the CouncilMARK™ website www.councilmark.co.nz

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**New Zealand
Local Government
Survey**

Introducing the New Zealand Local Government Survey

Local Government New Zealand (LGNZ) is working with councils to lift the performance and perception of the local government sector. Together, we intend to improve the services and value that local government delivers to its communities, and how this is perceived.

In 2014, LGNZ commissioned Colmar Brunton to design and undertake a new research project that investigated views on the performance, reputation and leadership of the local government sector. The result was the New Zealand Local Government Survey.

In 2017, the survey was repeated to understand the extent to which the reputation and perceptions of the sector had changed over the intervening years, and validate (or not) the continued need for the CouncilMARK™ local government excellence programme and its priority areas.

Why is the Survey important?

Understanding public and business views towards local government, whether real or perceived, is an important part of improving services and accountability. The New Zealand Local Government Survey examined a range of issues from awareness to performance, culminating in how we are perceived.

How well local government services – and the range of services provided – are known by people helps us understand perceptions and on what basis people are viewing us. It also points to the need to communicate better what we do.

How well we are seen to perform provides insight into what we do well and what we need to improve on. Perceived shortcomings in levels of service and satisfaction are flags for action.

Reputation is the sum of opinions about and attitudes towards an organisation or sector. Reputation matters because it is essential for generating and maintaining the trust and confidence of our most important customers – the public and businesses.

Support is a by-product of trust that makes working relations more productive and, ultimately, creates better outcomes for communities. Organisations with a strong reputation are attractive to customers, stakeholders and employees. An improved reputation increases those who speak positively and reduces detractors.

What is the difference between reputation and satisfaction?

‘Satisfaction’ by itself is largely based on the level of interaction respondents have had with councils. Satisfaction tells us how positively or negatively someone views a service; but it doesn’t tell us how the public and businesses perceive local government generally. It is but one piece of the overall picture. We know that individual council surveys tell us that satisfaction with services is generally very high.

‘Reputation’ on the other hand is multifaceted and is concerned not only with perceptions about interaction (for example, satisfaction with staff and processes) but is influenced by how local government engages, communicates and provides leadership. These factors all have an influence on how people perceive our sector.

Methodology

The research uses a robust methodology with nationally representative samples of both the public and businesses taken from Colmar Brunton's online research panel. This panel meets, and exceeds, ESOMAR's (the World Association for Social, Opinion and Market Research) quality standards for the management of research panels.

Interviews were conducted in March 2017 with 2,400 members of the public and over 400 businesses across New Zealand. A survey of this size is substantial and provides a strong level of confidence in the results (the maximum margin of error on the public results is +/- 2.0 percentage points and +/- 4.9 percentage points on the business results).

The sampling approach was consistent with 2014 to ensure we could track how knowledge and perceptions are changing.

It is important to note that the results are about local government in New Zealand; questions were asked about the sector rather than a respondent's local or regional council.

Figure 1: Methodology

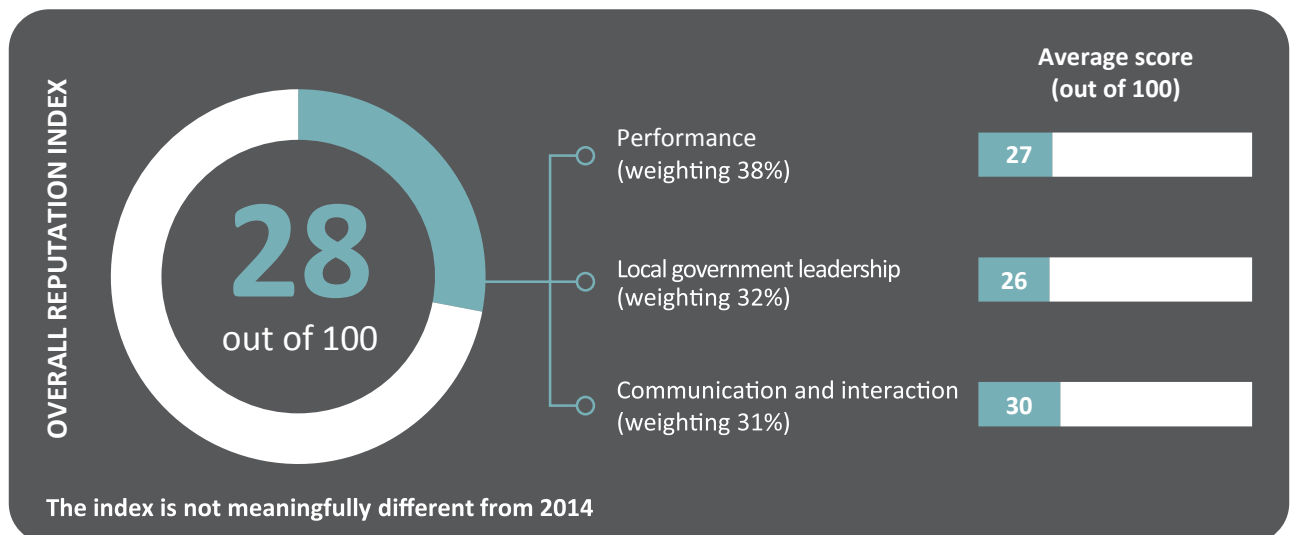


Survey results at a glance

Figure 2: What to focus on to improve reputation



Figure 3: Overall Reputation Index



Importance of local government

< The public and businesses believe local government matters to the nation, and even more so than in 2014. However, they do not necessarily feel it is important to their daily life. >

The increase in perceived importance of local government's role in developing the prosperity and well being of the nation signals rising expectations of what the sector can and should achieve.

The majority (78 per cent) of the public agree that the collective effort of local government is either 'extremely important' or 'very important' for the prosperity and well being of New Zealand. This has increased from 69 percent in 2014. Only two per cent say it is 'not that important' or 'not at all important.'

These findings suggest expectations of what local government can, and should be doing, have increased.

But importance to the individual remains lower. Forty-four per cent of the public agree that local government is either 'extremely important' which is consistent with 2014 (43 percent). However, at the opposite end of the scale the proportion of the public who see local government as 'not that important' or 'not at all important' has decreased from 19 per cent to 15 per cent.

Businesses continue to be more likely than individuals to view local government as important. Eight-five per cent of businesses agree that the collective effort of local government is either 'extremely important' or 'very important' for the prosperity and well being of New Zealand (up from 78% in 2014). Fifty-five per cent agree that local government services and infrastructure are either 'extremely important' or 'very important' to their business (which is not a statistically significant shift from 62% in 2014).

< The public and businesses continue to have a different focus on what's important, but at the same time what is important to them is evolving. >

The five local government services which are most important to the public are the same as 2014 but the order has changed with water supply (previously ranked 3rd) rising to the top of the list, while well-maintained roads has slipped from 1st to fifth place. The picture has changed significantly for businesses with road maintenance the only service to remain in the top five from 2014. The top five list reflects the priority businesses are placing on infrastructure and transport, in contrast to 2014 when building/resource consents topped the list.

Figure 4: Importance of local government to general public and businesses

Q. How important is the collective effort of local government for the prosperity and well being of New Zealand?

Q. How important is local government to you in your daily life/ how important are local government services and infrastructure to your business?

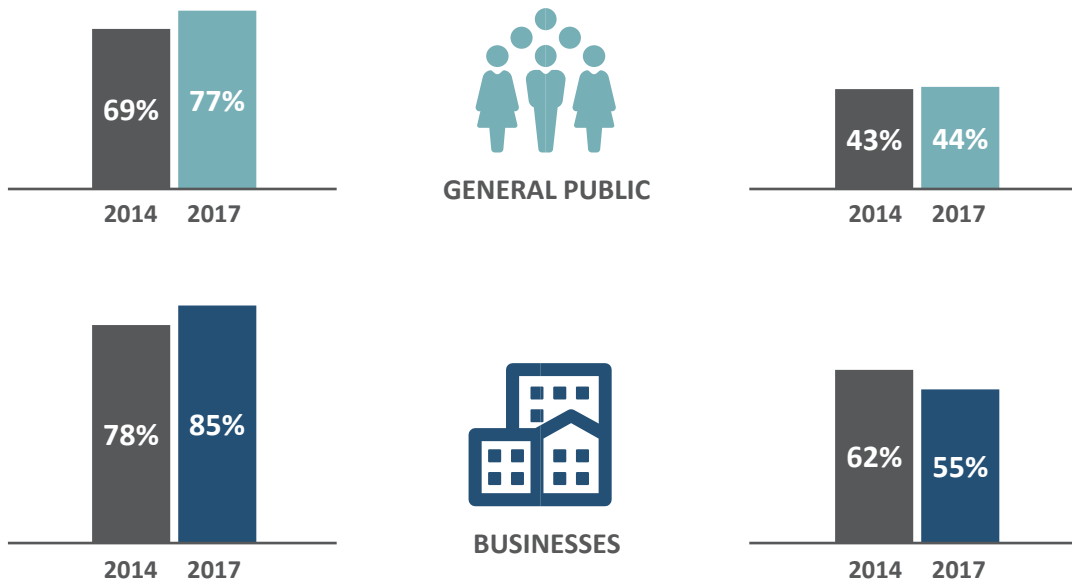
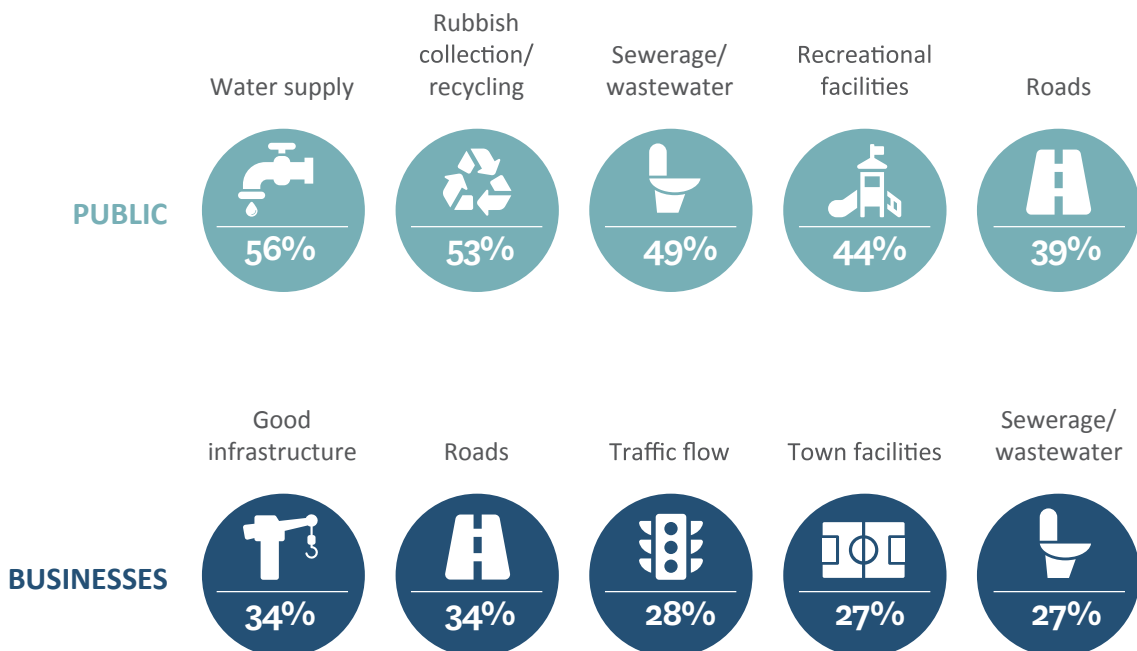


Figure 5: The five most common answers to *What are the most important local government services to you?*



Awareness of functions and services

< The public’s awareness continues to vary markedly across the services that local government provides. Awareness of core ‘public facing’ services and amenities is relatively high, however, many are unaware of other important functions and roles that local government performs. Awareness of local government’s role around transport has increased. >

We asked members of the public about 25 key services and roles provided by local government across five categories:

1. infrastructure and core services;
2. local services and facilities;
3. compliance and regulation;
4. natural resources and hazard management; and
5. business and industry development

On average, each respondent was aware that local government provides 17 of these services (consistent with 2014).

Awareness continues to vary markedly across the range of services and functions. There is stronger awareness of the services and roles in the infrastructure and core services (average awareness 80 per cent), local services and facilities (74 per cent) and the compliance and regulation (72 per cent) categories, than there is in the natural resources and hazard management (average awareness 57 per cent) and the business and industry development (54 per cent) categories. Awareness of these categories is consistent with 2014.

Awareness of local government’s role in public transport has increased since 2014 (by five percentage points to 77%) and for local and regional roads (by six percentage points to 71%).

Figure 6: Awareness of local governments role



Satisfaction

< Overall satisfaction with local government's performance, while relatively low, has improved since 2014 amongst the public, whereas, it remains consistent for businesses. There is no evidence of improvement in performance for individual areas, and indeed businesses are less satisfied with some areas of performance. >

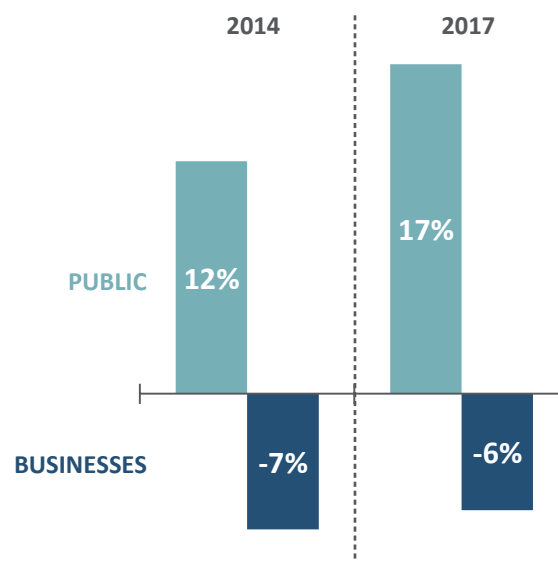
A sizeable group continue to believe that local government interacts and engages well with the public. The majority of businesses are positive about aspects of local government's service delivery. However, there are areas where local government is weaker: notably finances, as well as leadership and engagement (general public) and helping local economies grow (businesses).

Both the public and businesses are more positive when it comes to the recent performance of councils in their area, than the sector. On balance they are more likely to feel it has improved than declined, indicating a gap between how they perceive individual councils in their area and how they perceive the sector as a whole.

Overall satisfaction with the performance of the local government sector has improved slightly since 2014. Nett satisfaction (where the proportion of those dissatisfied is subtracted from those satisfied) has increased from +12 per cent to +17 per cent.

For businesses, those who are dissatisfied with the overall performance of the sector continue to outweigh those who are satisfied. This results in a nett satisfaction score of -6 per cent, which is consistent with 2014 (-7 per cent).

Figure 7: Overall nett satisfaction

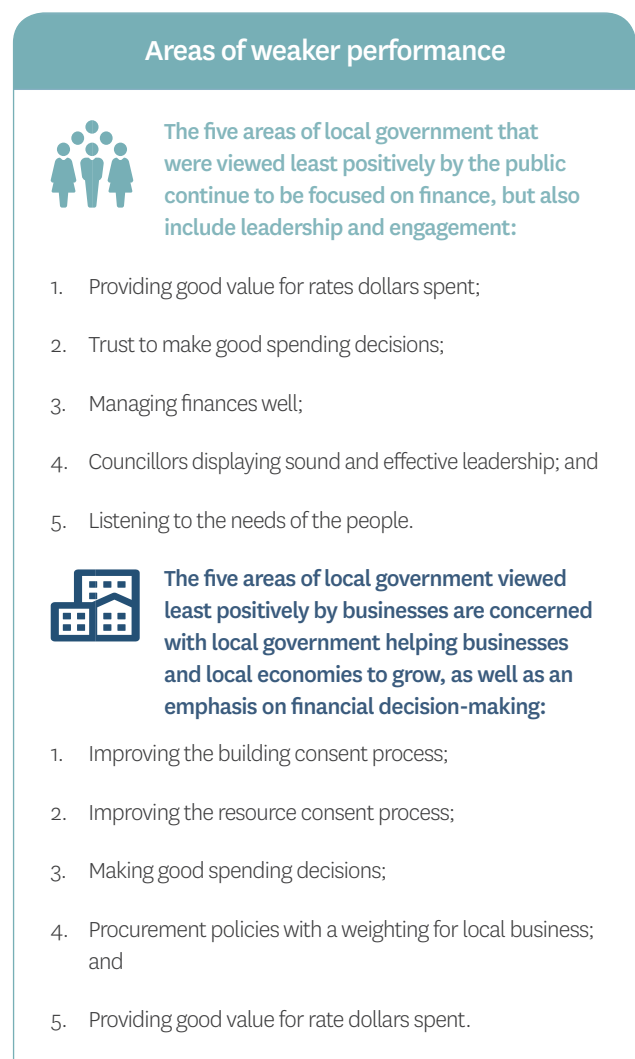
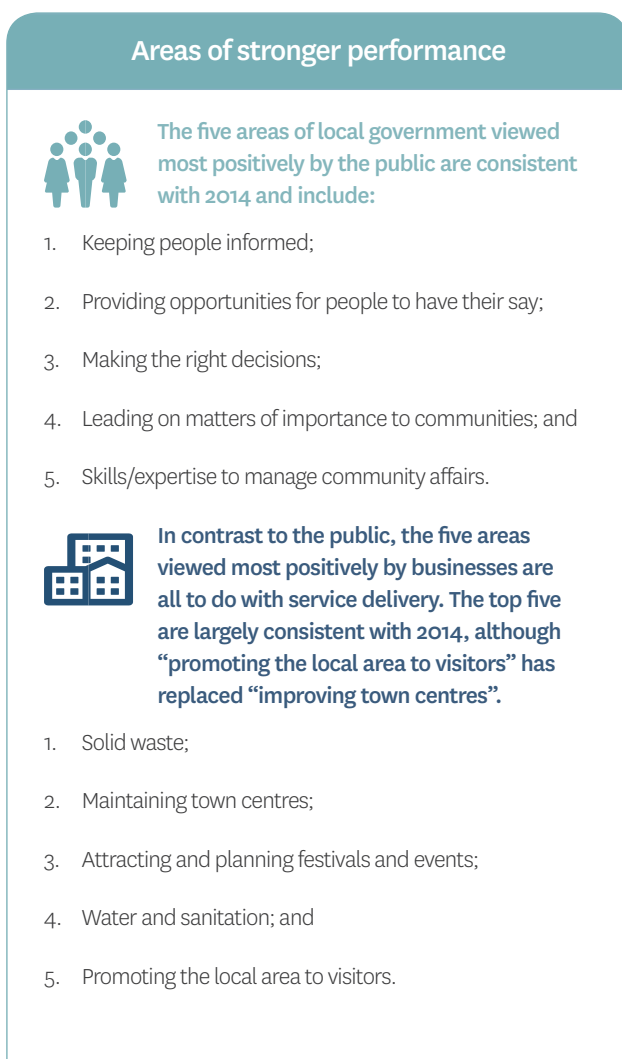


Perceptions of performance

Respondents were also asked to rate local government across a number of areas including interaction and engagement; performance (for example efficiency, effectiveness and spending); and leadership (of elected members). While the public express a higher level of overall satisfaction with performance, the ratings for individual performance areas are consistent with 2014.

For businesses, ratings of some of the performance areas have declined since 2014. This includes local and regional roads (31 per cent vs. 40 per cent), town planning (28 per cent vs. 38 per cent), managing traffic flow (28 per cent vs. 36 per cent), having the skills and expertise to manage community affairs (22 per cent vs. 35 per cent), providing opportunities for businesses to influence local economic development strategies (17 per cent vs. 24 per cent) and the building consent process (9 per cent vs. 15 per cent).

Figure 8: Areas of stronger and weaker performance

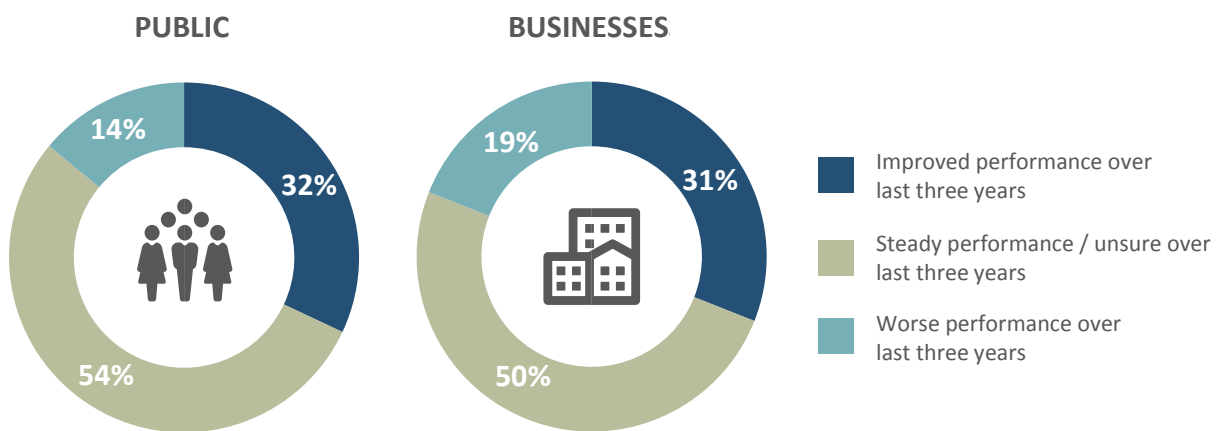


The survey reveals a gap between how the public and businesses perceive the performance of councils in their area and that of the sector overall. While their perceptions of the sector are largely consistent with 2014, they are more positive when rating the performance and leadership of local government in their area. We see a similar phenomenon when the electorate is critical of politicians but view their own MP favourably.

Over half of the public (54%) have not noticed any difference in the performance and leadership of local government in their area in the last three years, or are unsure. However, a third (32 per cent) say it has improved, compared to just 14 per cent who say it has got worse.

Similarly, half of all businesses (50%) have not noticed any difference (or are unsure), but they are also more likely to say it has improved (31 per cent) than got worse (19 per cent).

Figure 9: Performances and leadership of councils in your area over last three years



The Reputation Index:

The link between performance, reputation and communication

Positive reputation is achieved when an organisation's leadership, service provision and communications work in unison and the organisation is seen to do the right things, for the right reasons, in the right way.

< The Reputation Index is a model used to summarise the overall research findings from the Survey. >

An overall Reputation Index score is derived from a number of the Survey measures. It reflects the sum of all opinions about, and attitudes towards, the sector among both public and businesses. All numbers described in the scorecard have a range of 0 to 100 (with 100 being the highest possible score).

The Reputation Index score is heavily influenced by three overall factors (see figure 11):

- performance;
- leadership; and
- communication and interaction.

Some factors drive reputation to a greater extent than others – the size of the weighting for each factor is described below. Each factor also contains an average score that determines how positively respondents rate the component variables within each factor. The score for 2014 is also shown in brackets, although none of the differences are statistically significant.

The overall reputation of local government remains relatively low with a score of 28. This is consistent with 2014 (a score of 29), and the one point difference is not meaningful. As in 2014, the public continues to have a better view of local government compared with businesses.

Figure 10: The link between performance, reputation and communication

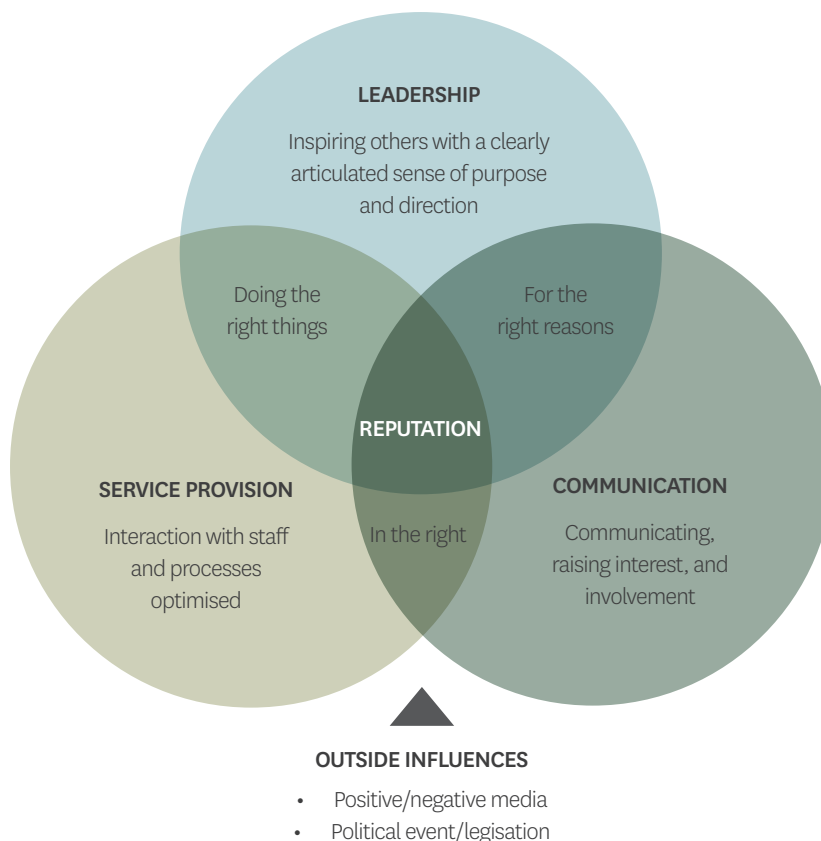
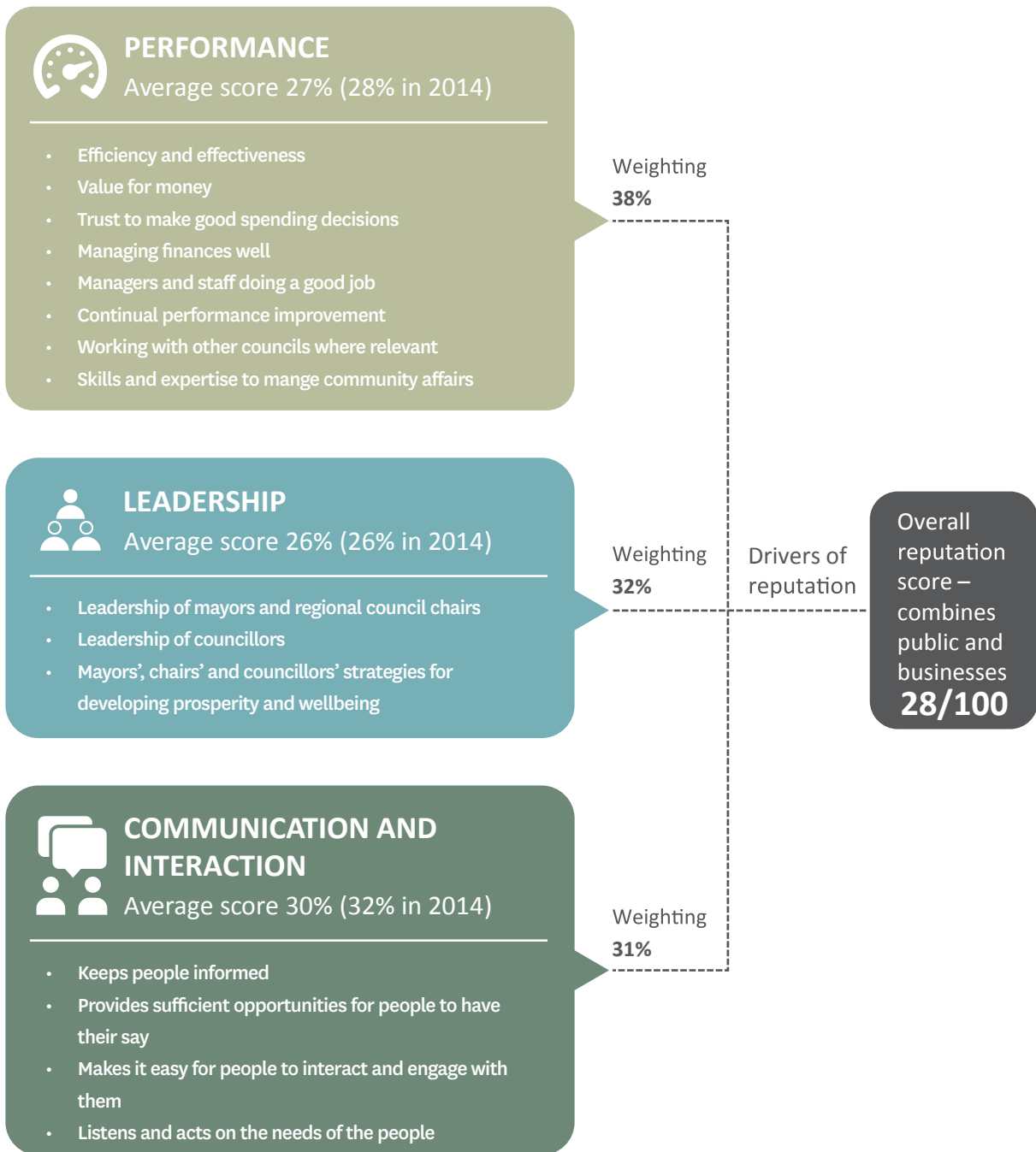


Figure 11: The Reputation Index





We are. LGNZ.

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We are.

Ashburton.	Gisborne.	Kaikoura.	Otago.	Southland Region.	Waimate.
Auckland.	Gore.	Kaipara.	Otorohanga.	Stratford.	Waipa.
Bay of Plenty.	Greater Wellington.	Kapiti Coast.	Palmerston North.	Taranaki.	Wairoa.
Buller.	Grey.	Kawerau.	Porirua.	Tararua.	Waitaki.
Canterbury.	Hamilton.	Mackenzie.	Queenstown-	Tasman.	Waitomo.
Carterton.	Hastings.	Manawatu.	Lakes.	Taupo.	Wellington.
Central	Hauraki.	Marlborough.	Rangitikei.	Tauranga.	West Coast.
Hawke's Bay.	Hawke's Bay	Masterton.	Rotorua Lakes.	Thames-	Western Bay
Central Otago.	Region.	Matamata-Piako.	Ruapehu.	Coromandel.	of Plenty.
Chatham Islands.	Horowhenua.	Napier.	Selwyn.	Timaru.	Westland.
Christchurch.	Hurunui.	Nelson.	South Taranaki.	Upper Hutt.	Whakatane.
Clutha.	Hutt City.	New Plymouth.	South Waikato.	Waikato District.	Whanganui.
Dunedin.	Invercargill.	Northland.	South Wairarapa.	Waikato Region.	Whangarei.
Far North.		Opotiki.	Southland District.	Waimakariri.	