
**REFORM OF LOCAL GOVERNMENT IN WELLINGTON –
REPORT BACK ON CONSULTATION**

1. Purpose of report

To report back on the results of the engagement processes undertaken over May, June and July 2012 in relation to options for the reform of local government in the Wellington region.

2. Executive summary

Extensive consultation and engagement on the question of governance has been undertaken across the region recently. In addition to Wellington City Council's 1,209 submissions, Kapiti Coast District Council has received 878 submissions and Upper Hutt City Council 1,409 submissions, while the Wairarapa working party has also received significant feedback on its joint working party activities. Across all of the Wellington region, a further 3,300 residents took part in the Colmar Brunton survey, and the Sir Geoffrey Palmer-chaired Panel is also underway having released an issues paper and holding discussions across the region.

A picture is starting to emerge on where the public sits on the matter, and it differs according to where people live:

- The wider regional community has stated an early preference for no boundary changes (58%), however there is a significant minority that do support change (32%) and a reasonable portion undecided (10%)
- Change in the form of amalgamation is most favoured in Kapiti (44% in the Colmar Brunton survey and 91% of its 878 submissions) and the Wairarapa (41% in the survey).
 - Kapiti's change preference was option 3 by a considerable margin in its submissions, but options 2 and 4 in its survey.
 - A very clear preference for a single Wairarapa council emerged amongst change supporters there – 75% of respondents wanting change in the Wairarapa wanted a single Wairarapa council.

- A key statistic in the Colmar Brunton survey was that Wairarapa residents overwhelmingly did not want to be part of a region-wide single council - only 5% wanted to be part of a region-wide authority. In addition, many Wairarapa residents that said that they want current boundaries to remain in place subsequently stated that a major driver behind this position was a fear of becoming part of a region-wide unitary structure (or 'super city' as often stated by respondents) – they were less opposed to the idea of a single Wairarapa council.
- Lower and Upper Hutt were the strongest 'no boundary change' voice, with 61% and 71% respectively in the Colmar Brunton survey. And those Hutt residents that did want change were clear that option 2 – in particular a merger of the two Hutt councils – was the preferred change option. Submissions in Upper Hutt tell an even stronger story – 83.5% of 1,409 Upper Hutt submissions did not want their council to amalgamate with another area.
- Wellington and Porirua residents tell a slightly different story to the rest of the region, but a strikingly similar one to each other: both recorded a 58% preference for no boundary changes, had just under a third supporting amalgamation of some sort, had a reasonably even spread across the change options, and had the highest proportion of undecided respondents – 12% and 11% respectively.
- Option 3 was the preferred change option in Wellington City Council submissions by a reasonably distance, and also (although narrowly) in the Colmar Brunton survey.

The engagement has also been useful to gain an understanding of what issues and drivers are of most interest or concern to people. These are outlined in the report, but certainly include cost and efficiency– in the form of rates, debt and services; representation and democratic engagement (and the fear of losing these); identity and communities of interest.

Those favouring change tended to focus on the potential for cost savings, advantages of scale (e.g. consistency of services) and the geographic fit of their preferred option. Those opposed to boundary change emphasised 'if it ain't broke, don't fix it', that each local area has its own distinct needs, and expressed a fear of local areas losing out under amalgamation.

Given all of this feedback from across the region, and an indication of a desire for more information and comparisons, officers propose to develop more detail on what options 1, 2, 3 and 4 would involve and in particular provide a comparative analysis with particular emphasis on the key issues raised by the public in submissions and the Colmar Brunton research.

This information will be presented back to Councillors to assist with deciding whether to proceed with a preferred option/s for consideration by the Local Government Commission, either individually or jointly with other organisations.

Lastly, given that there is a strong body of support for current boundaries, and that most councils, including Greater Wellington Regional Council and Wellington City Council, have indicated a preference for voters to have the right to decide on the final outcome, officers recommend that SPC agree that should a change option be submitted to the Local Government Commission affecting Wellington City Council, that a council or Local Government Commission poll should be held before a final decision is made.

3. Recommendations

Officers recommend that the Strategy and Policy Committee:


1. *Receive the information.*
2. *Agree that officers develop more detail on options 1, 2, 3 and 4 and provide comparative analysis with particular emphasis on the key issues raised by the public in submissions and the Colmar Brunton research:*
 - a. *financial analysis and rates impacts*
 - b. *representation arrangements*
 - c. *economies of scale and scope, including estimates of possible efficiencies and savings*
 - d. *fit with Local Government Commission criteria as outlined in the draft Local Government Act 2002 Amendment Bill*
 - e. *strategic positioning for the future*
 - f. *indicative service delivery arrangements.*
3. *Agree to consider the outcome of this analysis as part of a Councillor workshop to be held in September 2012, with a view to identifying a preferred option to submit, either individually or jointly with other councils and organisations, to the local Government Commission following the passing of the LGA 2002 Amendment Bill*
4. *Agree that should a change option be submitted to the Local Government Commission affecting Wellington City Council, that a council or Local Government Commission poll should be held before a final decision is made, allowing the voters of Wellington to influence (council poll) or decide (Local Government Commission poll) the final outcome of the proposal.*

4. Background


At its meeting of 10 May 2012, SPC agreed to release a discussion document for public consultation on the question of governance reform in the region, and that officers report back in August on the results of the engagement process. Oral hearings were held on 31 July and 1 August 2012 with 40 submitters appearing.

In addition to the discussion document, Wellington City Council commissioned Colmar Brunton to undertake a regional survey of residents, in conjunction with all Territorial Authorities in the Wellington region.

The purpose of the engagement was to understand the issues and drivers, and where public sentiment sits, on reform of local government. Four options were developed representing different degrees of change to assist with focussing the engagement process. Hutt and Kapiti councils also used these options in their direct consultation processes, and all local councils in the region sued them as the core of the Colmar Brunton survey. The options were:



OPTION 1 – shared services or collaborative model. No change to existing boundaries for councils, but we would agree to formally share or bring together more of the management of certain services. This might be 'back office' services such as information technology and human resources, it might be some core services such as managing water and waste, or the operations of our parks and recreation facilities. The focus would be on cost sharing and providing better services through economies of scale.




OPTION 2 – merge all existing councils into three unitary councils:

Wellington Capital and Coast Council – combining Wellington City, Porirua City and Kapiti Coast District into one unitary authority

Hutt Valley Council – combining Hutt and Upper Hutt cities into another unitary authority

Wairarapa Council – combining the three councils in the Wairarapa (South Wairarapa, Carterton and Masterton District Councils) into a third unitary authority

Greater Wellington Regional Council would be abolished, and its services would be absorbed and in some cases jointly managed by the three new unitary councils.




OPTION 3 – merge all existing councils into two unitary councils:

Wellington Council – combining Wellington City, Porirua, Hutt and Upper Hutt cities and Kapiti Coast District into one unitary authority

Wairarapa Council – combining the three councils in the Wairarapa (South Wairarapa, Carterton and Masterton District Councils) into another unitary authority

Again, the Regional Council would be removed, and its services would need to be absorbed and in some cases jointly managed by the two new councils which would become unitary authorities.



OPTION 4 – merge all existing councils into one council for the whole region, with 10 local boards elected to look after 'local' services. As with the new Auckland Council, this new single council would be the only entity that could set and collect rates, and would make the major decisions for the entire region.

5. Discussion

Direct consultation was undertaken by Wellington City Council of Wellington City residents from 16 May to 6 July, and 1,209 submissions were received via the Council's website and through directly mailed hard copy submissions. A one week extension was provided to allow for late submissions and expressions of interest by a number of individuals and organisations seeking more time to compile their submissions.

In addition a survey of 3,300 people across the Wellington region was undertaken by Colmar Brunton during July 2012.

There was targeted engagement with the community at the Pacific and Ethnic Communities Forums, and at two public meetings with the Samoan community.

Staff and Councillors attended meetings with the Tawa and Makara-Ohariu community boards and were available to discuss governance at the Newtown and Frank Kitts' markets.

Councillors also attended a number of meetings arranged through the Labour Party about local government reform during May and June.

5.1 Summary of Consultation Activity by Wellington City Council

1,550 copies of the full local government reform options consultation document were produced and distributed to key stakeholders and made available to the public via libraries. The full document was also published on the council's web site and highlighted on the front page of the web site during the consultation period. It was also:

- The main topic for discussion at the Pacific and Ethnic Community Forums
- The presentation topic to the Accessibility Advisory Group, the Environmental Reference Group, Pacific Advisory Group and the Youth Council
- Promoted on Our Wellington Page with a link to our website
- Promoted via Wellington City Council's Youth Council, Pacific Advisory Group and WCC Facebook
- Translated into Samoan and 100 copies distributed through the Pacific Advisory Group members to the Samoan Community. An additional 100 were distributed in response to a request for more copies from the Samoan Community.
- Translated into Māori and 100 copies distributed.

100,000 copies of the summary leaflet were produced and were:

- Sent to residents' letter boxes
- Handed out at bus stops and at the railway station at commuter home time.
- Handed out through stalls at Newtown Market and Frank Kitts Market
- Sent with a letter to all Business rate payers
- Sent to all community centres for distribution to their users

- Sent to all libraries for distribution
- Sent to all Citizens' Advice Bureau for distribution
- Distributed by student advocates at Victoria University Students' Association
- Sent by email to all Residents' Associations

5.2 Consultation by other councils in the Wellington Region

Wairarapa

Masterton, Carterton and South Wairarapa District Councils commissioned Morrison Low to assess options for joint management and service delivery in the Wairarapa. Their report, released in May, has been made available to the public through the Wairarapa Governance Review Working Party website. The working party continues to receive feedback on this issue.

One thousand, two hundred residents from the Wairarapa were included in the Colmar Brunton telephone survey. The survey results identified strong support in the Wairarapa for an amalgamated Wairarapa council, and little appetite to be part of a single council.

400 residents from South Wairarapa were included and of those surveyed:

- 48% wanted no boundary change (combines those who opted for 'no change' and option 1 - no boundary change, but more shared services)
- 54% sought change (includes those who chose option 1)
 - 65% of this group wanted a single Wairarapa council

400 residents from the Masterton district were included and of those surveyed:

- 40% wanted no boundary change (combines those who opted for 'no change' and option 1)
- 58% sought change (includes those who chose option 1)
 - 79% of this group wanted a single Wairarapa council

400 residents from the Carterton district were included and of those surveyed:

- 58% wanted no boundary change (combines those who opted for 'no change' and option 1)
- 50% sought change (includes those who chose option 1)
 - 71% of this group wanted a single Wairarapa council

Kapiti Coast

Kapiti Coast District Council received over 878 submissions in response to its local government reform consultation document with an overwhelming 91% wanting change. Of those seeking change, the most popular was option 3 with 34% choosing this option.

500 residents from the Kapiti Coast were included in the Colmar Brunton survey. Of those surveyed:

- 48% wanted no boundary change (combines those who opted for ‘no change’ and option 1)
- 55% sought change (includes those who chose option 1) – the biggest change group in the region
 - 30% of this group chose option 4 (a single council), followed closely by 29% opting for option 2 (three councils)
 - 18% of this group chose option 3 (two councils)

Upper Hutt

Upper Hutt City Council’s submission period was open for over 8 weeks, closing on 3 August, an extension from the previous 20 July deadline. 1,409 submissions were received of which a resounding 83% were against any proposed amalgamation for the city. This number is made up of 74% who said they wanted things to remain the same with the remainder choosing option 1 as their preferred option.

400 residents from Upper Hutt were included in the Colmar Brunton survey. Of those surveyed:

- 71% wanted no boundary change (combines those who opted for ‘no change’ and option 1)
- 32% sought change (includes those who chose option 1)
 - the highest number, 46%, of this group chose option 2
 - 12% of this group chose option 3

Lower Hutt

400 residents from Lower Hutt were included in the Colmar Brunton survey. Of those surveyed:

- 61% wanted no boundary change (combines those who opted for ‘no change’ and option 1)
- 39% sought change (includes those who chose option 1)
 - the highest number, 38%, of this group chose option 2
 - 15% of this group chose option 3

Porirua

Porirua City Council has joined the independent review panel and has also participated in the Colmar Brunton survey.

400 residents from Porirua were included and of those surveyed:

- 58% wanted no boundary change (combines those who opted for ‘no change’ and option 1)
- 40% sought change (includes those who chose option 1)
 - the highest number, 27%, of this group chose option 2
 - 21% of this group chose option 3

5.3 Submissions overview - Wellington City Council

Submissions showed that people's views were fairly evenly divided between those in support of keeping current structures (many of whom also wanted enhanced service delivery and collaboration initiatives), and those who support change to the structure – roughly a 40/60 split.

Submitters were invited to state whether they wanted the current system to change or not. Of the 1209 submitters, 1092 (90%) responded to this question. Of those that responded, 23% (252) stated 'no change' and 77% (840) stated 'change'.

Submitters were then invited to select an option for change (or tell us their own), should they wish to do so. A number of submitters that stated a preference for no change then went on to choose an option - mostly, but not always, option 1 (all councils remain in place, but more shared services and collaboration) - and some (not many) that stated a preference for change did not go on to choose an option or tell us their own one.

Of the approximately 1,000 submitters that voted for a change option:

- 252 voted for option 1 (note that this is not the same 252 that stated 'no change', although there is some overlap of about 60 submitters).
- 147 voted for option 2
- 296 voted for option 3
- 234 voted for option 4.
- 68 chose 'another option'.
- 745 chose options 2, 3, 4 or another option, meaning that around 60% of all 1209 submissions voted for these options and around 40% did not – a 60/40 split
- A little over 200 of the total submitters are not represented in this list. These are submitters who either chose 'no change' (the vast majority of the group) or haven't indicated either way.

5.4 Submitter comments

Comments and questions raised by submitters related to:

- Community representation and community voice – how would this be treated across all options?
- Potential for cost savings in all of the options
- The need for more information to help people understand the impact of the different options
- Wanting to see how the changes in Auckland are bedding in, with some suggesting that there were no major benefits from amalgamation in evidence yet
- The need to avoid the poacher-gamekeeper dilemma in any amalgamation of regional and local functions and ensuring there is a sufficient level of environmental protection.

The single most popular option amongst all submitters was in support of option 3 (30%), which would create two authorities, the first amalgamating the three Wairarapa Councils and the second combining the remaining existing councils with the removal of the Greater Wellington Regional Council.

No change

For those wanting the status quo, the key themes and questions include:

- What problem are we trying to solve – is change required?
- Wellington has bigger, more important issues to deal with
- Concern about the impact on democracy and lower representational ratios
- Potential rates increases
- Are larger organisations actually more efficient and effective?
- Dealing with a larger council may be more difficult and complicated
- Councils already work well together
- Potential loss of services
- Impact on local identity – how will community representation be protected?

Option 1

The major themes for submitters preferring option one were:

- Cost savings can be made without boundary changes
- The need for more information including about potential savings, potential costs of actual amalgamation before being able to consider other options
- That the Regional Council ensures the environment is protected and enhanced
- It retains representation at a local level
- That major change is too expensive.

There were 40 references to the importance of serving community needs, and retaining representation and access to councillors and services.

For those wanting no change, or option 1 (no boundary changes) but more shared services, submitters argued that there was no compelling reason for change. They also considered that there was less risk associated with pursuing more shared services because they can be developed incrementally and the results assessed at each stage, which is not possible when a major restructure is implemented altogether.

Option 2

The major reasons outlined by submitters preferring option 2 were that it:

- Builds on current strengths without losing identity
- Connects similar communities
- Would lead to greater rationalisation of administration, create cost savings and remove duplication
- Would encourage collaboration

- Makes geographical sense to join the Hutts, Wairapara and Wellington/Porirua - and potentially Kapiti, although many responders felt that Kapiti should make up their own minds
- Would lead to economies of scale/fewer councils/fewer chief executives and managers
- Represented a good incremental change, and could be an intermediate step, towards more amalgamation in the future.

Those expressing a preference for option 2 saw this option as building on current strengths without losing each community's identity, and that it connected similar communities. They saw option 2 as providing the best balance between reducing some layers of bureaucracy whilst retaining local control.

Option 3

Those favouring option 3 felt this model would lead to:

- Cost savings and efficiency - there were 51 references to cost saving made by those expressing a preference for this option
- Reduced rates
- Economies of scale
- Fewer councillors (an assumed cost saving)
- A reduction in bureaucracy
- Less duplication
- Consistency and more efficient use of resources.

A strong theme emerging from those supporting option 3 is that of the natural geographic boundary created by the Rimutaka ranges. The vast majority advocated for option 3 because of the natural boundary it draws upon and the strong cultural and social differences between the Wairarapa and the rest of the region - a sense of place naturally defined by geography and industry. Many acknowledged the dispersed rural nature of the region and the heavy primary-industry focus of the Wairarapa when compared to the more densely populated and urbanised Wellington, Porirua, Hutt and Upper Hutt cities.

Submitters also referred to the potential for a greater focus on economies of scale by amalgamating cities to the west of the Rimutakas drawing on aligned industries and commercial activity. Many noted that the Wairarapa's distinct rural industry and natural boundary align it more with its regional neighbours to the north.

Some submissions suggested that option 3 presented the best of both worlds in that amalgamation brings about economies of scale, while excluding the Wairarapa would ensure that Wellington's resources are focused on Wellington rather than subsidising other parts of the region, i.e. the Wairarapa.

Some submitters referred to a need to reduce duplication, which they consider to be factor with the current Territorial Authority/Regional Council model. They consider amalgamating the councils to the west of the Rimutaka ranges

will effectively and efficiently cast the appropriate jurisdiction over water catchment, regional transport and the natural area of environmental management.

Option Four

The key themes for supporters of option 4 were:

- Better management and efficiencies
- Standardisation of systems
- Less duplication
- Consistency of policies and a more cohesive approach
- The importance of having an integrated unitary governance model to set direction
- Efficiencies and reduced costs from having one organisation to deal with, for example for resource consents
- Local boards would provide effective local representation.

Many submitters felt strongly that option 4 was needed in order to have more influence over central government policy and decision making.

- There were 24 references to influence on central government in this option. Many of these expressed concern that the voice of Auckland was now much 'louder'
- Many felt a coordinated regional voice would mean a common view for the region and that it was more effective to have one voice when competing with Auckland and Christchurch

In relation to better planning and strategic direction, there were 50 references to co-ordination/direction setting and governance being more effective. There were also 31 references to more collaboration and shared services including many comments about removing duplication and providing a more cohesive approach. Submissions included 14 references to reducing bureaucracy, 32 references to reducing duplication, and 32 references to reducing rates.

Submitters comments can be summarised by the following quotes - *"Less bureaucracy. Less looking after our own patch. Better strategy vision"; "Better financial management with less double ups"; and "The Regional council has insufficient teeth/sway for its current unitary role"*.

'Other' Options

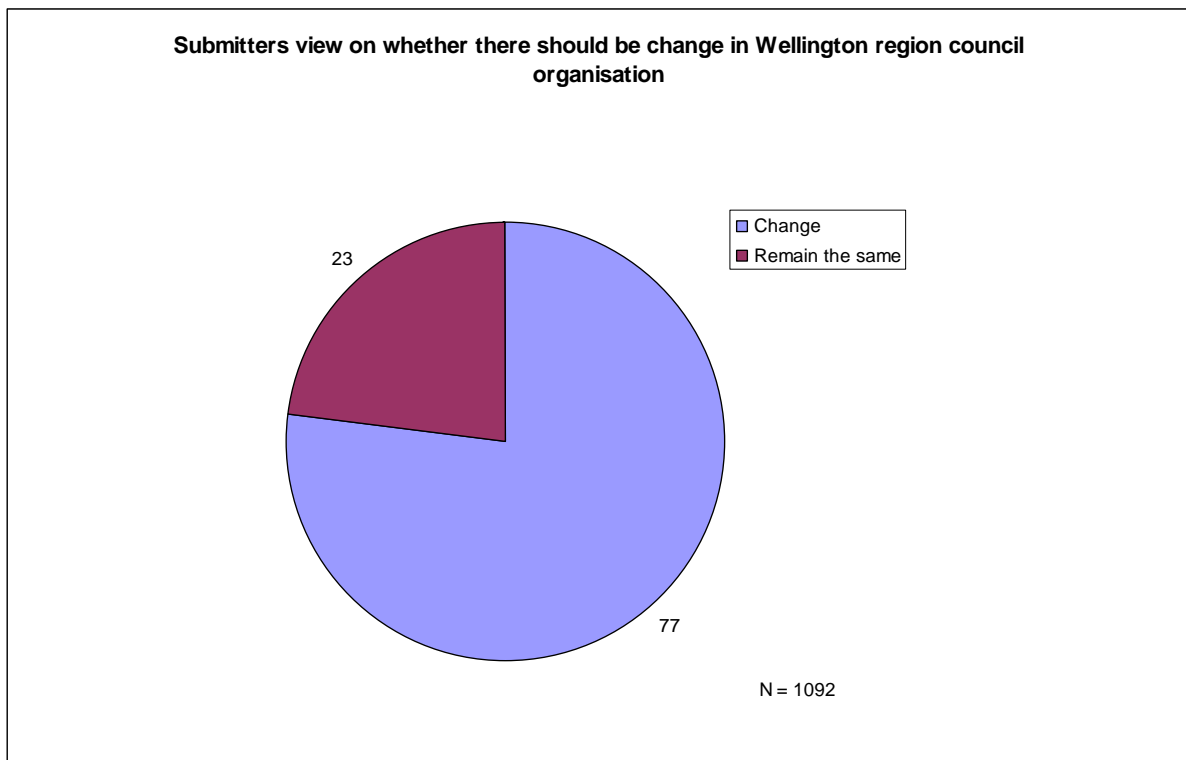
Alternative options offered by submitters included:

- A Single Council
 - A single council for the entire region with no subordinate organisations or community boards.
- Powerful Regional Council
 - Moving powers from local councils to the Regional Council while retaining existing council boundaries and scaling down the organisations under a modified option 1.
- Maori

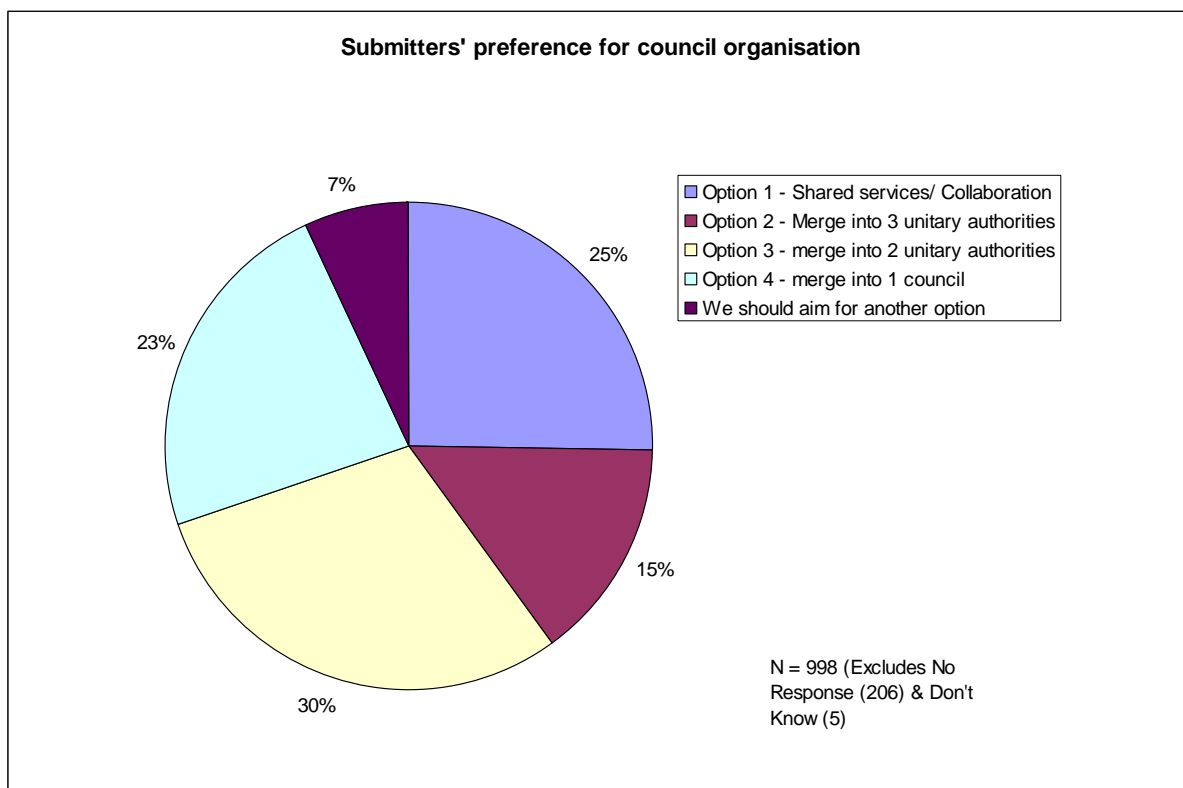
- A small number of submissions supported an alternative to the options which better addressed specific Maori representation issues.
- Incremental Change
 - One submission proposed to start with option 1, moving to option 2 after five years, and option 4 after a further five years, with community consent for each stage.
- One Council, Drop Kapiti
 - One submission proposed a modification to option 4 with the exclusion of Kapiti, while amalgamating all remaining councils within the current Wellington regional council boundaries.
- Others
 - One submitter proposed disestablishing local government entirely.
 - Another submitter proposed modelling Wellington’s future local government structures on the French model which he notes has 37,000 communes (municipal councils) for a population of 62 million, representing an average of one local authority for every 1,600 people. The submission notes that while there is significant variation between the various sizes of local authorities, mayors and councils possess the same powers.

Graph 1: Views on ‘Change’ versus ‘Remain the Same’

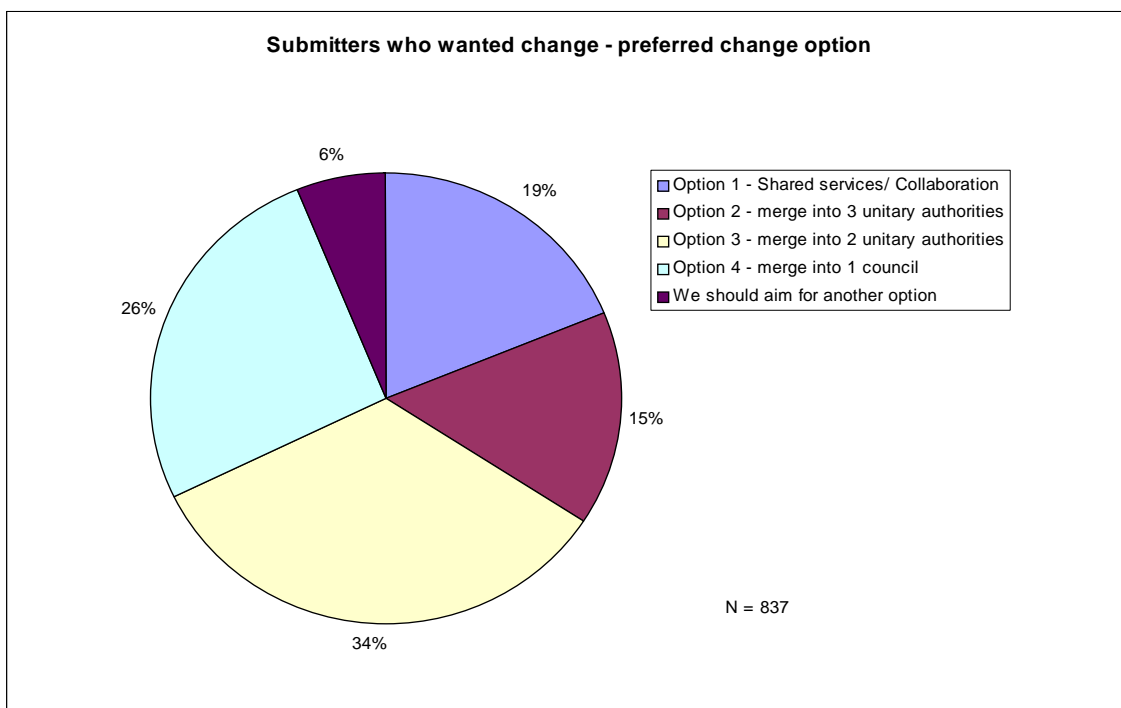
Submitters were asked to identify whether change should be made to the structure of local government in the region.



Graph 2: All submitters, including those who wish to remain the same, were asked to identify their preference from among the options, or whether they preferred to see other options developed.



Graph 3: Submitters who wanted to see some change were asked for their preferred change option.



A table summarising feedback from all submissions is **attached** as Appendix A.

5.5 Pacific Forum

Just over 80 people from the wider Pacific community participated in the Pacific Forum held on 2 May 2012.

Many of those attending felt they had insufficient information about the issues and the implications of any amalgamation to be able to respond fully. They also wanted to know how the Auckland amalgamation had impacted on its Pacifica community. Their questions, and the feedback and issues raised at the Forum, can be summarised as follows:

- Would there be savings and therefore lower rates?
- Would it mean better services/more services?
- How would it affect the Pacific Voice? Some thought it would be more effective because there would be larger numbers of Pacifica peoples, others were concerned about the potential loss of the Pacifica voice.
- How would it work for each of the four options? For example, shared services – what does that mean, what services?
- What are the likely consequences of each of the options?
- Joining with the Wairarapa made least sense.
- Option one, no boundary changes with shared services, was generally considered more acceptable than the other options.
- Highest concern was about potential loss of community based services and that smaller communities would find it hard to connect with a single Council.

Those in favour of change felt that amalgamation will:

- Be more efficient
- Mean less duplication
- Ensure consistency in charges and rules
- Allow the region to have one, bigger, voice
- Reduce bureaucracy
- Introduce new energy and diversity
- Build on the connections that already exist across the region.

Those who expressed a preference for no change were concerned that:

- The Pacific voice may get lost
- There are seven different cultures and the differences may be lost in dealings with a larger council
- Services important to their community may be cut
- Amalgamation would lead to lower levels of representation and less access to councillors
- Job losses would result

- Dealings with council may be more difficult and complicated, for example applications for grants.

5.6 Samoan Community Meeting and Submission

The Samoan community submitted to the Council as a collective. Significantly, this is the first time such a submission has been made on behalf of the community to any consultation process undertaken by Wellington City Council. The group's key issues (with direct quotes from their submission) include the following:

- The Community would not like to be deprived of the Pacific Advisory Group (PAG) if there is change in the future. They noted that they would like the Terms of Reference for PAG to be amended to “align closer to the governance level of the Council”.
- A ‘Community Board’ is not considered an option for the Samoan Community and they do not support any proposal to establish these.
- The Community believes that any change would see the services currently under the jurisdiction of Wellington City Council (Water, transport, Waste Management etc) being privatised and being less accountable to the public while raising the prospect of increased prices for the delivery of those services.
- Concern that the city “could be swallowed up” in a “conglomerate of change” resulting in Wellington “losing its character”. They noted that it was important for Wellington to retain its ‘uniqueness’ in any process of reform.
- Concern about reform and that “any change might bring in a multi-layer structure in relation to Governance and Management that would see our concerns, our issues and our people at the bottom of the heap”. They also noted that they wanted to ensure direct access to democratic representation through their elected representatives on Council.
- The potential negative impact on their community which is overrepresented in lower socio-economic statistics. They felt that any change and merger will undoubtedly mean job losses for some people including members of the Pacifica community.

These issues were reiterated at oral hearings by Anthony Leaupepe on behalf of the Samoan Community.

5.7 Ethnic Community Forum

The Ethnic Community Forum was held on 23 May 2012 with 72 participants.

Generally, participants supported some change but there were many questions about how:

- To make fair choices
- Policy would be coordinated across regions
- To keep local representation whilst maintaining face to face contact with councillors during the change process
- The political structure could be changed to be fair across the region but without too much negative impact at a local level.

A common question from participants was “why fix something that isn’t broken?”. It was felt that councils already worked well together and they did not need to be merged into one large council.

Attached as Appendix B is a summary of the feedback from the Ethnic Forum, which mirrors the comments made at other forums and in submissions.

5.8 Late Submission – Regional Public Health

Regional Public Health (RPH) serves the primary health needs of the greater Wellington region through its three District Health Boards (DHBs), Capital and Coast, Hutt Valley and Wairarapa DHBs. Their submission focuses on the proposition that any reform to the structures of local government in Wellington should also be mindful of the delivery of key services outside the local government sector but on which there is a reliance for integrated delivery and planning.

RPH’s analysis of the options released by WCC are guided by three key principles which themselves have a basis in proposed amendments to the Local Government Act currently being considered by Parliament. Those principles about decision-making include:

- Good quality decisions around the core functions of local government should be made at the level of the largest possible geographic area without approaching a national level. Such core functions include transport infrastructure management, water and the collection of rates
- Decisions around core functions that are specific to a particular neighbourhood should be made at a level as close as possible to that neighbourhood. Such functions include the maintenance of parks, open spaces or community centres
- Decisions on the allocation of resources to local boards should be based on a community need weightings basis.

The submission from RPH draws on both its understanding of the findings of the Royal Commission on Auckland Governance and the experiences in Auckland since amalgamation. The submission promotes the development and implementation of local boards and in relation to option 4 proposes that more than ten local boards are required.

In reference to integrated planning across, and with, the local government sector, the submission proposes that good decision-making requires a high degree of compatibility and interconnectedness. As such, its submission proposes that the existing regional council structure may usefully be empowered to make regional governance decisions, most notably around environmental management.

The RPH submission proposes the establishment of a single unitary authority with between 15 – 20 local boards. Consistent with its guiding analytical principles, the submission concludes that adequate delegations be made to local boards to focus on local issues with regional issues being left at the higher level

body. Copies of RPH's submission have been circulated separately to councillors.

5.9 Oral Hearings

Oral hearings were held on 31 July and 1 August 2012. Submitters included former and current regional councillors; Former Mayor Sir Michael Fowler; Royal Commission on Auckland Governance member Dame Margaret Bazley; residents' association representatives; community groups including the Wellington Council of Social Services and the Samoan Community; and members of the business sector Ian Cassels and Barrie Saunders.

Twenty eight of the submitters sought change, while eight indicated they wanted no change. Seven did not specify an option.

In relation to which option was chosen:

- 11 selected option one
- 5 selected option two
- 4 selected option three
- 7 selected option four
- 7 selected another option
- 9 did not specify an option.

Overall Themes

In comparison with overall submissions, oral submissions were more weighted towards change with two thirds seeking change. In addition, over half of all submitters voted for options 2, 3 or 4 compared to just under a third of those making an oral submission choosing these options.

The concerns about amalgamation raised during hearings included:

- Amalgamation being detrimental to communities of interest
- Single organisations not necessarily being more effective than many smaller representative bodies
- Any approach other than the status quo would be detrimental to the high quality low-ratio representation currently enjoyed in the Wellington region
- Wellington has bigger, more important issues to deal with than the form of its regional governance - reform at this time would be an unnecessary distraction.

Those in favour of change noted that:

- Communities of interest are not just about geography but they are where networks exist which lie across current council boundaries
- The Auckland model sets out a useful road map Wellington can follow, and its use of Local Boards successfully provided for local democratic representation
- Having strategic leadership in place was important for the region in light of competition for capital investment posed by Christchurch

- Full amalgamation would lead to increased economic growth.

6. Drivers for Change/Reasons to keep the Status Quo

Around 60% of submissions to Wellington City Council supported some form of change to current council boundaries, with the greatest support for the formation of two unitary authorities (option 3).

In contrast, 36% of respondents to the region-wide Colmar Brunton phone survey want changes to current local council boundaries, with most wanting three separate councils (option 2). The exception to this trend is in Wellington City where the biggest preference (for 26% of respondents) was for two large councils, and the Kapiti Coast where 30% preferred option 4 and 29% chose option 2.

For those seeking change the themes related to:

- Cost, efficiency and rates
 - Economies of scale
 - Rates reductions
 - Reducing duplication and bureaucracy
- Effectiveness
 - Coordinated regional voice and a common view of the region
 - Consistency in charges, rules and regulations
 - New energy and diversity
 - Ability to build on the connections that already exist across the region
 - Having strategic leadership in place is important for the region in light of competition for capital investment posed by Christchurch and Auckland
 - Full amalgamation will lead to increased economic growth
- Identity
 - Communities of interest are not just about geography but they are where networks exist which lie across current council boundaries
- Democracy and representation
 - Local Boards can successfully provide for local democratic representation

Reasons for keeping the status quo were:

- Is change required?
 - Why fix something that isn't broken – what problem are we trying to solve?
 - Wellington has bigger, more important issues to deal with – reform at this time would be an unnecessary distraction

- Democracy and representation
 - Lower representational ratios with limited access to councillors
 - Local Boards are not the best model to deliver effective local democratic representation
- Cost, efficiency and rates
 - Increased rates
 - Need to wait for Auckland's amalgamation to bed in to assess how well the model is working
- Effectiveness
 - Single, larger organisations are not necessarily more efficient or effective
 - Councils already work well together
 - Potential loss of services
 - Potential loss of community based services
 - Job losses likely
 - Dealings with a larger council may be more difficult and complicated
- Local Identity
 - Community representation and the community voice – how will this be protected?
 - It may negatively impact on specific communities, such as the Samoan community
 - The nuances of different communities may be lost in dealings with a larger council

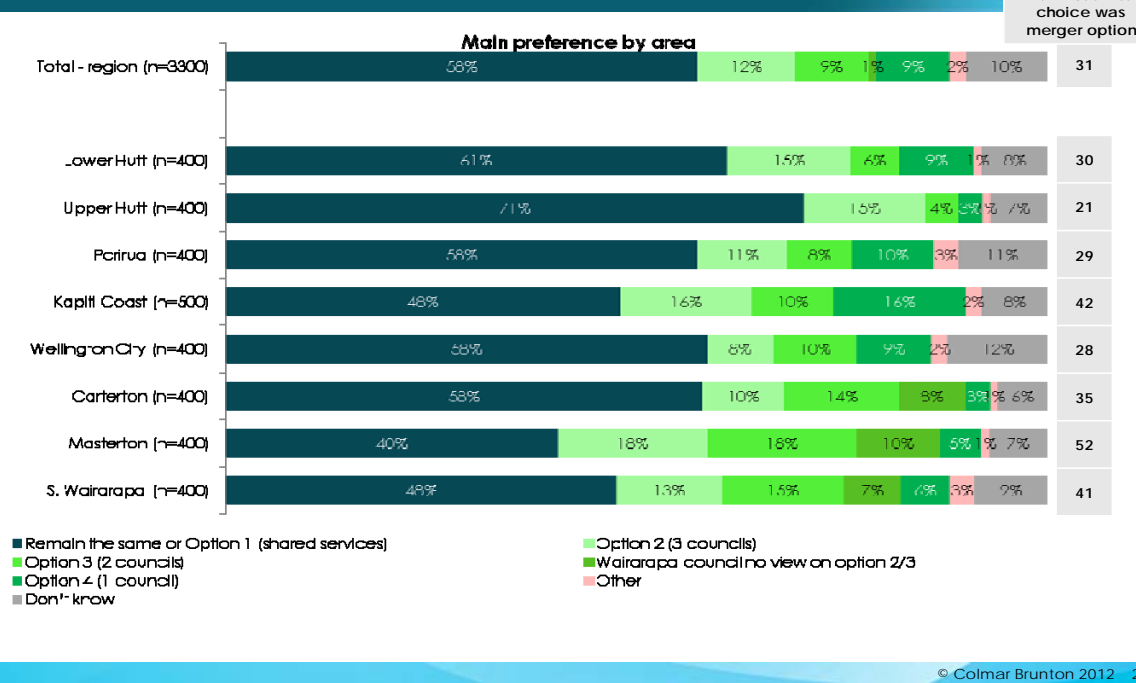
7. Colmar Brunton

3,300 people from across the Wellington region were surveyed by Colmar Brunton during June and July 2012. All local councils in the region took part in the survey, which was designed by Colmar Brunton and signed off by all participating councils.

A copy of the full Colmar Brunton report is **attached** as Appendix C.

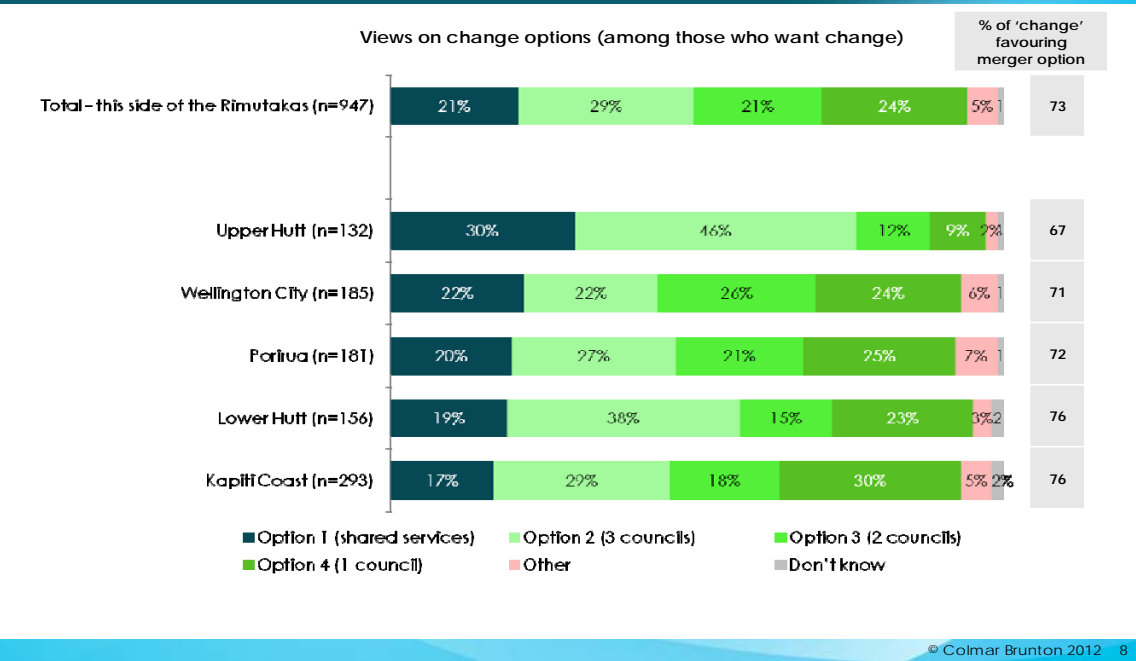
Overall Result (Combining status quo and those that want option one, which is the same councils with more shared services)

Looking at 'first choice' 58% of respondents across the region do not favour district/local authority boundary change (this varies by area). [The first dark-blue bar represents those who favour remaining the same and option 1 combined].

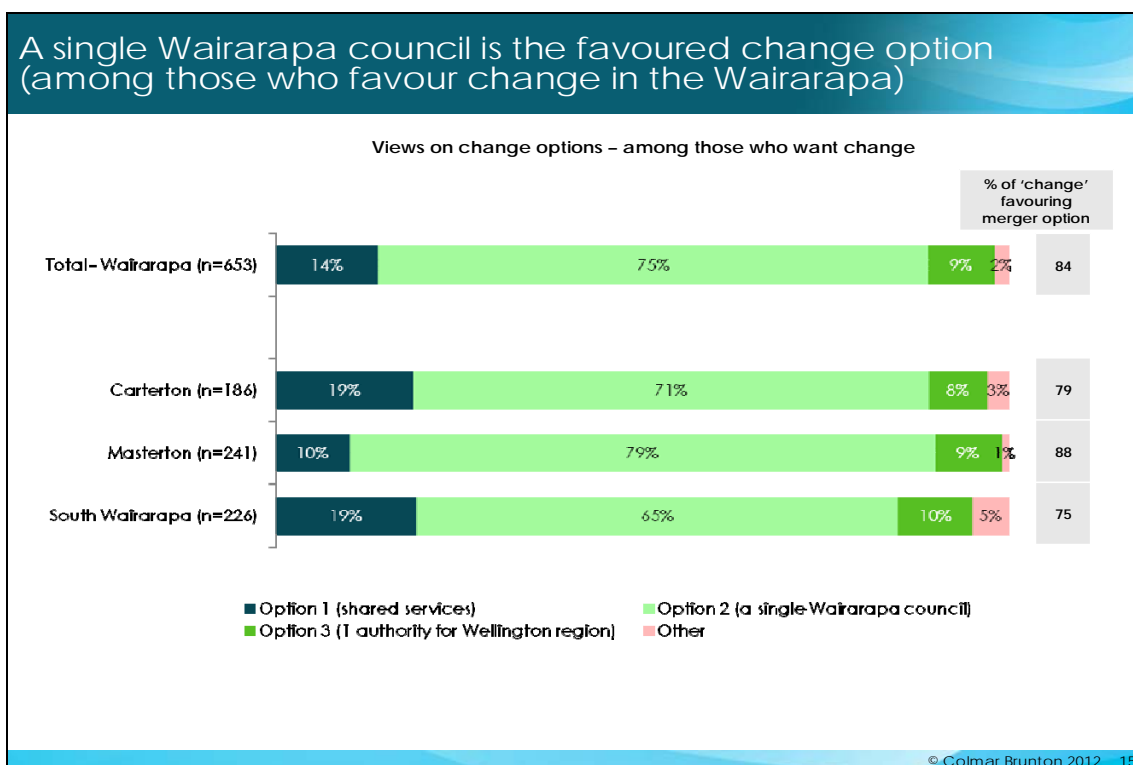


Respondents in Wellington, Porirua, Hutt, Upper Hutt and Kapiti that wanted to make changes to the existing arrangements were asked which option they preferred

There is a spread of opinions on what change would look like (among those who want change)



Respondents in the Wairarapa that wanted to make changes to the existing arrangements were also asked which option they preferred:¹



Results from the Colmar Brunton phone survey show:

- 58% of respondents want no changes to current local council boundaries
- 36% do want changes
- 9% are undecided
- 5% of residents in the Wairarapa want to be part of a region-wide ‘super city’.
- strong support for the ‘status quo’ arrangement of local authorities
- a clear constituency that want some form of change
- strong support in the Wairarapa for an amalgamated Wairarapa council – but virtually no appetite for it to be part of a regional ‘super-council’.

The survey results also indicate that the preferred form of change differed according to where a respondent lived. In Lower and Upper Hutt, option 2 was clearly preferred. In Kapiti opinion was evenly divided between options 2 and 4. In Wellington City option 3 was a narrow favourite, and in the Wairarapa there was overwhelming support for a single Wairarapa council amongst those who sought changes.

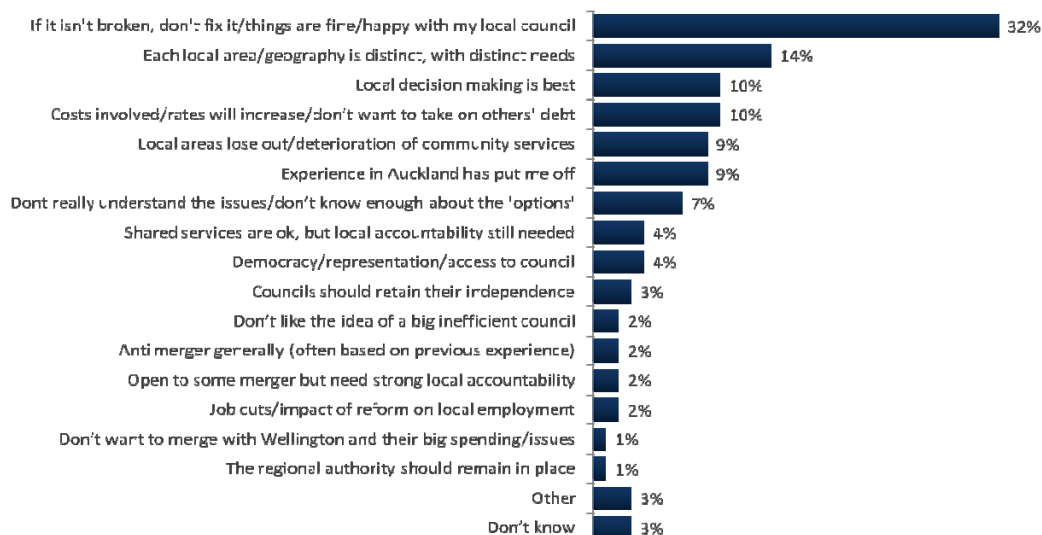
The following graphs set out the reasons why people chose the various options.

¹ Note that the numbering of the options in the Wairarapa differ from the numbering of the options for the other areas in the survey.

Main reason for choosing 'things should stay the same' - across the region

People saying 'things should stay the same' were asked for their 'main reason'. Across the region the most common reason was 'if it ain't broke, don't fix it' (these people often specifically mentioned that their local council does a good job). Other themes include local decision making, costs, and negative aspects of the Auckland experience.

Main reason for 'keeping things the same' across the region

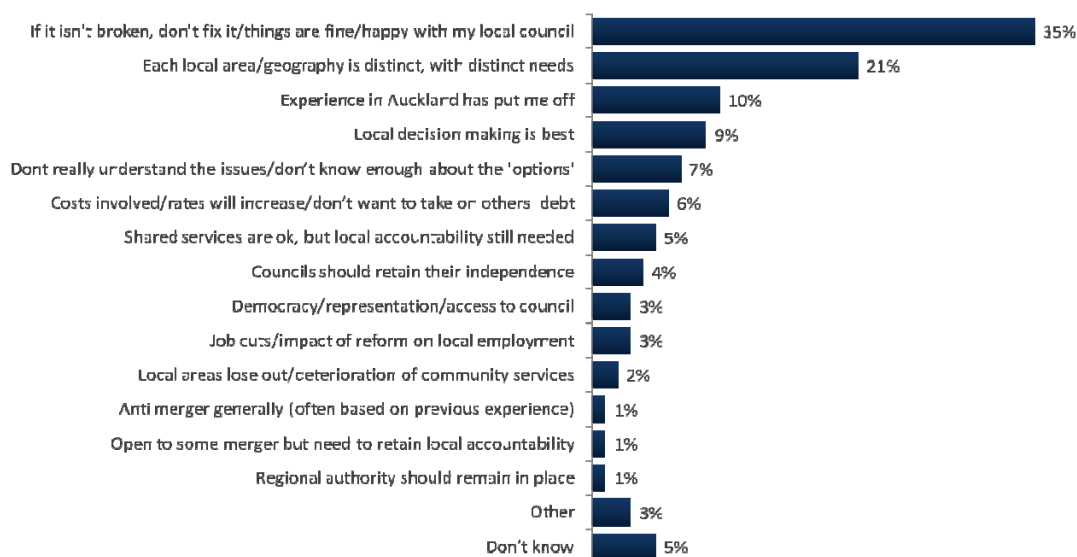


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Main reason for choosing 'things should stay the same' - in Wellington City

'Stay the same' people in Wellington City were more likely to say each local area is distinct with distinct needs, and that they were concerned about the impact of merger on local employment. (People in Wellington City were less likely to mention the impact on local/community services).

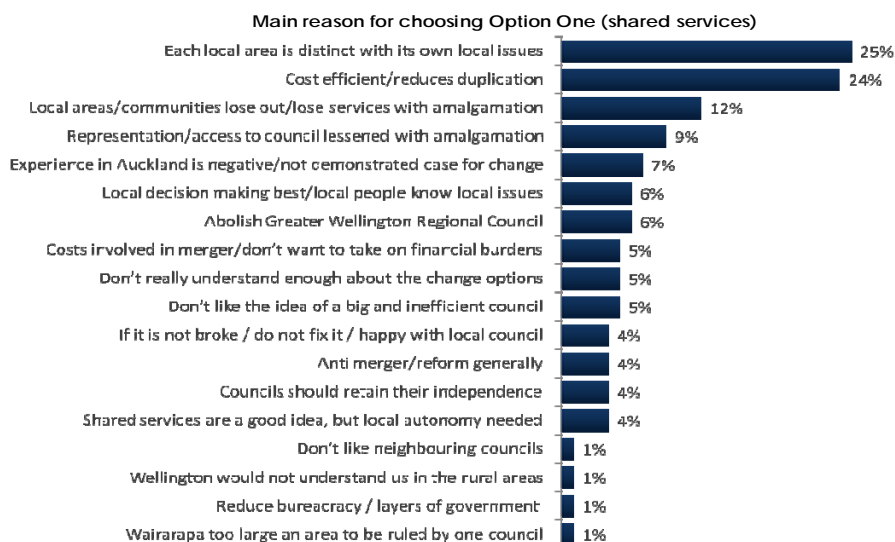
Main reason for 'keeping things the same' in Wellington City



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Reasons for choosing option 1 – across the region

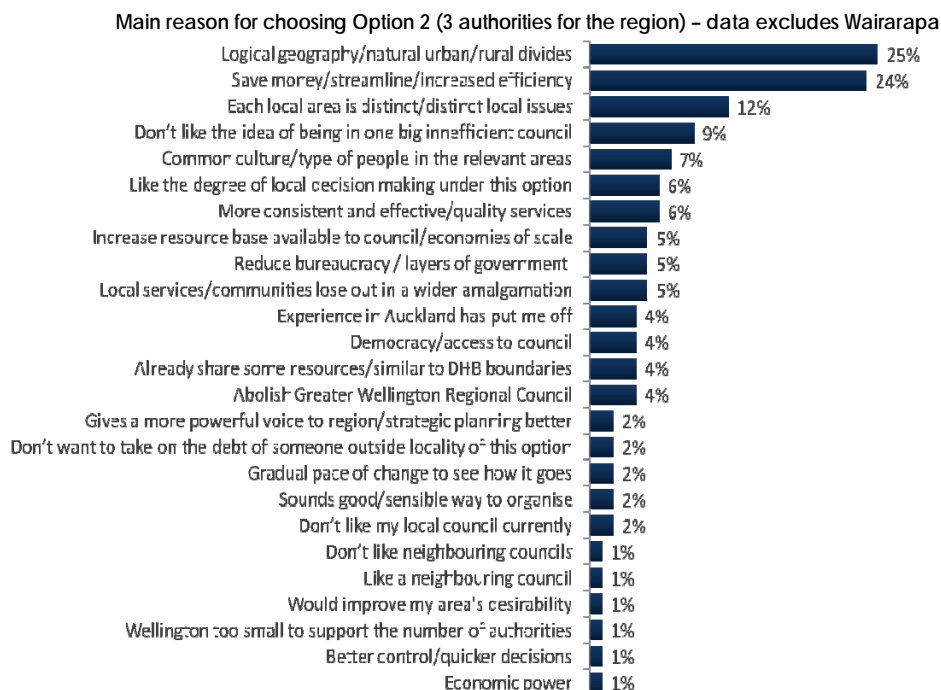
The two main themes for choosing option 1 (shared services) relate to councils needing to be local because each local area is distinct with its own issues and cost efficiencies to be gained through shared services.



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Reasons for choosing option 2 – excluding the Wairarapa

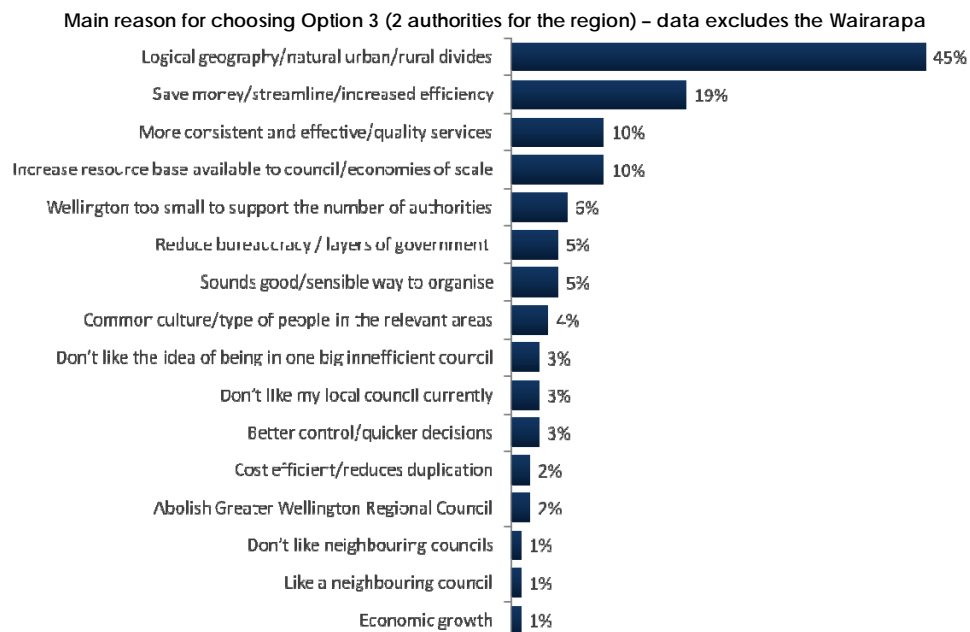
Most people choosing option 2 (3 councils) mainly did so for reasons relating to common geography and urban/rural split. The other big factor is to save money by streamlining the councils. (Data does not cover the Wairarapa because they were asked for their reasons for preferring a Wairarapa council rather than their reasons for preferring 'option 2').



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Reasons for choosing option 3 – excluding the Wairarapa

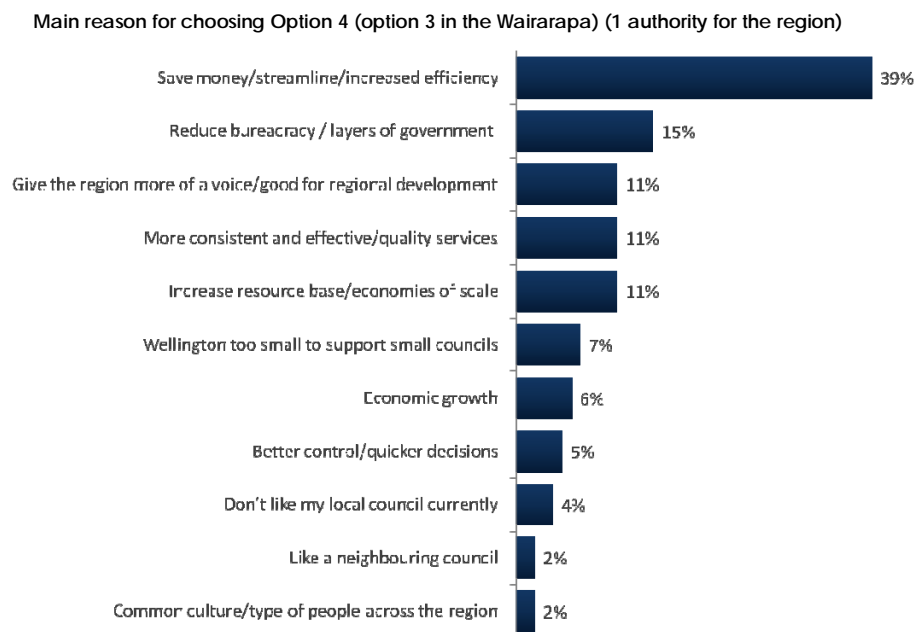
Similar to Option 2, most people choosing option 3 (2 authorities) did so because it seemed like a logical geographical division. The other big factor is to save money by streamlining the councils. (Data does not cover the Wairarapa because they were asked for their reasons for preferring a Wairarapa council rather than their reasons for preferring option 3).



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Reasons for choosing option 4 – across the region

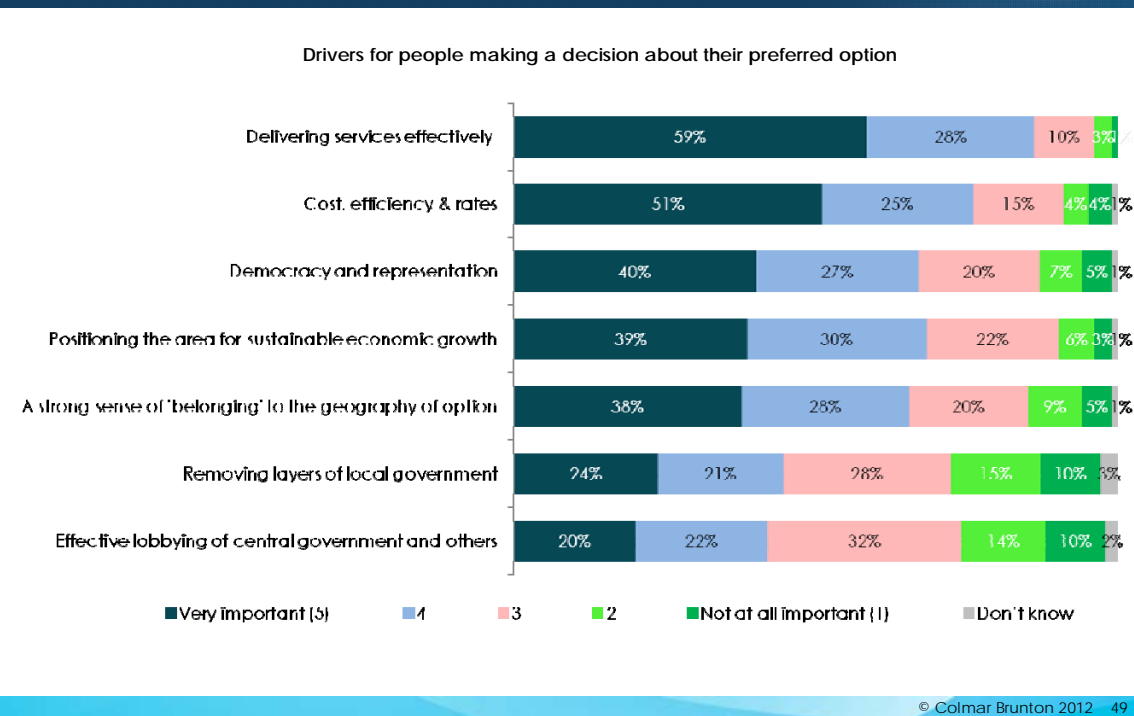
The main reason for choosing option 4 (one authority for the whole region - or option 3 in the Wairarapa) was to save money by increasing efficiency (39%).



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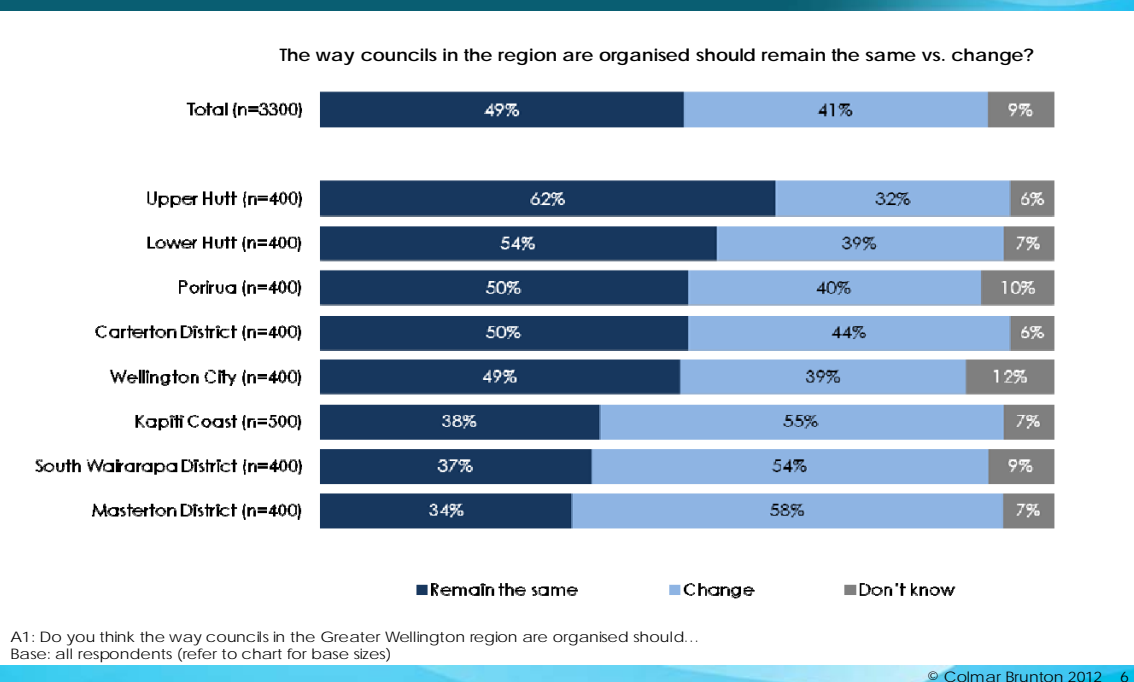
Most important factors by all people, regardless of option chosen, in relation to local government reform

At an overall level (regardless of option chosen), effective delivery of services is the most important factor for people considering the topic of local government reform. Cost, efficiency and rates is a close second. The drivers vary depending on peoples' preferences



Those who want the status quo v. those that want change (in this graph 'change' includes those that want option 1)

Views on change vs. remaining the same are reasonably evenly balanced. In Carterton there is no significant difference between same vs. change. Other areas have a slight preference one way or the other, but the difference is marginal (i.e. only just significant) in Wellington and Porirua.



8. Kapiti

When approving the release of Wellington City Council's consultation paper on governance in May 2012, Councillors asked that submitters consider the question of where Kapiti might sit under options 2 and 3. This question was not asked in the Colmar Brunton survey, which was jointly commissioned by all local councils in the region.

481 submitters to Wellington City Council's consultation document answered the question relating to Kapiti:

- All of Kapiti should remain part of the new Wellington Council = 262
- Only part of Kapiti should remain part of the new council = 55
- Kapiti should not remain in the new council = 66
- Other = 41
- Unsure = 57

Many submitters stated that a decision about whether Kapiti should remain part of the new Wellington Council should be left to Kapiti residents to decide.

Q. All of Kapiti should remain part of the new Wellington Council = 262

Reasons given by submitters include:

- Should not divide the community/its a natural coastal corridor
- The greater Wellington region will benefit from the provision of integrated infrastructure of core services
- Excluding Kapiti will make it difficult for planning transportation, sharing resources and generating future growth
- this area is forecast to grow and its centre of interest will become more orientated to Wellington
- Kapiti is part of Greater Wellington, with many thousands travelling into the CBD to work every day
- Many people from Kapiti use services provided by Wellington city
- Why single out Kapiti?

Q. Only part of Kapiti should remain part of the new council = 55

Reasons given by submitters include:

- Kapiti is urban/rural, is too far away and it would be a bitter fit with the Horowhenua and help contribute to that region's development - or the Manawatu region
- Little synergy with the 'city' options - Kapiti has a large retired population with very different needs
- There are logical geographical separation points either between Pukerua Bay and Paekakariki or between Waikanae and Otaki
- Kapiti needs to sort out its own water supply problems.

Q. Kapiti should not remain in the new council = 66

Reasons given by submitters include:

- The urban parts of Kapiti (Waikanae southwards) are part of Wellington, while the rural parts have a better fit with Horowhenua or Manawatu.

Q. Other = 41

Reasons given by submitters include:

- Kapiti is geographically separated and should not be part of the Wellington region
- Waikanae south should remain part of Wellington because they share a community of interest and services including rail, road and hospitals
- Assume Kapiti is predominantly urban, despite it being rural in size, so its needs are more 'urban' in terms of planning and management
- Focus needs to be on economic development
- Why is this an issue?
- If more than 20% of people in Kapiti work in Wellington, it should remain in Wellington, if not may have more in common with Horowhenua

Kapiti Coast District Council submissions

Kapiti Coast District Council received 878 postal and online submissions. Forty one submitters suggested an alternative option to those proposed. Of these, only 13 suggested that there be further consideration for Kapiti to look northwards, or that Kapiti should join the Horowhenua region.

9. Reporting

9.1 Financial considerations

There are no immediate financial implications in this proposal.

9.2 Climate change impacts and considerations

There are no climate change implications in this proposal.

9.3 Long-term plan considerations

There are no immediate Long Term Plan implications. If reform does occur, the new entities would be required to develop new plans for their new areas.

10. Conclusion

The results indicate that people across the region have a wide divergence of views about whether change is needed, and if so, what form that change might take. The consultation has uncovered the key issues, drivers and concerns for residents and organisations.

Officers propose to provide a comparative analysis across the four options based on these key issues and the criteria established for the Local Government

Commission, with a view to assessing if a preferred option emerges that adequately responds to the issues raised will be key for gaining greater acceptance across the region.

Contact Officers: *Allan Prangnell, Executive Strategist and Elise Webster, Senior Strategy Adviser*