



people's panel



Long-Term Plan People's Panel survey report

Date 28 September 2011

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1 Background and objectives

The Long Term Plan (LTP) is a ten-year strategic plan, which describes the activities and priority projects that Auckland Council will undertake over the next 10 years and how these will be funded. The LTP is also where the aspirations of the Auckland Plan and the Local Board Plans are turned in to actions.

The council is now developing its first Long Term Plan (2012-2022) and as part of that, needs to review and consider the different ways previous councils funded services and activities.

In this survey, People's Panel members were asked about their views on how Auckland Council should fund certain activities and services. Their feedback will help inform the council of the public's views so that different perspectives can be considered during the development of the Draft Long Term Plan.

About the People's Panel

The People's Panel aims to provide a representative sample of the local population who are encouraged to get involved with a range of council issues, giving feedback by regularly completing online surveys and getting involved with focus groups and other activities as needed.

The panel supplements other research, consultation and engagement activities and is used to provide public perceptions to help inform decision-making processes. Panellists are recruited to be 'average' members of the public – that is, they include members of the public who come from a range of backgrounds and a range of levels of involvement with the council.

At the time of surveying, there were approximately 6,600 people registered with the panel, with representation from each local board area, age group and ethnicity. However, the People's Panel is not yet representative of Auckland and further recruitment is under way to improve participation levels from particular areas, age groups and ethnicities.

For more information about the People's Panel visit: www.aucklandcouncil.govt.nz/peoplespanel

2 Methodology

The survey was sent out to all People's Panel members and had 2029 responses. The survey was live from Monday 5 September until Monday, 19 September 2011, and one reminder to non respondents was sent to boost the response rate.

It should be noted that participation in People's Panel surveys is voluntary. As such, the demographic and geographic distribution of panellists responding to this survey may not reflect the general population of Auckland.

For this reason, results should not be considered representative. We do, however, emphasise the value of the feedback presented in this report from a larger scale consultation and engagement perspective.

For a full breakdown of respondent demographics, please see Appendix II.

The feedback has been analysed in two ways:

- For the tick box questions, responses to each option have been reported as proportions of the total sample, and presented as charts
- For the open-ended comment questions, responses varied from one-word answers to lengthy paragraphs with several points and ideas. To allow accurate comparison, responses have been coded into themes. The proportion of the sample mentioning each theme has been presented in tabular form.

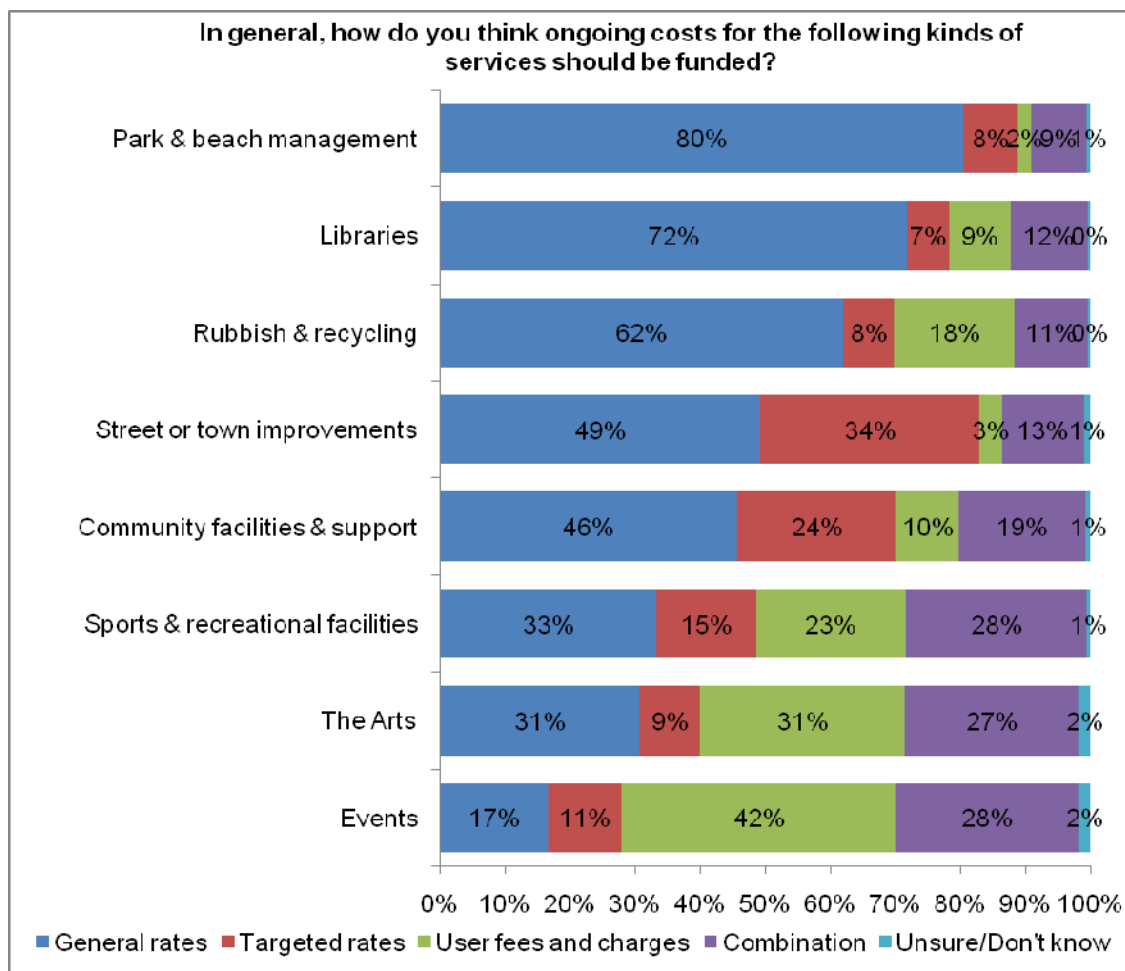
In addition, high-level analysis of differences in results by demographic and area has been conducted. The geographic areas were North (Rodney, Upper Harbour, Hibiscus & Bays, Kaipatiki and Devonport-Takapuna Local Boards); Central & Gulf (Waitemata, Albert-Eden, Orakei, Maungakiekie-Tamaki, Puketapapa, Waiheke and Great Barrier Local Boards); West (Henderson-Massey, Waitakere Ranges and Whau Local Boards), East (Howick Local Board) and South (Manurewa, Mangere-Otahuhu, Otara-Papatoetoe, Papakura and Franklin Local Boards).

Please note that results may not sum to 100% due to rounding in tables presented in this report.

3 Findings

General rates, targeted rates and fees

1.1: How to fund services generally



Base: 2029 People's Panel respondents

Firstly, panellists were asked to specify how, in general, the above types of services should be funded. As shown in figure 1.1, panellists feel different services should be funded in different ways. Most panellists feel that parks and beach management, libraries, rubbish and recycling services should be funded from general rates. However, many feel that a user pays approach would be more appropriate for funding events and arts services. There is some support for the use of targeted rates to fund street and town centre improvements and community facilities. There were a number of significant differences in opinion between different types of panellists, as follows.

Panellists from North Auckland were more likely to feel rubbish and recycling services and the arts should be funded through user charges (25% and 38% respectively), and that town centre improvements should be funded by targeted rates (40%).

Respondents from the eastern area (Howick Local Board) were more likely to feel that user fees should be used to fund community facilities (21%) and events (58%).

Conversely, those from the central area were more likely to want to use general rates (rather than user pays) to fund rubbish and recycling (70%), town centre improvements (53%), the arts (38%) and events (22%).

Older respondents (those aged 65 years or over) were more likely to feel events should be funded by user fees and charges (55%), while youth aged 15-24 years were more likely to want them funded through general rates (33%).

Men are more likely to feel that user fees should be used to fund events (46%), the arts (36%) and rubbish and recycling (23%).

New Zealand Europeans were more likely to feel that libraries should be funded through general rates (74%) than Pacific Peoples (55%) and Asian Peoples (58%).

1.2: Comments about how to fund services

Q 1B What comments or other suggestions do you have about funding services?	Responses	Proportion of responses
Total responses	681	100%
Support funding services through a general rate	160	23%
Support user pays/ more of a user pays system	157	23%
Rates should only pay for basic core services/ too many things are paid for out of rates	59	9%
Support funding for special projects through a targeted rate	56	8%
Should be cost incentives for people to be more environmentally friendly e.g. use car less, minimise rubbish	55	8%
Funding through rates needs to be more carefully managed/stop constant rates and cost rises/ already too expensive/ be more efficient	52	8%
Council needs to be transparent about how it is funding projects/spending rates/more community input into funding and budgeting process	46	7%
How to fund something needs to be assessed on a case by case basis/ need to determine who or how many will benefit first before deciding on a funding mechanism	44	6%
It is appropriate that the Council and ratepayers support a range of services (not just "core" services)	38	6%
Consider a range of other funding mechanisms / innovative funding ideas (includes general comments and specific suggestions not listed elsewhere in this spreadsheet)	37	5%
User pays or targeted rates not always right answer/can disadvantage poor/ minorities	36	5%
Combination of methods is the way to fund services	33	5%
Services provided for by general rates should be spread evenly throughout Auckland	26	4%
Support public private partnerships	23	3%
Charge a levy for residents who rent and/or tourists who don't pay rates but still receive Council services or have lower user charges for rate payers	18	3%
If a third party is set to make any money out of services/facilities/events, they should provide some/most/all of the funding not ratepayers	17	2%
Government needs to provide more funding for services/ more central government funding	11	2%
We should all pay the same rates/ support flat rates/ how rates are calculated are unfair	9	1%
Expensive sporting projects (such as RWC) shouldn't be paid by ratepayers	8	1%
Pensioners/beneficiaries/charitable trusts should not have to pay rates/ should have lower rates	7	1%
Am happy with the way things are	5	1%
A single collection systems is more cost effective to administer then a combination	4	1%
Don't know, question too hard/too difficult to deal with such issues in questionnaire	7	1%
Other	28	4%

Base: 681 People's Panellists who commented

While many people gave general support to either a user pays or a general rates-based funding model, others described various ways in which different services should be funded. Some felt that general rates should be used for core services, while user-pays would be more appropriate for services that benefit specific groups or people. Others

felt that there should be a case-by-case assessment of the best funding model based on who would benefit, and that combinations of funding models may be appropriate in certain circumstances:

"I think in principle user pays is a good model, for most things outside the basic services."

"A user-pays system is fair for specific services such as the Arts and Sports. Only services that are available to everyone should come out of general rates (rubbish, parks, libraries)."

"Except for some exception, I oppose user-pays or targeted-rates payments, as these tend to either result in too high charges for poorer communities, or less services & fewer upgrades for the poorer communities, perpetuating their socioeconomic issues. Exceptions are that sometimes user pays can help drive positive behaviour (for example a user pays system that rewards recycling) or that put the funding requirement on sources that profit most, such as for example business communities funding town centre upgrades in part."

"General rates should be considered as a means of providing facilities to those regions starting from an adverse situation at the outset of establishment of city."

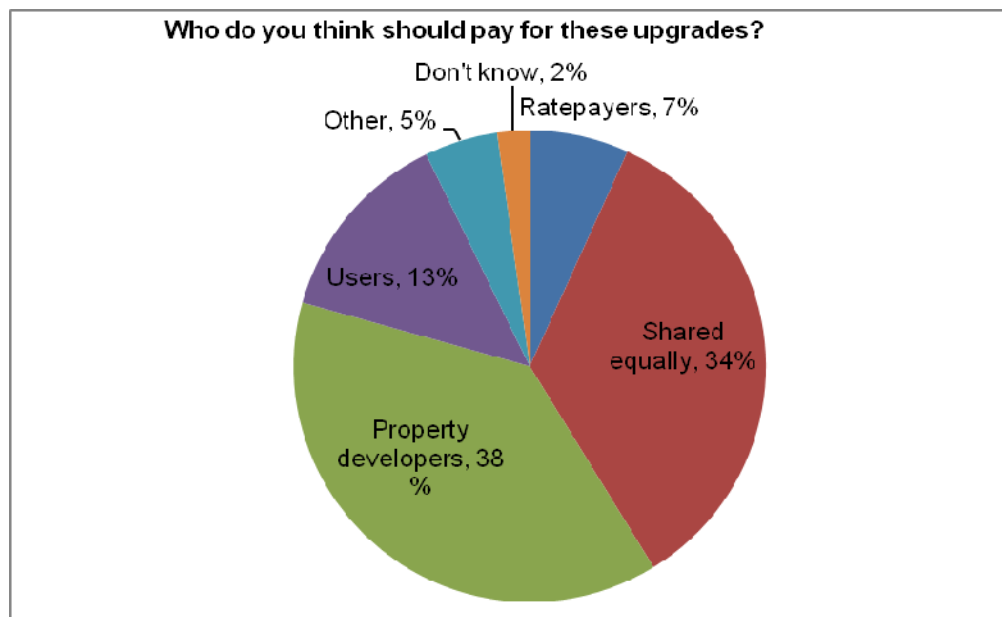
"General things such as libraries, arts funding, beach and park maintenance should be funded by general rates but facilities such as sports or gym centres should not (although playing fields may be). I am thinking in particular of the fact that we have to pay for the Stanmore Bay Leisure Centre as part of our rates but then we still have to pay a membership fee to the centre and cannot access any of their facilities. If you pay for it you should be able to enjoy it i.e. public rates=public access."

"I think rate payers should only be responsible for their own town/city requirements such as the above - street/town centre improvements, rubbish/recycling, libraries and community facilities and support. The remaining five categories above should be funded mainly through targeted rates."

"In general: Where the region benefits, then the funding should come from the general rates. Where only a small minority benefits, then that rate should be targeted."

Growth of Auckland - Development contributions and other funding sources

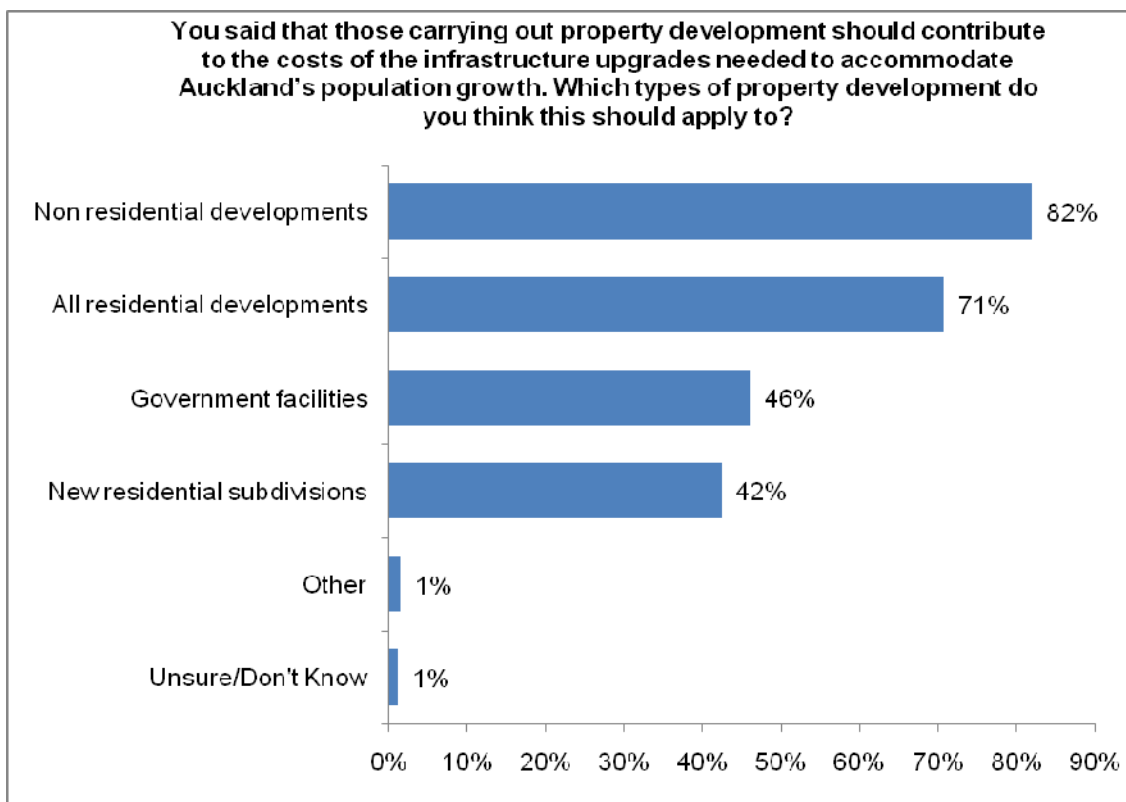
2.1: Funding growth



Base: 2029 People's Panel respondents

Respondents were told “Each year the council spends around \$100 million upgrading existing infrastructure and facilities or building new ones to meet the demand associated with Auckland’s population growth” and asked who should pay for this. As above, 38% of People’s Panel members feel that the cost of new or upgraded infrastructure should be mainly paid for by those carrying out property developments with a small or no contribution from ratepayers. A third of panellists (34%) feel that the costs should be shared equally by ratepayers and those carrying out property developments, while 13% feel the costs of new or upgraded infrastructure should be mainly paid for by the users of that infrastructure. Only 7% of panellists feel ratepayers alone should pay for costs associated with growth. By merging these results we see that 73% of panellists feel developers should bear some of the costs (either solely or shared with ratepayers), and 41% feel ratepayers should bear some of the costs (either solely or shared with developers). There were no significant differences in these results between people of different demographic groups or geographic areas.

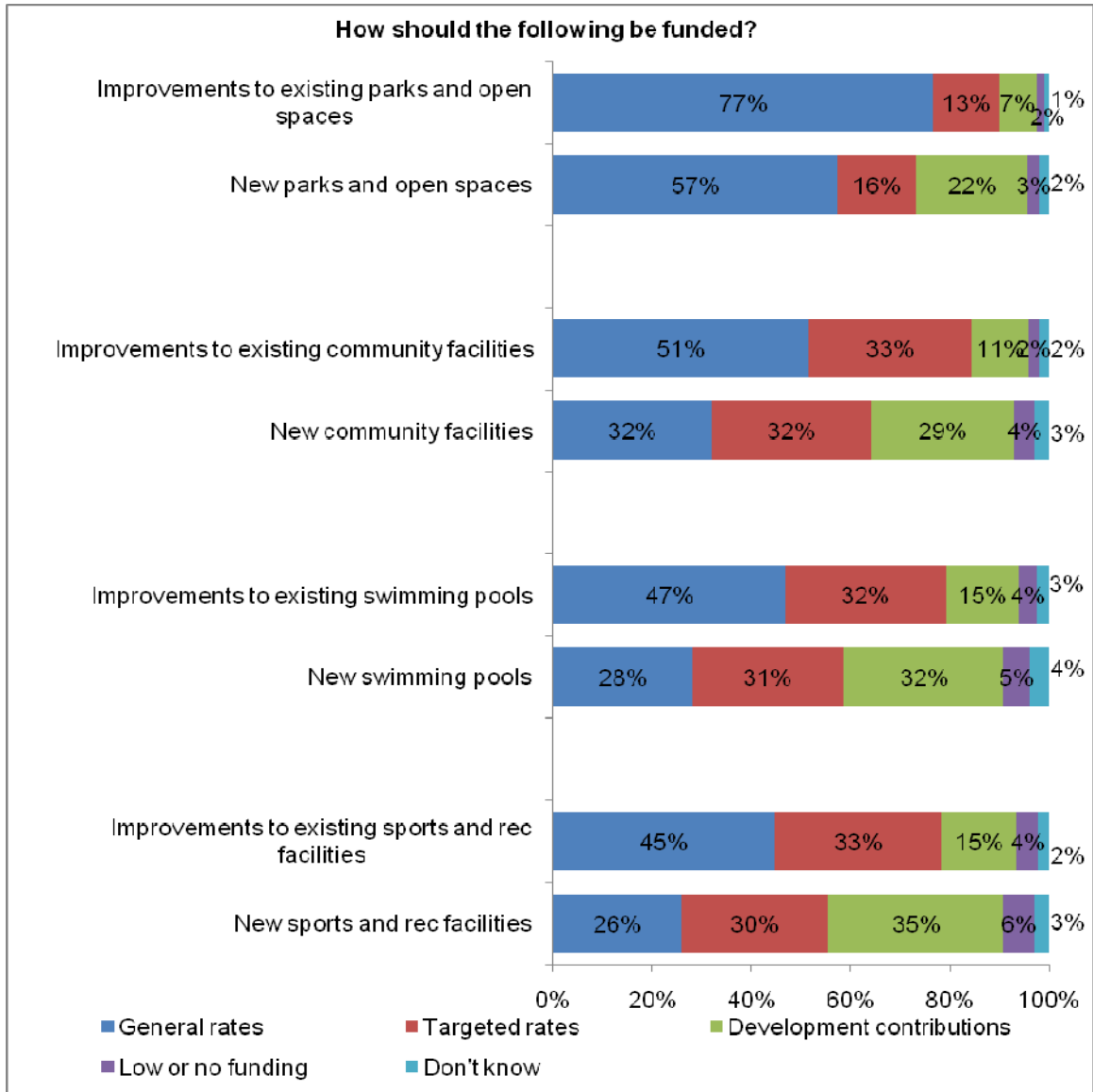
2.2: Use of development contributions



Base: 1472 panellists who felt that developers should pay some or all costs of growth

Those respondents who felt that property developers should fund the costs of growth, or share these costs with ratepayers, were asked to specify the types of property development this would apply to. The majority of these panellists feel that developers should fund non-residential development (e.g. offices, shops and factories), and all residential developments (e.g. new houses in existing subdivisions and residential subdivisions, apartments). Just under half also feel developers should fund government facilities (e.g. schools and hospitals) and new residential subdivisions.

2.3: Funding improvements



Base: 2029 People's Panel respondents

Respondents were asked how improvements to - or new - parks and public open spaces, pools, community facilities and sports and recreational facilities should be funded. Overall, people think that general rates are more appropriate to use for funding improvements to existing facilities, while new facilities should be funded through a combination of sources including development contributions and targeted rates. Most panellists feel that parks and open spaces (new and existing) should be funded by general rates. When it comes to building new community facilities, swimming pools and sports and recreation facilities, the panel feels that a combination of general rates, targeted rates and development contributions should be used.

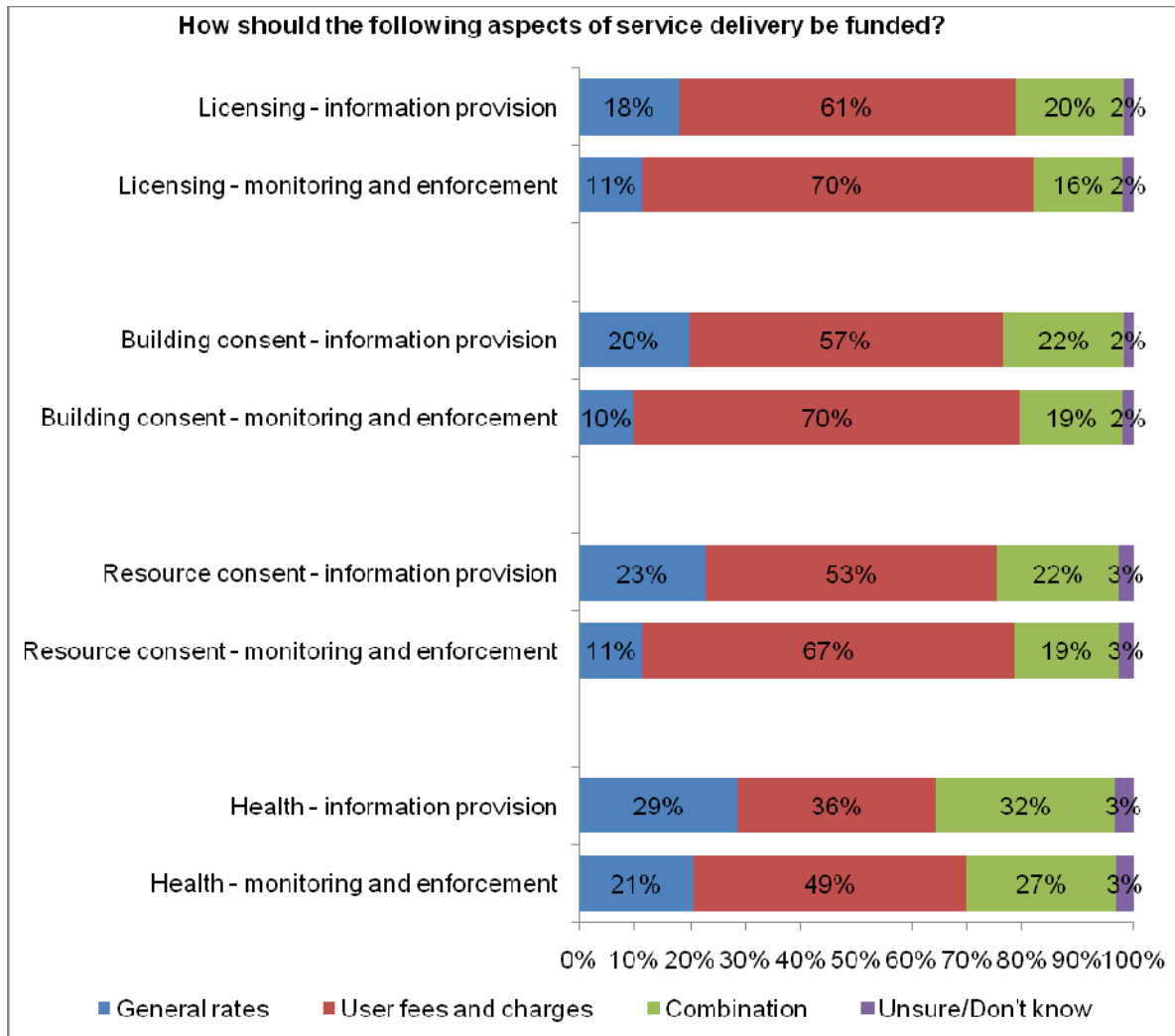
As with section 1.1, those from the central area were more likely to want to use general rates to fund improvements to existing swimming pools (52%), existing community facilities (56%), new community facilities (36%), existing parks and open spaces (84%), new parks and open spaces (63%). However, those from the north were less likely to want to use general rates for improvements to existing swimming pools (41%) or new community facilities (26%), and were more likely to want to use targeted rates to fund improvements to existing parks (17%). Likewise, those in the south

were less likely to want to use general rates for improvements to new parks and open spaces (49%) or existing parks and open spaces (68%).

Pacific Peoples were more likely to want to use targeted rates (25%) or development contributions (17%) to fund improvements to existing parks.

Regulatory services

3.1: Funding regulatory service delivery



Base: 2029 People's Panel respondents

People's Panel members were told "The council also has a number of regulatory services such as building consents, environmental health, licensing and bylaws. In some aspects of service delivery, legislation determines who can be charged, what for and also the level of fee or charge. In others, the former councils had different approaches and we would like your thoughts to help inform our new policies." When asked how to fund these services, most panellists felt that user fees should be used to fund information and monitoring for licensing, building consents and resource consents. However, around 40% felt that general rates should be used (either solely or in combination with user fees) to fund information about licensing and consents, while around 30% felt that general rates should be used (either solely or in combination with user fees) to fund monitoring and enforcement of these services.

Health services were seen as slightly different to other regulatory services, and more panellists saw a need to fund information provision, monitoring and enforcement through general rates (either solely or in combination with user fees).

Asian Peoples were more likely than those of other ethnicities to want to see health monitoring and enforcement funded through general rates (34%).

Men were more likely than women to feel that user fees and charges should be used to fund health information (39%), health monitoring and enforcement (54%), licensing enforcement (74%) and resource consent enforcement (70%). There were no significant differences in opinion between panellists living in different parts of the region.

3.2: Comments about how to fund these regulatory services

5E What comments do you have on the approach to funding in these areas?	Responses	Proportion of responses
Total responses	466	100%
User pays for these costs/enforcement and monitoring/ where there is an identifiable individual gain	136	29%
Consenting process/ RMA is too expensive/inefficient/inconsistent/lack transparency. Costs need to be kept down so as not to discourage development	122	26%
Support funding services through general rates/ especially as relates to public good/ public safety	111	24%
Combination of methods is the way to fund services	96	21%
More user pays generally/for most things	88	19%
Information & education should be paid for out of rates	33	7%
Beware of people being over burdened with rates rises/ rates for core infrastructure only/ minimal new infrastructure	19	4%
Council are inefficient (general comment - across the board)/ need to become more efficient/ better at generating income	17	4%
Dog licenses should be user pays/ not rates	14	3%
Keep communication costs to a minimum e.g. communicate through regular council communication channels, internet	7	2%
Liquor licenses should be user pays/ not rates	7	2%
How to fund something needs to be assessed on a case-by-case basis/ need to determine who or how many will benefit first before deciding on a funding mechanism.	7	2%
Fines for non-compliance/financial incentives for compliance (across a range of Council regulations)	5	1%
Support funding for special projects through targeted rates	4	1%
Services should be spread evenly throughout Auckland and cost the same amount of money wherever they are located	4	1%
Should be cost incentives for people to be more environmentally friendly e.g. use car less, minimise rubbish, use solar panels when building	3	1%
Don't know/ need more information to answer	16	3%
Other	19	4%

Base: 466 People's Panel members that commented

While panellists made a number of comments, there was a general view that those services that provide a specific benefit to individuals (e.g. licences) should be funded by user pays, while those that benefit the wider community (e.g. public safety, communication and education) should be funded from general rates. Some respondents felt that if more user pays charges were introduced to cover licensing type costs, this would free up ratepayer funds to cover core services and infrastructure improvements. Others felt a combination of funding methods was appropriate. Some panellists felt that costs associated with resource and building consents were getting too high:

“Auckland so badly needs core infrastructure funding, I believe all the things in this section should be user pays so the council can spend our money only on things of benefit to the entire community. With regard to 5B, the council needs a whole new approach to the liquor industry: licences should be harder to get, easier to object to, and withdrawn much more swiftly if there are problems.”

“There are many areas of funding, esp capital works expenditure that may be far better paid for by Local Authority Loans being taken out; specifically for that project. This places many of these capital works projects on a commercial footing. They then can get paid for, initially by those who subscribe to the loan and then ultimately, mainly by the users. The projects are a far less of a burden on the rate-payers.”

“If costs arise as a consequence of successful commercial developments I think that the costs should be factored into the commercial enterprise. Costs arising in respect of citizens using ordinary recreational facilities should be met by general rates.”

“A rewrite of the Resource Management Act could exempt most of the current residential applications then there would not be any costs to worry about.”

“Auckland city councils charge out hourly rates for both resource and building consents are presently out of scale with the individual projects and excessive and inhibiting to future building development”

“Building consents need to be fair. If the cost's become a barrier to development then this impacts on the economy in the long term. Council's role is to assist not hinder”

“Basically general rates EXCEPT that major capital items should be funded by borrowing to spread the cost over future users”

“Education benefits everyone so should be through general rates. Monitoring & enforcements should be charged to users as they are the reason we need to have monitoring and enforcement.”

Final comments

4.1: General comments

Q 6. And finally, do you have any other comments about the Long Term Plan or this feedback survey?	Responses	Proportion of responses
Total responses	690	100%
Council needs to stop spending so much/rates should pay for core/vital services only/ needs to be more efficient	146	21%
Should be more user pays	87	13%
Council rates and charges need to be kept down/ lowered/ relative to income/ help make Auckland more affordable place to live	83	12%
Ratepayers need more information on where there money is going and why/ more transparency from Council	71	10%
Need to prioritise sustainability/ environmental concerns	39	6%
Transportation is Auckland's biggest issue	36	5%
Current rating systems is not fair/ uniform annual charges are preferable to rates	34	5%
Keep up the good work/ positive comments about Council's general direction	32	5%
Council needs to concentrate on parks and/or open spaces/ recreational facilities - protecting them for public use/improving them	28	4%
Question why it has to be accepted as inevitable that Auckland grows and/or changes	22	3%
New infrastructure should be paid for by new development	19	3%
If a third party makes any money out of the services/facilities/events, they should provide some/most/ all of the funding	16	2%
Think flexibly about funding solutions/ could be many innovative solutions out there that the private sector could assist with/ investments	16	2%
Funds collected in a ward/area should be spent in that same ward/area	15	2%
Central government needs to be more involved/active	15	2%
Auckland needs less regulation and enforcement/ Council should be fostering growth/release more land for development	12	2%
Stop urban sprawl	10	1%
Funds raised through rates should be distributed evenly throughout the region	8	1%
General rates for general services/public good/support general rates	7	1%
Stricter liquor licensing controls/fewer liquor outlets	6	1%
Fund some services by fining offenders e.g. noise control, graffiti, pollution, unlicensed dogs/ Council needs to get tougher on offenders etc	6	1%
Protect and plan for heritage sites	3	0%
Difficult to deal with such issues in survey/hard to understand/answer	54	8%
Appreciate the opportunity for input/ positive comments about the survey	48	7%
Other	40	6%

Base: 690 People's Panel members that commented

Final comments were generally in line with other comments made throughout the survey, and reflected a desire to see costs generally come down, greater focus on user pays for services that benefit specific individuals, greater transparency about council's spending decisions, and the use of different funding mechanisms for different types of services.

4 Conclusions and discussion

The purpose of this survey was to understand People's Panel members' views on how Auckland Council should fund certain activities and services. The feedback will be considered during the development of the Draft Long Term Plan.

Overall, panellists feel different services should be funded in different ways. Most panellists feel that services such as parks and beach management, libraries, rubbish and recycling services, that are seen as benefitting the wider community, should be funded from general rates. However, many feel that a user pays approach would be more appropriate for funding events and arts services, that are enjoyed by specific members of the community. There is some support for the use of targeted rates to fund street and town centre improvements and community facilities.

There is a widespread view that general rates should be used for core services, while user-pays would be more appropriate for services that benefit specific groups or people. Some felt that there should be a case-by-case assessment of the best funding model based on who would benefit, and that combinations of funding models may be appropriate in certain circumstances.

The panel was fairly divided on who should bear the costs associated with growth, with over a third saying that the cost of new or upgraded infrastructure should be mainly paid for by those carrying out property developments, and a third of panellists saying that the costs should be shared equally by ratepayers and developers. There was a general view that rates are more appropriate to use for funding improvements to existing facilities, while new facilities should be funded through a combination of sources including development contributions and targeted rates. Most panellists feel that parks and open spaces (new and existing) should be funded by general rates. When it comes to building new community facilities, swimming pools and sports and recreation facilities, the panel feels that a combination of general rates, targeted rates and development contributions should be used.

When asked how to fund regulatory services, most panellists felt that user fees should be used to fund information and monitoring for licensing, building consents and resource consents. However, around 40% felt that general rates should be used (either solely or in combination with user fees) to fund information about licensing and consents, while around 30% felt that general rates should be used (either solely or in combination with user fees) to fund monitoring and enforcement of these services. Health services were seen as slightly different to other regulatory services, and more panellists saw a need to fund information provision, monitoring and enforcement through general rates (either solely or in combination with user fees).

Across the survey there were some differences in opinion between people living in different parts of the region. Those from the central area were more likely to want to use general rates to fund service provision, while those in the north and east were more likely to favour a user pays model.

5 Appendix: Respondent profile

The table below provides a demographic breakdown of People's Panellists who responded to the survey:

	People's Panel	People's Panel	Statistics NZ
	Number of responses (n=2029)	Percentages (%) (n=2029)	Percentages (%) 2006 census data
Gender			
Female	1,004	49	51
Male	978	48	49
Prefer not to say	47	2	-
Age			
15-24 years	48	2	19
25-34 years	217	11	18
35-44 years	412	20	21
45-54 years	403	20	17
55-64 years	455	22	12
65-74 years	335	17	7
75 years or over	99	5	6
Prefer not to say	60	3	-
Ethnicity*			
European	1740	86	57
Māori	89	4	11
Pacific Peoples	60	3	14
Asian	100	5	19
Middle Eastern/Latin American/African	15	1	1
Other Ethnicity	2	0	8
Prefer not to say	121	6	
<i>*Please note as this question was multiple response percentages don't add to 100%</i>			
Local Board			
Albert-Eden	191	9	7
Devonport-Takapuna	88	4	4
Franklin	87	4	4
Great Barrier	6	0.3	0.1
Henderson-Massey	119	6	8
Hibiscus and Bays	153	8	6
Howick	114	6	9
Kaipatiki	120	6	6
Mangere-Otahuhu	28	1	5
Manurewa	43	2	6
Maungakiekie-Tamaki	87	4	5
Orakei	173	9	6
Otara-Papatoetoe	34	2	6
Papakura	45	2	3
Puketapapa	59	3	4
Rodney	137	7	4

Upper Harbour	43	2	3
Waiheke	14	1	1
Waitakere Ranges	87	4	3
Waitemata	238	12	5
Whau	96	5	5
Not specified	67	3	-

From: "Which of the following suburbs do you live in"?