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# WE ARE.

**Building a stronger  
local government  
for New Zealand.**

A survey of New Zealanders' perceptions of local government  
2015

**We are.  
LGNZ.**

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## About local government in New Zealand

Councils provide important local and regional infrastructure and services that New Zealanders use every day. Regional councils look after environmental 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 and refuse collection, libraries, parks, recreation services, local regulations, community and economic development, and town planning. Unitary authorities combine both regional and territorial authority functions.

There is diversity in the range of activities that councils provide, reflecting the unique characteristics of our cities, towns and communities. Together, local government has an important role to play in delivering strong local economies and building vibrant communities – across all of New Zealand.

## Foreword



More than any other sector, local government serves and engages with New Zealand communities and businesses every day. Local government 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. LGNZ's inaugural Local Government Survey 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.

It is clear that local government needs to improve, particularly in three broad areas:

- **performance of local government**, particularly governance, managing finances, making good spending decisions and delivering value for money;
- **strengthening local leadership**, particularly leadership of mayors and councillors and strategies for developing greater prosperity and wellbeing of communities; and
- **communication and interaction**.

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.

### **Inaugural local government survey**

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.

It is clear from this inaugural Survey that New Zealanders are seeking stronger leadership and performance than what they perceive us to currently provide. This gives us the mandate to lift the performance and perceptions of local government.

**The Survey results show:**

- the majority of the public and businesses consider that local government is important to New Zealand;
- there is low awareness of the wide range of services local government provides and the services tend to be under-valued;
- local government is seen to play an important role in developing the prosperity and wellbeing of New Zealand, although there is a sense that local government can achieve more than it does;
- local government performance factors such as financial management and community leadership are viewed as current weaknesses, although local engagement is generally working;
- local government does not have a strong reputation with business and the public; and
- looking at international local government surveys, New Zealand local government is rated similarly to countries such as the United Kingdom and Australia – this however provides little comfort.

For the first time in New Zealand, we have a clear national picture of how public and business communities view the performance of councils. This is critically important feedback for us and will allow 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 on an annual basis, we will track progress towards providing a stronger local government for New Zealand.

< We are taking a proactive approach to listening through this Survey and our new programme to lift sector 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

1

**Plan for  
improving the  
performance  
and perception  
of local  
government**

Local Government New Zealand, and councils across New Zealand, are embarking on a significant piece of work to lift sector performance. We will be introducing a programme focusing on six key areas:

1. governance, leadership and strategy;
2. financial decision-making and transparency;
3. asset management and infrastructure;
4. engaging with business;
5. communicating and engaging with the public; and
6. building stronger relationships with central government.

LGNZ will be focused on actions to help councils improve their performance and share best practice. Each of these areas will include metrics and benchmarks that enable councils to demonstrate and deliver high performance.

The programme is informed by the inaugural New Zealand Local Government Survey that identified two different foci in order to improve local government reputation and performance. The first is a maintenance focus, that is, making sure performance does not slip in areas that are important and already have good performance. The second is a focus on improving those areas where performance is perceived to be weaker yet they are of greater importance to customers.

**Communication is generally a key maintenance priority amongst the general public.**

Communication involves not only keeping people informed about what their council is doing, particularly reminding people of the

breadth of services offered, but also providing people with the opportunity to have their say.

*“Keep the focus on LOCAL and listen properly to the ratepayers.”*

**Maintenance priorities for businesses are different to the general public. The priority for businesses is to maintain the activities that promote growth and attract people to their community.**

*“Promotion of the city and its many businesses as a vibrant centre.”*

**The second focus for local government is to improve reputation – how the public perceive the performance of local government and locally elected leaders.**

The reputation of local government is heavily influenced by perceptions of performance. Managing finances, making good spending decisions and delivering value for money are key examples, as are views on local leadership. Both the general public and business think local government can do much better to improve the soundness of leadership among mayors and councillors and to develop strategies for developing the prosperity and wellbeing of communities.

*“Finances and budgeting. Working within departmental budgets, not over-spending. Delivering value for money to ratepayers.”*

*“Realising that economic growth requires investment and spending versus simply focusing on avoiding rate increases. A short term narrow focus will be harmful to our local economy. They need to make decisions that may be unpopular at the time, but over time will be beneficial.”*

Additionally, the Survey shows that local government could capitalise on the appetite for deeper engagement from businesses. Most businesses view local government as very important and most are keen for further partnership with local government.

Collaboration should involve opportunities to influence the local economic development strategy and the facilitation of job creation because these influence how businesses view the local government sector.

*“Promoting local businesses, and partnering with them to improve local jobs.”*

**Local government should focus on lifting the reputation of the sector and measuring change over time.**

There is room to improve the overall reputation of the sector, and potential to target increases in a number of other specific measures designed to track progress over time such as:

- working with communities to solve important local issues;
- working with central government and businesses to deliver stronger economic growth; and
- pushing boundaries to make New Zealand a better place.

The Survey provides the understanding and points to priority areas. Progress will be updated annually via a monitor of the 2014 benchmark Survey.

We welcome support from our business, community and central government partners as local government moves ahead on this journey. Local Government New Zealand and councils are on a path to not only building better local government, but the best local government for New Zealand and New Zealanders.

Further information on this work can be found on Local Government New Zealand's website [www.lgnz.co.nz](http://www.lgnz.co.nz)

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**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.

### 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.

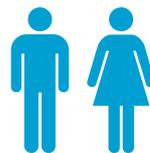
‘Reputation’ on the other hand is multifaceted and is concerned not only with perceptions about interaction (for example, satisfaction with staff and processes) but is influenced by how local government engages, communicates and provides leadership. These factors all have an influence on how people perceive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

### Methodology

The research uses a robust methodology with large sample sizes drawn from Colmar Brunton’s nationally representative 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 mid 2014 with 2,400 members of the public and over 590 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% and +/- 4.0% on the business results).

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 council.



**2,400**  
public across New Zealand



**594**  
businesses across New Zealand



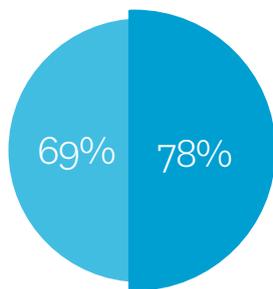
**ONLINE  
SURVEYS**



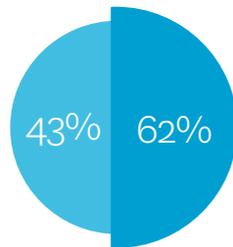
**MID  
2014**

## Key Findings

Importance of local government to New Zealand



Importance to self



Public

Business

### AWARENESS OF LOCAL GOVERNMENT'S ROLE

HIGH (8 in 10)

Parks and recreation, water, waste, noise and animal control, libraries, museums, town planning and building and resource consents

Public transport and health protection

Roads, natural hazards, civil defence and tourist promotion

Major events, economic development, coastal planning and management

LOW (5 in 10)

### OVERALL REPUTATION INDEX



Performance (weighting 37%)

Average score (out of 100) **28**

Local Leadership (weighting 33%)

Average score (out of 100) **26**

Communication and Interaction (weighting 30%)

Average score (out of 100) **32**

## TOP 3 AND BOTTOM 3 RATINGS FOR LOCAL GOVERNMENT

— TOP 3 —  
— BOTTOM 3 —

### PUBLIC

- ▶ Keeping people informed
- ▶ Providing opportunities to have a say
- ▶ Leading on community matters
- ▶ Trust to make good spending decisions
- ▶ Value for rate dollars spent
- ▶ Managing finances

### BUSINESS

- ▶ Solid waste management
- ▶ Managing and improving town centre
- ▶ Water and sanitation
- ▶ Building and resource consents
- ▶ Procurement policies weighting towards local business
- ▶ Partnerships with businesses

## WHAT TO FOCUS ON TO INCREASE REPUTATION?

### PUBLIC

-  Performance
-  Value for rates dollars spent
-  Trust in spending decisions
-  Managing finances well
-  Council staff performance

### BUSINESS

-  Performance
-  Trust in spending decisions
-  Efficiency and effectiveness
-  Locally elected representatives' plans for developing prosperity and wellbeing
-  Leadership of mayors/ regional council chairs

## Importance of local government

**Local government is viewed as very important to the nation. However, individually, some citizens and businesses do not view local government as important in their daily life.**

**Most people understand the important role that local government plays in developing the prosperity and wellbeing of the nation.**

The majority (69 per cent) of the public agree that the collective effort of local government is either 'extremely important' or 'very important' for the prosperity and wellbeing of New Zealand. Only five per cent say it is 'not that important' or 'not at all important.'

But importance to the respondent is somewhat lower. Forty-three per cent of the public agree that local government is either 'extremely important' or 'very important' to them in their daily life and just 19 per cent say that it is 'not that important' or 'not at all important.'

Businesses are more likely than individuals to view local government as important. Seventy-eight per cent of businesses agree that the collective effort of local government is either 'extremely important' or 'very important' for the prosperity and wellbeing of New Zealand. Sixty-two per cent agree that local government services and infrastructure are either 'extremely important' or 'very important' to their business.

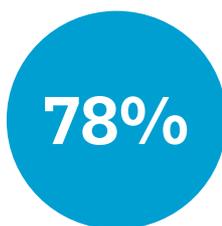
Businesses with a larger number of staff and those in the distribution sector (transport, wholesale and retail) are more likely to view local government as very important.

*Q: How important is the collective effort of local government for the prosperity and wellbeing of New Zealand?*

General public

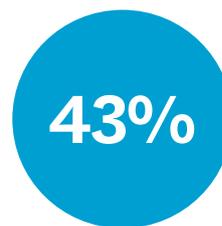


Businesses



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

General public



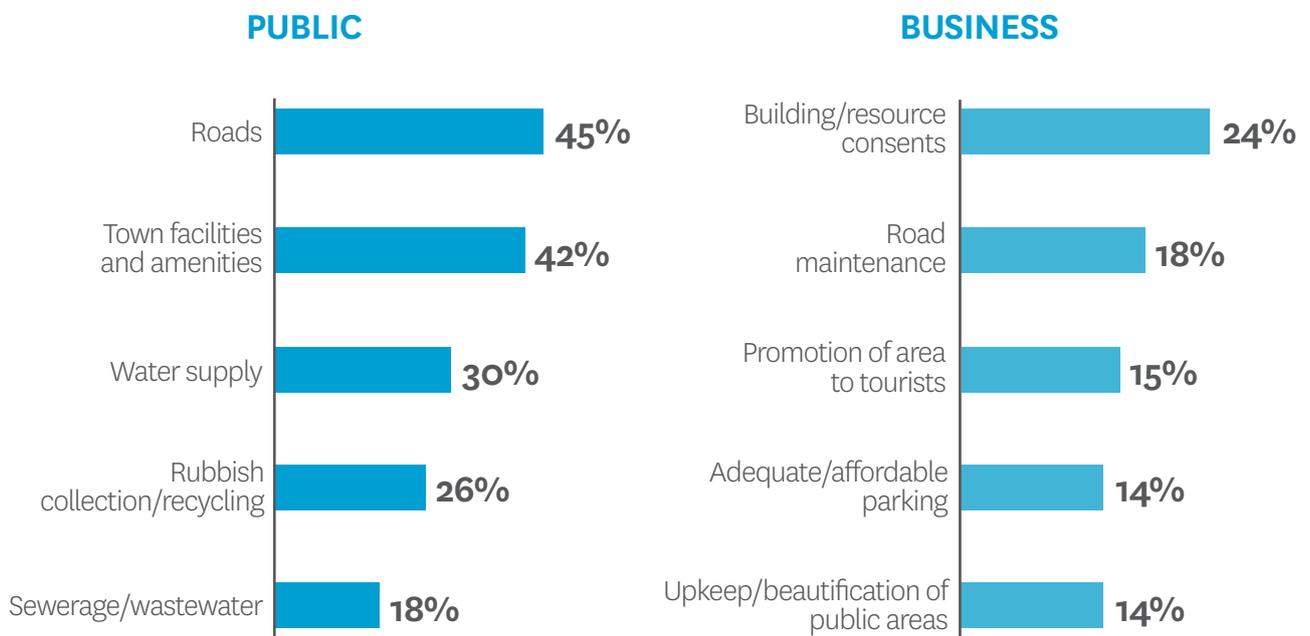
Businesses



## Businesses and the public have a slightly different focus on what's important

Roads, town facilities, water supply and rubbish collection/recycling are viewed as the most important local government services and functions for the public; whereas businesses view building and resource consents, roading, promotion of the local area, parking and beautification of public areas as most important.

*Q: What are the most important local government services to you? (Five most common answers)*



## GROUPS WHERE IMPORTANCE IS HIGHER

## GROUPS WHERE IMPORTANCE IS LOWER

Percentage of respondents within each group that say local government is 'extremely' or 'very' important to them.

- **Males** (46%)
- **Aged 65+** (59%)
- **Pay rates to council** (44%)
- **Participate in council processes** (such as a meeting/submission) (55%)
- **Live in a provincial population area** (population 20,000 – 90,000) (48%) compared with 38% in rural population areas and 44% in metropolitan population areas.
- **Businesses with 6+ staff** (72%) compared to the business average of 62%.\*
- **Businesses involved in distribution** (wholesale/retail/transport) (73%)

- **Females** (41%)
- **Aged 18-29** (30%) or 30-39 (38%)
- **Do not pay rates to council** (40%)
- **Have not participated in a council process** (such as a meeting/submission) and have not contacted council in past year (30%)
- **Micro businesses** (under 6 staff) (56%)

\* Note there is no variation in importance among the larger sized businesses, ie importance is similar in businesses with 6-19 staff vs. 20+ staff

## Awareness of functions and services

**Awareness varies 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.**

We asked members of the public about 24 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.

Awareness varies 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 77 per cent), the compliance and regulation (73 per cent), and the local services and facilities (72 per cent) categories, than there is in the natural resources and hazard management (average awareness 58 per cent) and the business and industry development (54 per cent) categories.

8 IN 10

...are aware that local government is responsible for: playgrounds, local parks, public toilets, solid waste, water and sanitation, building and resource consents, noise control, animal control, sports and recreation facilities, libraries, museums, galleries, public art and town planning.

7 IN 10

...public transport and health protection.

6 IN 10

...local and regional roads, local events/festivals, working with community groups, regulating control of alcohol sale and supply, civil defence and emergency management, planning for natural hazards, promoting the local area to tourists and managing biodiversity.

5 IN 10

...attracting major events, regulating the place of sale of legal highs, economic development and activity, and coastal planning and management.

## Current performance

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

Respondents were 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).

### Areas of stronger performance

**The five areas of local government viewed most positively by the public are:**

1. keeping people informed;
2. providing opportunities for people to have their say;
3. leading on matters of importance to communities;
4. skills/expertise to manage community affairs; and
5. effectiveness.

**In contrast to the public, the five areas viewed most positively by business are all to do with service delivery:**

1. solid waste;
2. maintaining town centres;
3. improving town centres;
4. water and sanitation; and
5. attracting and planning festivals and events.

### Areas of weaker performance

**The five areas of local government that were viewed least positively by the public are all leadership and finance related:**

1. trust to make good spending decisions;
2. providing good value for rates dollars spent;
3. managing finances well;
4. councillors displaying sound and effective leadership; and
5. mayors' and councillors' strategies for developing prosperity and wellbeing.

**The five areas of local government viewed least positively by businesses are all concerned with local government helping businesses and local economies to grow:**

1. improving the building consent process;
2. improving the resource consent process;
3. procurement policies with a weighting for local business;
4. engaging and building effective partnerships with businesses; and
5. facilitating and co-ordinating initiatives to support job creation.

## International comparisons

While not directly comparable, international research shows that in the United Kingdom and Australia there is equally room to improve the way local government performs. While local people are broadly happy with their local area, local government does not necessarily get the credit for this.

In the UK and Australia, as in New Zealand, there is a need for local government to improve satisfaction with financial management and services, and to step up engagement and communication.

## 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.

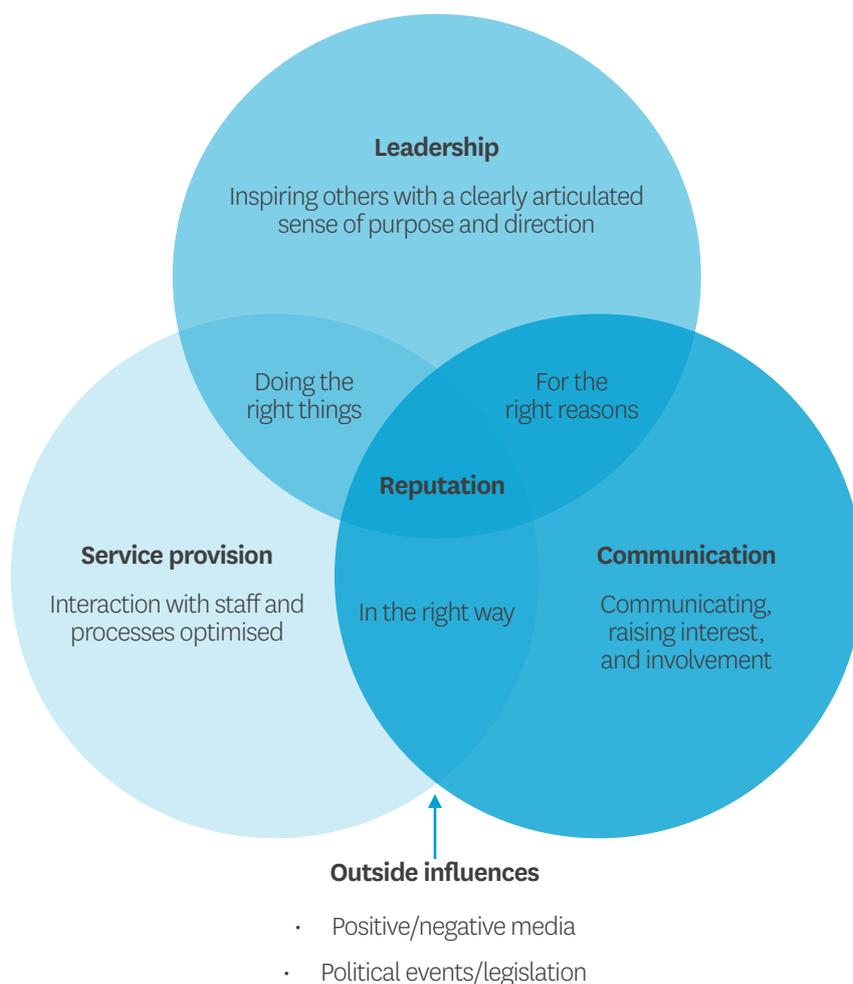
An overall Reputation Index score is derived from a number of the Survey measures. It reflects the sum of all opinions about, and attitudes towards, the sector among both public and businesses. All numbers described in the scorecard have a range of 0 to 100 (with 100 being the highest possible score).

The Reputation Index score is heavily influenced by three overall factors:

- performance;
- local 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.

While the overall reputation of local government is not strong with business and the public, the public has a better view of local government compared with business.



## Performance

Average score 28%

- Efficiency and effectiveness
- Value for money
- Trust to make good spending decisions
- Managing finances well
- Managers and staff doing a good job
- Continual performance improvement
- Working with other councils where relevant
- Skills and expertise to manage community affairs

**Weighting:**  
37%

## Local Leadership

Average score 26%

- Leadership of mayors and regional council chairs
- Leadership of councillors
- Mayors', chairs' and councillors' strategies for developing prosperity and wellbeing

**Weighting:**  
33%

**Drivers of reputation**

Overall reputation score – combined public and businesses  
29 (out of 100)

## Communication and Interaction

Average score 32%

- Keeps people informed
- Provides sufficient opportunities for people to have their say
- Makes it easy for people to interact and engage with them
- Listens and acts on the needs of people

**Weighting:**  
30%



# We are. LGNZ.

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New Zealand

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[www.lgnz.co.nz](http://www.lgnz.co.nz)

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## We are.

Ashburton.  
Auckland.  
Bay of Plenty.  
Buller.  
Canterbury.  
Carterton.  
Central  
Hawke's Bay.  
Central Otago.  
Chatham Islands.  
Christchurch.  
Clutha.  
Dunedin.  
Far North.

Gisborne.  
Gore.  
Greater Wellington.  
Grey.  
Hamilton.  
Hastings.  
Hauraki.  
Hawke's Bay  
Region.  
Horizons.  
Horowhenua.  
Hurunui.  
Hutt City.  
Invercargill.

Kaikoura.  
Kaipara.  
Kapiti Coast.  
Kawerau.  
Mackenzie.  
Manawatu.  
Marlborough.  
Masterton.  
Matamata-Piako.  
Napier.  
Nelson.  
New Plymouth.  
Northland.  
Opotiki.

Otago.  
Otorohanga.  
Palmerston North.  
Porirua.  
Queenstown-  
Lakes.  
Rangitikei.  
Rotorua Lakes.  
Ruapehu.  
Selwyn.  
South Taranaki.  
South Waikato.  
South Wairarapa.  
Southland District.

Southland Region.  
Stratford.  
Taranaki.  
Taranui.  
Tasman.  
Taupo.  
Tauranga.  
Thames-  
Coromandel.  
Timaru.  
Upper Hutt.  
Waikato District.  
Waikato Region.  
Waimakariri.

Waimate.  
Waipa.  
Wairoa.  
Waitaki.  
Waitomo.  
Wanganui.  
Wellington.  
West Coast.  
Western Bay  
of Plenty.  
Westland.  
Whakatane.  
Whangarei.

**LGNZ.**